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DRAFT RED HERRING PROSPECTUS
Dated August 22, 2023
(*This Draft Red Herring Prospectus will be updated upon filing with the RoC*)
Please read Section 32 of the Companies Act, 2013
100% Book Built Offer

JNK INDIA LIMITED

CORPORATE IDENTITY NUMBER: U29268MH2010PLC204223

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE
Unit No. 203, 204, 205 & 206, Opposite. TMC Office Centrum IT Park, Near Satkar Hotel, Thane -West, Thane 400 604, Maharashtra, India	**Ashish Soni** Company Secretary and Compliance Officer	+ 91-22 6885 8000 compliance@jnkindia.com	www.jnkindia.com

OUR PROMOTERS: MASCOT CAPITAL AND MARKETING PRIVATE LIMITED, JNK HEATERS CO. LTD, ARVIND KAMATH, GOUTAM RAMPELLI AND DIPAK KACHARULAL BHARUKA

DETAILS OF THE OFFER

Type	Fresh Issue^	Offer for Sale	Total Offer^	Eligibility and share reservations among QIBs, NIIs and RIIs
Fresh Issue and Offer for Sale	Up to [●] Equity Shares aggregating up to ₹ 3,000.00 million	Up to 8,421,052 Equity Shares aggregating up to ₹ [●] million	Up to [●] Equity Shares aggregating up to ₹ [●] million	The Offer is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**"). For further details, see "***Other Regulatory and Statutory Disclosures – Eligibility for the Offer***" on page 330. For details of share reservation among QIBs, NIIs and RIIs, see "***Offer Structure***" on page 350.

DETAILS OF THE OFFER FOR SALE

Name of Selling Shareholders	Type	No. of Equity Shares Offered	WACA per Equity Share (1)(in ₹)
Goutam Rampelli	Promoter Selling Shareholder	1,007,169	0.13
Dipak Kacharulal Bharuka	Promoter Selling Shareholder	867,284	0.19
JNK Heaters Co. Ltd	Promoter Selling Shareholder	2,182,200	0.13
Mascot Capital and Marketing Private Limited	Promoter Selling Shareholder	3,944,746	0.13
Milind Joshi	Individual Selling Shareholder	419,653	4.38

(1) *As certified by Statutory Auditor pursuant to the certificate dated August 22, 2023*

RISKS IN RELATION TO THE FIRST OFFER

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 our Equity Share is ₹ 2 each and the Floor Price and Cap Price are [●] times and [●] times of the face value of the Equity Shares, respectively. The Floor Price, Cap Price and the Offer Price (as determined and justified by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, in accordance with SEBI ICDR Regulations, and as stated in "***Basis for Offer Price***" on page 100) 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 an active and/ or sustained trading in the Equity Shares or 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 the Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by the SEBI, nor does the SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 28.

ISSUER'S AND SELLING SHAREHOLDERS' 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 Offer, which is material in the context of the Offer, 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. Further, each Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only statements and undertakings expressly made by such Selling Shareholder in this Draft Red Herring Prospectus solely in relation to itself and its respective portion of the Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. None of the Selling Shareholders assumes any responsibility for any other statement in this Draft Red Herring Prospectus, including, *inter alia*, any of the statements made by or relating to our Company or our Company's business or any other Selling Shareholder or any other person.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", and together with BSE, the "**Stock Exchanges**"). For the purposes of the Offer, [●] is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

NAME AND LOGO		CONTACT PERSON	TELEPHONE AND E-MAIL
	IIFL Securities Limited	Mukesh Garg/Pawan Jain	**Tel**: +91 22 4646 4728 **E-mail**: jnk.ipo@iiflcap.com
	ICICI Securities Limited	Namrata Ravasia/ Harsh Thakkar	**Tel:** +91 22 6807 7100 **E-mail**: jnk.ipo@icicisecurities.com

REGISTRAR TO THE OFFER

Link Intime India Private Limited	**Contact person**: Shanti Gopalkrishnan	**Tel**: + 91 22 4918 6000; **E-mail**: jnkindia.ipo@linkintime.co.in

BID/OFFER PERIOD

Anchor Investor Bidding Date**	[●]	Bid/Offer Opens On**	[●]	Bid/Offer Closes On@#	[●]

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

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

^ *Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement (as defined hereinafter). If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to Offer complying with Rule 19(2)(b) of the SCRR.*

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

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DRAFT RED HERRING PROSPECTUS
Dated August 22, 2023.
(*This Draft Red Herring Prospectus will be updated upon filing with the RoC*)
Please read Section 32 of the Companies Act, 2013
100% Book Built Offer

JNK INDIA LIMITED

Our Company was incorporated as "JNK India Private Limited", a private limited company under the Companies Act, 1956 in Thane, Maharashtra, pursuant to a certificate of incorporation dated June 14, 2010, granted by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). Pursuant to the conversion of our Company from a private limited company into a public limited company and as approved by our Board on April 12, 2023, and a special resolution passed by our Shareholders at the EGM on April 14, 2023, the name of our Company was changed to "JNK India Limited", and the RoC issued a fresh certificate of incorporation on May 26, 2023. For details of change in the Registered Office, see "***History and Certain Corporate Matters – Changes in the Registered Office***" on page 180.

Registered and Corporate Office: Unit No. 203, 204, 205 & 206, Opposite TMC Office Centrum IT Park, Near Satkar Hotel, Thane -West, Thane 400 604, Maharashtra, India **Tel:** +91 22 6885 8000
Contact Person: Ashish Soni, Company Secretary and Compliance Officer; **Tel:** + 91 22 6885 8000.
E-mail: compliance@jnkindia.com; **Website** www.jnkindia.com; **Corporate Identity Number: U29268MH2010PLC204223**

OUR PROMOTERS: MASCOT CAPITAL AND MARKETING PRIVATE LIMITED, JNK HEATERS CO. LTD, ARVIND KAMATH, GOUTAM RAMPELLI AND DIPAK KACHARULAL BHARUKA

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH ("EQUITY SHARES") OF JNK INDIA LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER"), COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 3,000.00 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 8,421,052 EQUITY SHARES (THE "OFFERED SHARES") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER FOR SALE"), COMPRISING UP TO 1,007,169 EQUITY SHARES BY GOUTAM RAMPELLI AGGREGATING UP TO ₹ [●] MILLION, UP TO 867,284 EQUITY SHARES BY DIPAK KACHARULAL BHARUKA AGGREGATING UP TO ₹ [●] MILLION, UP TO 2,182,200 EQUITY SHARES BY JNK HEATERS CO. LTD ("JNK HEATERS") AGGREGATING UP TO ₹ [●] MILLION AND UP TO 3,944,746 EQUITY SHARES BY MASCOT CAPITAL AND MARKETING PRIVATE LIMITED ("MASCOT CAPITAL") AGGREGATING UP TO ₹ [●] MILLION (THE "PROMOTER SELLING SHAREHOLDERS") AND UP TO 419,653 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY MILIND JOSHI ("INDIVIDUAL SELLING SHAREHOLDER", COLLECTIVELY, THE "SELLING SHAREHOLDERS") . THE OFFER WILL CONSTITUTE [●] % OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, MAY CONSIDER ISSUE OF SPECIFIED SECURITIES AS MAY BE PERMITTED UNDER THE APPLICABLE LAW, AGGREGATING UP TO ₹ 600.00 MILLION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC (THE "PRE-IPO PLACEMENT"). THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DETERMINED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO OFFER COMPLIYING WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED (THE "SCRR"). ON UTILIZATION OF PRE-IPO PLACEMENT PROCEEDS (IF ANY) PRIOR TO THE COMPLETION OF THE OFFER, IT SHALL BE APPROPRIATELY INTIMATED TO THE PRE-IPO PLACEMENT SUBSCRIBERS THAT THERE IS NO GUARANTEE THAT THE OFFER MAY BE SUCCESSFUL AND RESULT INTO LISTING OF THE EQUITY SHARES OF OUR COMPANY ON THE STOCK EXCHANGE.

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 2 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY OUR COMPANY AND THE PROMOTER SELLING SHAREHOLDERS IN CONSULTATION WITH THE BRLMS AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED MARATHI DAILY NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE STOCK EXCHANGES FOR UPLOADING ON THEIR RESPECTIVE WEBSITES 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/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. In cases of *force majeure*, banking strike or similar circumstances, our Company and the Promoter Selling Shareholders in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank(s).

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**"), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company and the Promoter Selling Shareholders in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis, in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**"). In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (the "**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors ("**Non-Institutional Category**") of which one-third of the Non-Institutional Category shall be available for allocation to Non-Institutional Category with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Category shall be available for allocation to Non-Institutional Category with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of the Non-Institutional Category may be allocated to Bidders in the other sub-category of the Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Investors ("**Retail Category**"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("**ASBA**") process and shall provide details of their respective bank account (including UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter) in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or pursuant to the UPI Mechanism, as the case may be. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "***Offer Procedure***" on page 353.

RISKS IN RELATION TO THE FIRST OFFER

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 Share is ₹ 2 each and the Floor Price and Cap Price are [●] times and [●] times of the face value of the Equity Shares, respectively. The Offer Price/Floor Price/Cap Price, as determined and justified by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations and as stated in "***Basis for Offer Price***" on page 100, should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/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 Offer 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 this Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and the Offer, 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 the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 28.

ISSUER'S AND THE SELLING SHAREHOLDERS' 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 Offer, which is material in the context of the Offer, 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. Each Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only statements and undertakings expressly made by such Selling Shareholder in this Draft Red Herring Prospectus solely in relation to itself and its respective portion of the Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. None of the Selling Shareholders assumes any responsibility for any other statement in this Draft Red Herring Prospectus, including, *inter alia*, any of the statements made by or relating to our Company or our Company's business or any other Selling Shareholder or any other person.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "***Material Contracts and Documents for Inspection***" on page 418.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
IIFL Securities Limited 10th Floor, IIFL Centre, Kamala City Senapati Bapat Marg Lower Parel (W), Mumbai 400 013 Maharashtra, India **Tel:** +91 22 4646 4728 **E-mail:** jnk.ipo@iiflcap.com **Investor grievance e-mail:** ig.ib@iiflcap.com **Website:** www.iiflcap.com **Contact person:** Mukesh Garg/ Pawan Jain **SEBI registration no.:** INM000010940	**ICICI Securities Limited** ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025 Maharashtra, India **Tel:** +91 22 6807 7100 **E-mail:** jnk.ipo@icicisecurities.com **Investor grievance e-mail:** customercare@icicisecurities.com **Website:** www.icicisecurities.com **Contact person:** Namrata Ravasia/ Harsh Thakkar **SEBI registration no.:** INM000011179	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli West Mumbai 400 083 Maharashtra, India **Tel:** +91 810 811 4949 **E-mail:** jnkindia.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Investor grievance e-mail:** jnkindia.ipo@linkintime.co.in **Contact person:** Shanti Gopalkrishnan **SEBI Registration No.:** INR000004058

BID/ OFFER PROGRAMME

Anchor Investor Bidding Date (1)	[●]	Bid/ Offer opens on (1)	[●]	Bid/ Offer closes on (2)	[●]

(1) Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Offer Opening Date.
(2) Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may decide to close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date, in accordance with the SEBI ICDR Regulations.

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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 or clarification shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarification as amended and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the 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. Unless the context otherwise requires, all references to 'we', 'us' and 'our' are to our Company and our Subsidiaries, on a consolidated basis.

*Notwithstanding the foregoing, terms in '**Statement of Possible Special Tax Benefits**', '**Industry Overview**', '**Key Industry Regulations and Policies in India**', '**Financial Information**', '**Outstanding Litigation and Material Developments**' and '**Main Provisions of the Articles of Association**', beginning on pages 107, 111, 177, 221, 321 and 373, respectively, will have the meaning ascribed to such terms in those respective sections.*

Company Related Terms

Term	Description
Articles of Association / AoA / Articles	Articles of association of our Company, as amended
Audit Committee	The audit committee of our Board, as described in "***Our Management – Board Committees – Audit Committee***" on page 202
Auditors / Statutory Auditor	Statutory auditor of our Company, namely, M/s CVK & Associates
Bank Guarantees	Includes security deposits (or contract performance guarantee), performance bank guarantee, bid bond guarantee and advance bank guarantee provided by our Company in relation to projects
Board / Board of Directors	Board of directors of our Company (including any duly constituted committee thereof)
Chairperson	The chairperson of our Company, namely Arvind Kamath
Chief Financial Officer	The chief financial officer of our Company, namely Pravin Vyankatesh Sathe
Co-operation Agreement	Agreement dated May 17, 2023, entered into by and between our Company and JNK Heaters which governs our relationship in relation to, amongst others marketing and geography of operations
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, namely Ashish Soni
Contracting Customers	Customers of our Company who cater to the companies who have contracted with companies which own and operate oil and gas refineries, petrochemical complexes, fertilizer plants or other chemical plants i.e., asset owners / manufacturers for engineering, procurement and construction of either full or part of their oil and gas refineries, petrochemical complex, fertilizer plants or other chemical plants.
Corporate Promoters	The Corporate Promoters of our Company are Mascot Capital and Marketing Private Limited and JNK Heaters Co. Ltd
CSR Committee	The corporate social responsibility committee of our Board, as described in "***Our Management – Board Committees – Corporate Social Responsibility Committee***" on page 207
Customers	Together, Contracting Customers and End Customers
Director(s)	Director(s) on our Board
Dividend Policy	The dividend distribution policy of our Company which was approved and adopted by our Board on June 9, 2023.
End Customers	Customers of our Company who own and operate oil and gas refineries, petrochemical complexes, fertilizer plants or other chemical plants i.e., asset owners / manufacturers
Equity Shares	Equity shares of our Company of face value of ₹ 2 each
ESOP 2022	JNK Employees Stock Option Plan, 2022
F&S Report	The report titled "*Opportunities in Heating Equipment, Waste Gas Handling/Emission, Control Systems, and Renewable Energy Systems*" dated August 14, 2023
Frost and Sullivan	Frost and Sullivan (India) Private Limited
Group Companies	Our group companies identified in accordance with SEBI ICDR Regulations and in accordance with our Materiality Policy, as identified in "***Group Companies***" on page 218
Independent Directors	Non-executive independent directors of our Company and as disclosed in "***Our***

Term	Description
	Management – Our Board" on page 195
Individual Promoters	The Individual Promoters of our Company are Arvind Kamath, Goutam Rampelli and Dipak Kacharulal Bharuka
Individual Selling Shareholder	Milind Joshi
JNK Heaters	JNK Heaters Co. Ltd incorporated in Republic of South Korea
Key Managerial Personnel or KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and/or Companies Act, 2013, as applicable, and as disclosed in "***Our Management – Key Managerial Personnel and Senior Management***" on page 209
Mascot Capital	Mascot Capital and Marketing Private Limited
Materiality Policy	The policy adopted by our Board in its meeting dated July 27, 2023, for identification of Group Companies, material outstanding litigation and material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations
Memorandum of Association or MoA	Memorandum of association of our Company, as amended
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in "***Our Management – Board Committees – Nomination and Remuneration Committee***" on page 205
Non-Executive Directors	Non-executive directors of our Company and as disclosed in "***Our Management – Board***" on page 195
Order Book	Our Company's order book as of a particular date is calculated based on the aggregate contract value of our on-going projects as of such date reduced by the value of work executed by us until such date, subject to certain adjustments including foreign exchange fluctuations and other contractual terms
Promoters	Collectively, Individual Promoters and Corporate Promoters
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in "***Our Promoter and Promoter Group – Promoter Group***" beginning on page 215
Promoter Selling Shareholders	Goutam Rampelli, Dipak Kacharulal Bharuka, Mascot Capital and Marketing Private Limited, and JNK Heaters Co. Ltd
Registered and Corporate Office or Registered Office	Unit No. 203, 204, 205 & 206, Opposite TMC Office Centrum IT Park, Near Satkar Hotel, Thane -West, Thane 400 604, Maharashtra, India
Registrar of Companies / RoC	Registrar of Companies, Maharashtra at Mumbai
Restated Consolidated Financial Information	Comprising the restated consolidated statements of assets and liabilities as at March 31, 2023, March 31, 2022 and March 31, 2021, restated consolidated statements of profit and loss (including other comprehensive income), restated consolidated statements of changes in equity, restated consolidated statements of cash flows for the March 31, 2023, March 31, 2022 and March 31, 2021 and the summary statement of significant accounting policies, and other explanatory information prepared by the Company in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
Risk Management Committee	The risk management committee of our Board, as described in "***Our Management – Board Committees – Risk Management Committee***" on page 208
Senior Management	Senior management of our Company in terms of the SEBI ICDR Regulations and as disclosed in "***Our Management – Key Managerial Personnel and Senior Management***" on page 209
Selling Shareholders	Together, Individual Selling Shareholder and the Promoter Selling Shareholders
Shareholder(s)	The holders of equity shares of our Company, from time to time
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board, as described in "***Our Management – Stakeholders' Relationship Committee***" on page 206
Subsidiaries	The subsidiaries of our Company, as described in "***History and Certain Corporate Matters – Subsidiaries***" on page 193
Whole Time Director	Whole Time Directors of our Company and as disclosed in "***Our Management – Board***" on page 195

Offer 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 the relevant Designated Intermediary(ies) to the Bidder as proof of registration of the Bid cum Application Form.
Allot/ Allotment/ Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to

Term	Description
	the transfer of the Offered Shares pursuant to the Offer for Sale to successful Bidders.
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the Equity Shares are Allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with SEBI ICDR Regulations and the Red Herring Prospectus, and who has Bid for an amount of at least ₹ 100 million.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors according to the terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company and the Promoter Selling Shareholders in consultation with the BRLMs on the Anchor Investor Bidding Date.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bidding Date	The date, one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which BRLMs will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Promoter Selling Shareholders in consultation with the BRLMs.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/ Offer Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Promoter Selling Shareholders in consultation with the BRLMs, to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, 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 Anchor Investor Allocation Price.
ASBA or Application Supported by Blocked Amount	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising an SCSB to block the Bid Amount in the relevant 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 Bidder 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 Bidders	All Bidders except Anchor Investors.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Collectively, the Escrow Collection Bank, the Refund Bank, the Public Offer Account Bank and the Sponsor Bank(s)
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, described in "***Offer Procedure***" on page 353
Bid(s)	An indication by an ASBA Bidder to make an offer during the Bid/Offer Period pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor Investor Application Form, to subscribe to or purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term '**Bidding**' shall be construed accordingly.

Term	Description
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form, and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Offer, as applicable. In the case of Retail Individual Investors Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Investors and mentioned in the Bid cum Application Form.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located), and in case of any revision, the extended Bid/Offer Closing Date shall also be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to the Designated Intermediaries and Sponsor Bank(s), as required under the SEBI ICDR Regulations. Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may 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.
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located), and in case of any revision, the extended Bid/ Offer Period also be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to the Designated Intermediaries and Sponsor Bank(s), as required under the SEBI ICDR Regulations.
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided 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 Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Members of 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 Offer is being made.
Book Running Lead Managers / BRLMs	The book running lead managers to the Offer, being IIFL and I-Sec
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker, provided that the UPI Bidders may only submit ASBA Forms at such broker centres if they are Bidding using the UPI Mechanism. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer 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.
Cash Escrow and Sponsor Bank	The agreement to be entered into amongst our Company, the Selling Shareholders, the

Term	Description
Agreement	Syndicate Members, the Registrar to the Offer, the BRLMs and the Banker(s) to the Offer for, among other things, appointment of the Sponsor Bank(s), collection of the Bid Amounts from the Anchor Investors, transfer of funds to the Public Offer Account, and where applicable, remitting refunds, if any, to such Bidders, on the terms and conditions thereof.
CDP / Collecting Depository Participant	A depository participant as defined under the Depositories Act registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI as per the lists available on the websites of the BSE and the NSE.
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account.
Cut-Off Price	Offer Price, which shall be any price within the Price Band, finalised by our Company and the Promoter Selling Shareholders in consultation with the BRLMs. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Cut-Off Time	For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on after the Bid/Issue Closing Date.
Demographic Details	The details of the Bidders including the Bidder’s address, name of the Bidder’s father/husband, investor status, occupation, bank account details and UPI ID, as applicable.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively,) as updated from time to time.
Designated Date	The date on which the funds from the Escrow Account(s) are transferred to the Public Offer Account(s) or the Refund Account, as appropriate, and the relevant amounts blocked in the ASBA Accounts are transferred to the Public Offer Account(s) and/or are unblocked, as applicable, in terms of the Red Herring Prospectus and the Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Equity Shares will be Allotted in the Offer.
Designated Intermediary(ies)	In relation to ASBA Forms submitted by RIIs and Non-Institutional Investors bidding with an application size of up to ₹500,000 (not using the UPI Mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs In relation to ASBA Forms submitted by QIBs and Non-Institutional Investors (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where ASBA Bidders can submit the ASBA Forms to RTAs The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively) as updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms used by the Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, updated from time to time, or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus dated August 22, 2023, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any

Term	Description
	addenda or corrigenda thereto
Eligible FPI	FPIs from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitute an invitation to purchase the Equity Shares.
Eligible NRI	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid Cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank and in whose favour Anchor Investors will transfer the money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount while submitting a Bid.
Escrow Collection Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, and with whom the Escrow Accounts in relation to the Offer for Bids by Anchor Investors will be opened, in this case being [●].
First or Sole Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (lll) of the SEBI ICDR Regulations.
Fresh Issue	Fresh issue of up to [●] Equity Shares aggregating up to ₹ 3,000.00 million by our Company. For further information, see "***The Offer***" on page 60. Our Company in consultation with the BRLMs, may consider a Pre-IPO Placement of specified securities, as may be permitted under the applicable law, aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to Offer complying with Rule 19(2)(b) of the SCRR, as amended. On utilization of Pre-IPO Placement proceeds (if any) prior to the completion of the Offer, it shall be appropriately intimated to the Pre-IPO Placement subscribers that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and result into listing of the Equity Shares of our Company on the Stock Exchanges.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document or GID	The General Information Document for investing in public offers, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by SEBI and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs.
Gross Proceeds	The gross proceeds of the Fresh Issue that will be available to our Company
IIFL	IIFL Securities Limited
I-Sec	ICICI Securities Limited
Monitoring Agency	[●]
Monitoring Agency Agreement	The agreement dated [●] to be entered into between our Company and the Monitoring Agency prior to filing of the Red Herring Prospectus.
Mutual Fund Portion	The portion of the Offer being 5% of the Net QIB Portion consisting of [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
NBFC-SI	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Net Proceeds	The gross proceeds of the Fresh Issue less Offer related expenses applicable to the Fresh Issue.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Investors / NIIs	Bidders that are not QIBs or RIIs and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
Non-Institutional Category	The portion of the Offer being not less than 15% of the Offer consisting of [●] Equity Shares, available for allocation to Non-Institutional Investors, of which one-third shall be available for allocation to Non-Institutional Bidders with an application size of more

Term	Description
	than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds shall be available for allocation to Non-Institutional Bidders with an application size of more than ₹ 1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors subject to valid Bids being received at or above the Offer Price.
NR/ Non-Resident	Person resident outside India, as defined under FEMA and includes non-resident Indians, FVCIs and FPIs.
Offer	Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] million comprising the Fresh Issue and the Offer for Sale. Our Company in consultation with the BRLMs, may consider a Pre-IPO Placement of specified securities, as may be permitted under the applicable law, aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to Offer complying with Rule 19(2)(b) of the SCRR, as amended. On utilization of Pre-IPO Placement proceeds (if any) prior to the completion of the Offer, it shall be appropriately intimated to the Pre-IPO Placement subscribers that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and result into listing of the Equity Shares of our Company on the Stock Exchanges.
Offer Agreement	The agreement dated August 22, 2023, among our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer for Sale	The offer for sale of Offered Shares aggregating to ₹ [●] million by the Selling Shareholders in the Offer. For further information, see "***The Offer***" on page 60.
Offer Price	The final price at which Equity Shares will be Allotted to successful ASBA Bidders which will be decided by our Company and the Promoter Selling Shareholders in consultation with the BRLMs on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price, which will be decided by our Company and the Promoter Selling Shareholders in consultation with the BRLMs on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus.
Offered Shares	Up to 8,421,052 Equity Shares aggregating to ₹ [●] million being offered for sale by the Selling Shareholders in the Offer.
Pre-IPO Placement	Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement of specified securities, as may be permitted under the applicable law, aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to Offer complying with Rule 19(2)(b) of the SCRR, as amended. On utilization of Pre-IPO Placement proceeds (if any) prior to the completion of the Offer, it shall be appropriately intimated to the Pre-IPO Placement subscribers that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and result into listing of the Equity Shares of our Company on the Stock Exchanges.
Price Band	The price band ranging from the Floor Price of ₹ [●] per Equity Share to the Cap Price of ₹ [●] per Equity Share, including any revisions thereto. The Cap Price shall be at least 105% of the Floor Price. The Price Band and minimum Bid Lot, as decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, will be advertised in all editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located), at least two Working Days prior to the Bid/ Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company and the Promoter Selling Shareholders in consultation with the BRLMs, will finalise the Offer Price.
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account	The bank account opened with the Public Offer Account Bank under Section 40(3) of

Term	Description
	the Companies Act, 2013, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date.
Public Offer Account Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Offer Account(s) will be opened.
QIB Bidders	QIBs who Bid in the Offer.
QIB Portion	The portion of the Offer being not more than 50% of the Offer or [●] Equity Shares, available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, subject to valid Bids being received at or above the Offer Price.
QIBs / Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus / RHP	The 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 Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three days before the Bid/ Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
Refund Bank	The Banker to the Offer with whom the Refund Account(s) will be opened, in this case being [●].
Registered Brokers	Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI.
Registrar Agreement	The agreement dated August 22, 2023, entered into between our Company, the Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registrar to the Offer / Registrar	Link Intime India Private Limited
Retail Individual Investor(s) / RII(s)	Individual Bidders, who have Bid for the Equity Shares for an amount which is not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their karta and Eligible NRI Bidders) and does not include NRIs (other than Eligible NRIs).
Retail Portion / Retail Category	The portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares, available for allocation to Retail Individual Investors as per the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date.
RTAs or Registrar and Share Transfer Agents	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the list available on the websites of BSE and NSE, and the UPI Circulars.
Self Certified Syndicate Bank(s) or SCSB(s)	(i) The banks registered with SEBI, offering services in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or such other website as updated from time to time, and (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is appearing in the "list of mobile applications for using UPI in public issues" displayed on SEBI website at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43.

Term	Description
	The said list shall be updated on SEBI website.
Share Escrow Agent	The share escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, [●].
Share Escrow Agreement	The agreement to be entered into between our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment.
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which is which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time.
Sponsor Bank(s)	[●], being Bankers to the Offer, appointed by the Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of UPI Bidders using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars.
Stock Exchanges	Collectively, the BSE and the NSE.
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement to be entered into between our Company, the Registrar to the Offer, the Selling Shareholders, the BRLMs and the Syndicate Members in relation to the procurement of Bid cum Application Forms by the Syndicate.
Syndicate Members	Syndicate members as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations.
Syndicate or Members of the Syndicate	The BRLMs and the Syndicate Members.
Underwriters	[●]
Underwriting Agreement	The agreement to be entered into between the Underwriters, our Company and the Selling Shareholders, entered into on or after the Pricing Date but prior to filing of the Prospectus with the RoC.
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI.
UPI Bidders	Collectively, individual investors who applied as (i) Retail Individual Bidders in the Retail Portion, (ii) Non-Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Category, Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 are required to use UPI Mechanism and are required to provide their UPI ID in the Bid cum Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	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 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/CIR/P/2021/2480/1/M dated March 16, 2021, , SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/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 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 NSE having reference no. 25/2022 dated August 3, 2022 and the notice issued by BSE 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.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI application,

Term	Description
	by way of a SMS directing the UPI Bidder to such UPI application) to the UPI Bidder initiated by the Sponsor Bank(s) to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that shall be used by a UPI Bidder to make an ASBA Bid in the Offer in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
WACA	Weighted average cost of acquisition.
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Working Day(s)	All days on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid/ Offer Period, the expression "Working Day" shall mean all days on which commercial banks in Mumbai are open for business, excluding all Saturdays, Sundays or public holidays; and (c) with reference to the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression 'Working Day' shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, in terms of the circulars issued by SEBI.

Technical/Industry Related Terms

Term	Description
ALMM	Approved list of models and manufactures
APH	Air preheating system
Average Net Worth	Average of current year and previous year of Net worth.
BEVs	Battery electric vehicles
BHEL	Bharat Heavy Electricals Limited
BIS	Bureau of Indian Standards
Bn / bn	Billion
BOM	Bill of material
BQC	Basic qualification criteria
C&I	Commercial and Industrial
CAN	Calcium ammonium nitrate
CCR	Catalytic reformer
CDU	Crude distillation unit
CIL	Coal India Limited
COS	Carbonyl sulphide
CS_2	Carbon disulphide
CSP	Concentrated Solar Power
DAM	Diammonium phosphate
DAP	Diammonium Phosphate
DBT	Direct benefit transfer
DDT	Dividend Distribution Tax
DIR	Design input review
EBIT	Earnings before Interest and Tax, calculated as EBITDA less depreciation
EBITDA	Earnings before interest, taxes, depreciation, and amortization
EBITDA Margin %	EBITDA as a percentage of revenue from operations
EMU	Electrical multiple units
EPC	Engineering, procurement and construction
ERBB	ENAP refinery Bio Bio
FCC	Fluid catalytic cracker
FCCU	Fluid Catalytic Cracker Unit
FCEVs	Fuel cell electric vehicles
FIS	Furnace improvement surface
GAAR	General Anti-Avoidance Rules
GAIL	Gas Authority of India Limited
GDP	Gross domestic product
GST	Goods and Services Taxes
H_2S	Hydrogen sulphide
H-CNG	Hydrogen enriched CNG
Heating Equipment	Process fired heaters, reformers and cracking furnaces
HRS	Hydrogen refuelling station system
HRSG	Heat recovery steam generation system
IEA	International Energy Agency
IMF	International monetary fund

Term	Description
IOCL	Indian Oil Corporation Limited
IPPs	Independent power producers
IST	Indian Standard Time
KSA	Kingdom of Saudi Arabia
L&T	Larsen and Tourbo
L1	Lowest cost
LOA	Letter of award
LPG	Liquidated petroleum gas
MBPD	Million barrels per day
MMT	Million metric tons
MMTPA	Million metric tons per annum
MOP	Muriate of Potash
MoPNG	Ministry of Petroleum and Natural Gas
MT	Metric Tons
NBS	Nutrient based subsidy scheme
Net Asset Value	Net Asset Value per Equity Share represents restated Net Worth at the end of the year divided by numbers of Equity Share outstanding during the respective year.
Net Worth (₹ in million)	Net worth (total equity) means the aggregate of paid up Equity Share capital and other equity.
NLCIL	NLC India Limited
NMZ	National Manufacturing Zones
NTPC	National Thermal Power Corporation
O&M	Operations and maintenance
ODC	Over dimensional cargo
PAT	Restated profit / (loss) for the period/year as appearing in the Restated Consolidated Financial Information
PAT margin %	PAT margin refers to the percentage margin derived by dividing PAT by Revenue from Operations
PCPIR	Petroleum, Chemicals and Petrochemical Investment Region
PLI	Production linked scheme
PMI	Purchasing Managers Index
PPA	Power Purchase Agreements
PP-LC	Preference linked with local content
PSU	Public sector undertaking
PV	Photovoltaic
QA/QC	Quality assurance, quality control
Revenue from operations	Revenue from operations as appearing in our Restated Consolidated Financial Information.
RFP	Request for proposal
RIL	Reliance Industries Limited
RoCE (%)	Return on capital employed is calculated as earnings before interest and taxes divided by average capital employed.
RoDTEP Scheme	Remission of Duties and Taxes on Exported Products Scheme
RoE (%)	Return on equity (%) refers to restated profit for the year/period attributable to equity shareholders of our Company divided by Average Equity for the year/period.
RoNW	RoNW is calculated as restated profit for the year attributable to Equity Shareholders divided by Average Net worth (Average of current year and previous year Net worth).
SAP	System applications products
SCSB	Self-Certified Syndicate Banks
SIGHT	Strategic intervention for green hydrogen transition
SO_2	Sulphur dioxide
Solar PV-EPC	Solar photovoltaic EPC
SRU	Sulphur recovery units
SSP	Single super phosphate
TR	Tecnicas Reunidas
UAE	United Aram Emirates
VCCU	Fluid catalytic cracker unit
VDU	Vacuum distillation unit
VGO-HBD	Vacuum gasoil hydrotreater
WHRS	Waste recovery section

Term	Description
WHRU	Waste heat recovery unit

Conventional and General Terms and Abbreviations

Term	Description
AGM	Annual general meeting of shareholders under the Companies Act 2013
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under the SEBI AIF Regulations
Banking Regulation Act	The Banking Regulation Act, 1949
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CCS	Carbon Capture Storage
CCU	Carbon Capture Use
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Client ID	Client identification number of the Bidder's beneficiary account
Companies Act, 1956	The erstwhile Companies Act, 1956 read with the rules, regulations, clarifications and modifications thereunder
Companies Act, 2013	The Companies Act, 2013 read with rules, regulations, clarifications and modifications thereunder
Competition Act, 2022	The Competition Act, 2002 read with rules, regulations, clarifications and modifications thereunder
Competition Amendment Act	The Competition (Amendment) Act, 2023
Consolidated FDI Policy	The Consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CPC	Code of Civil Procedure, 1908
CSR	Corporate social responsibility
Data Protection Bill	Digital Personal Data Protection Bill, 2023
Depositories Act	The Depositories Act, 1996, read with the rules, regulations, clarifications and modifications thereunder
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DP ID	Depository Participant's identity number
DP / Depository Participant	A depository participant as defined under the Depositories Act
DCPC	Department of Chemicals and Petrochemicals
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), GoI
EGM	Extra-ordinary general meeting
EPS	Earnings per share
FCNR	Foreign Currency Non-Resident
FDI	Foreign direct investment
FDI Circular	Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Rules	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Finance Act	The Finance Act, 2020
Financial Year / Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
Foreign Trade Act	Foreign Trade (Development and Regulation) Act, 1992, as amended
Foreign Trade Policy	Indian Foreign Trade Policy, 2015-20
FPIs	Foreign portfolio investor registered with SEBI pursuant to the SEBI FPI Regulations
FVCI	Foreign venture capital investors registered with SEBI pursuant to the SEBI FVCI Regulations
GoI / Central Government	The Government of India
Hazardous Waste Rules	Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
HUF(s)	Hindu undivided family(ies)
ICAI	The Institute of Chartered Accountants of India
ICAI Guidance Note	The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India
IEC	Importer Exporter Code

Term	Description
IFRS	International Financial Reporting Standards issued by the International Accounting Standard Board
Income Tax Act	The Income Tax Act, 1961
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act 2013, Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act 2013
Ind AS 24	The Indian Accounting Standard 24 notified under Section 133 of the Companies Act 2013, Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act 2013
Ind AS Rules	The Companies (Indian Accounting Standards) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
INR / Indian Rupees / Rupee / ₹ / Rs.	Indian Rupee, the official currency of the Republic of India
IT Act	The Information Technology Act, 2000
MCA / Ministry of Corporate Affairs	The Ministry of Corporate Affairs, Government of India
MNRE	Ministry of new and renewable energy
Mn	Million
MoSPI	Ministry of Statistics and Programme Implementation
NACH	National Automated Clearing House
NAV	Net asset value
NRI	Non-Resident Indian
NRO	Non-Resident Ordinary
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
P/E	Price/Earning
PAN	Permanent account number
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real Time Gross Settlement
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under section 3 of the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	The Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	The Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	The Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI SBEBSE Regulations	The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEZ	Special economic zone
SEZ Act	Special Economic Zones Act, 2005
SEZ Rules	Special Economic Zone Rules, 2006

Term	Description
SMR	Steam Methane Reformation
STT	Securities Transaction Tax
UAE	United Arab Emirates
UK	United Kingdom
USDA	United States Department of Agriculture
U.S. GAAP	Generally Accepted Accounting Principles of the United States
U.S. Securities Act	United States Securities Act of 1933, as amended
US$ / USD / US Dollar	United States Dollar
USA / U.S. / US/ United States	United States of America, its territories and possessions, any State of the United States, and the District of Columbia
VCF	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references in this Draft Red Herring Prospectus to 'India' are to the Republic of India and its territories and possessions and all references herein to the 'Government', 'Indian Government', 'GoI', 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in IST. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless otherwise stated, all references to page numbers in this Draft Red Herring Prospectus are to page numbers of this Draft Red Herring Prospectus.

Currency and Units of Presentation

All references to *"Rupee(s)", "Rs."* Or *"₹"* or *"INR"* are to Indian Rupees, the official currency of the Republic of India. All references to *"U.S. Dollar(s)"* or *"USD"* or *"US Dollar"* are to United States Dollars, the official currency of the United States of America.

Exchange Rates

This Draft Red Herring Prospectus contains conversion of U.S. Dollar into Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be considered as a representation that such U.S. Dollar amounts have been, could have been or can be converted into Rupees at any particular rate, the rates stated below or at all. Unless otherwise stated, the exchange rates referred to for the purpose of conversion of U.S. Dollar amounts into Rupee amounts, are as follows:

(*in ₹*)

Currency	Exchange rate as on		
	March 31, 2023	March 31, 2022	March 31, 2021
USD	82.22	75.81	73.50

Source: www.fbil.org.in

Financial and Other Data

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Consolidated Financial Information

Comprising the restated consolidated statements of assets and liabilities as at March 31, 2023, March 31, 2022 and March 31, 2021, restated consolidated statements of profit and loss (including other comprehensive income), restated consolidated statements of changes in equity, restated consolidated statements of cash flows for the March 31, 2023, March 31, 2022 and March 31, 2021 and the summary statement of significant accounting policies, and other explanatory information prepared by the Company in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.

For further information of our Company's financial information, please see "***Financial Information***" on page 221.

There are significant differences between Indian GAAP, Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. For details, see "***Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition"*** on page 57. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly, be limited.

Our Company's fiscal year commences on April 1 of each year and ends on March 31 of the next year. Accordingly, all references to a particular fiscal year (referred to herein as "**Fiscal**", "**Fiscal Year**") are to the 12 months ended March 31 of that particular year, unless otherwise specified.

All the figures in this Draft Red Herring Prospectus have been presented in million or in whole numbers where the numbers have been too small to present in million unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000. Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Unless the context otherwise indicates, any percentage amounts, as set forth in "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 28, 151 and 285, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of amounts derived from the Restated Consolidated Financial Information.

Non-Generally Accepted Accounting Principles Financial Measures

This Draft Red Herring Prospectus contains certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, return on capital employed, Net Worth, return on equity, return on net worth and NAV Per Share, among others, and certain other statistical information relating to our operations and financial performance (together, "**Non-GAAP Measures**") that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or U.S. GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or U.S. GAAP. We compute and disclose such non-Indian GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-Indian GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. For the risks relating to our Non-GAAP Measures, see "***Risk Factors- Non-GAAP measures presented in this Draft Red Herring Prospectus may have limitations as analytical tools, may vary from any standard methodology applicable across the Heating Equipment industry, and may not be comparable with financial or statistical information of similar nomenclature presented by other peer companies.***" on page 50.

Industry and Market Data

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. Accordingly, no investment decision should be made solely on the basis of such information. Further, industry sources and publications are also prepared based on information as of a specific date and may no longer be current or reflect current trends.

The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "***Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the industry report which has been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risk.***" on page 41.

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus is derived from the report titled, "*Opportunities in Heating Equipment, Waste Gas Handling/Emission, Control Systems, and Renewable Energy Systems* " released on August 14, 2023 ("**F&S Report**") prepared by Frost & Sullivan (India) Private Limited ("**Frost and Sullivan**"), appointed by our Company pursuant to a proposal dated February 28, 2023 and an engagement letter dated March 2, 2023, and such F&S Report has been commissioned by and paid for by our Company, exclusively in connection with the Offer. Further, Frost and Sullivan pursuant to their consent letter dated August 14, 2023 ("**Letter**") has accorded their no objection and consent to use the F&S Report in connection with the Offer. Frost and Sullivan, pursuant to their Letter has also confirmed that it is an independent agency, and that it is not related to our Company, our Subsidiaries, our Directors, our Promoters, our Key Managerial Personnel or Senior Management.

The F&S Report is available on the website of our Company at www.jnkindia.com/industry-report.html.

Frost and Sullivan has required us to include the following disclaimer in connection with the F&S Report*:*

*"Opportunities in Heating Equipment, Waste Gas Handling/Emission, Control Systems, and Renewable Energy Systems, has been prepared for the proposed initial public offering of equity shares by JNK India Limited (the "**Company**").*

*This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited ("**Frost & Sullivan**") and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.*

Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus of which this report is a part, and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients 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. "

In accordance with the SEBI ICDR Regulations, the section "***Basis for Offer Price – Comparison with listed industry peers***" on page 101, includes information relating to our peer group companies and industry averages. Such information has been derived from publicly available sources. Such industry sources and 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 this information on estimates and assumptions that may prove to be incorrect.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "***aim***", "***anticipate***", "***believe***", "***expect***", "***estimate***", "***intend***", "***likely to***", "***objective***", "***plan***", "***propose***", "***project***", "***will***", "***seek to***", "***strive to***", "***will continue***", "***will pursue***" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements in this Draft Red Herring Prospectus that are not statements of historical fact are "forward-looking statements".

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. This could be 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, 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, changes in the incidence of any natural calamities and/or violence, 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 expectations include, but are not limited to, the following:

- We derive a significant portion of our revenue from orders which are contracted to us by Contracting Customers;
- Number of orders we have received in the past, our current Order Book and our growth rate may not be indicative of the number of orders we will receive in future. The order wins and any delays in execution of our orders expose us to time and cost overruns and variability in revenue;
- Any downside in the capital expenditure of oil and gas, petrochemical and fertilizers industry;
- We derive a majority portion of our revenues from sales of Heating Equipment;
- We are subject to strict performance requirements and delivery within scheduled timelines;
- Our failure to expand geographically;
- We do not have any trademark or logo registered in our name. We use the logo and trademark of one of our Corporate Promoters, JNK Heaters, pursuant to the Co-operation Agreement dated May 17, 2023 and consent letter dated July, 20, 2023. Any default in the contractual obligations or termination of the Co-operation Agreement or revocation of the consent would prohibit us from using the trademark and logo;
- Conflicts of interests may arise out of the business ventures in which one of our Corporate Promoters and Directors are interested;
- We have significant working capital requirements; and
- We are dependent on our Promoters, Directors, Key Managerial Personnel and Senior Management, including other employees with technical expertise**.**

For details regarding 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 28, 151 and 285 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.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders 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 on 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 Selling Shareholders, the BRLMs 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 will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity Shares pursuant to the Offer.

In accordance with requirements of SEBI and as prescribed under applicable law, each of the Selling Shareholders, severally and not jointly, shall ensure that the Bidders in India are informed of material developments, in relation to statements and undertakings specifically undertaken or confirmed by it in relation to itself and its respective portion of the Offered Shares in this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for the respective portion of the Offered Shares pursuant to the Offer. Only statements and undertakings which are specifically confirmed or undertaken by each Selling Shareholder, as the case may be, in this Draft Red Herring Prospectus shall be deemed to be statements and undertakings made by such Selling Shareholder.

SUMMARY OF THIS DRAFT RED HERRING PROSPECTUS

*This section is a general summary of 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 Offer**", "**Capital Structure**", "**Objects of the Offer**", "**Industry Overview**", "**Our Promoter and Promoter Group**", "**Our Business**", "**Restated Consolidated Financial Information**", "**Outstanding Litigation and Material Developments**", "**Offer Procedure**" and "**Main Provisions of the Articles of Association**" beginning on pages* 28, 60, 75, 89, 111, 212, 151, 221, 321, 353 *and* 373*, respectively, of this Draft Red Herring Prospectus.*

Summary of Business

We are one of the leading Heating Equipment companies in India in terms of new order booking between Fiscal 2021 to Fiscal 2023 and have capabilities in thermal designing, engineering, manufacturing, supplying, installing and commissioning process fired heaters, reformers and cracking furnaces. We are one of the well-recognized process fired heater companies in India, having a market share of approximately 27% in the Indian Heating Equipment market, in terms of new order booking in Fiscal 2023. (*Source: F&S Report)* Our Heating Equipment are required in process industries such as oil and gas refineries, petrochemicals, fertilizers, hydrogen and methanol plants etc.

For further information, see "***Our Business***" on page 151.

Summary of Industry

India is the third largest oil consumer in the world and the oil demand is expected to reach 11 million barrels per day by calendar year 2045. Demand for Heating Equipment from Indian refineries, petrochemicals and fertilizer (urea) segments between Fiscals 2024 and 2029 is estimated at ₹ 270,890 million i.e., approximately ₹ 45,000 million on an annualized basis. Further, 61%, 37% and 2% of this demand would come from petrochemicals, refineries and fertilizers (urea), respectively. Furthermore, 46%, 24%, 16% and 14% of this demand would come from cracking furnaces, low capital expenditure heaters, high capital expenditure heaters and reformers, respectively. (*Source: F&S Report)*

For further information, see "***Industry Overview***" on page 111.

Promoters

Arvind Kamath, Goutam Rampelli, Dipak Kacharulal Bharuka, Mascot Capital and JNK Heaters are the Promoters of our Company. For further details, see "***Our Promoters and Promoter Group***" on page 212.

Offer Size

The following table summarizes the details of the Offer. For further details, see "***The Offer***" and "***Offer Structure***" on pages 60 and 350, respectively.

Offer	Up to [●] Equity Shares, aggregating up to ₹ [●] million
of which	
Fresh Issue(1)	Up to [●] Equity Shares, aggregating up to ₹ 3,000.00 million
Offer for Sale(2)	Up to 8,421,052 Equity Shares, aggregating up to ₹ [●] million by the Selling Shareholders

(1) Our Board has authorised the Offer, pursuant to their resolution dated June 9, 2023. Our Shareholders have authorised the Fresh Issue pursuant to their resolution dated July 27, 2023.

*(2) The Equity Shares being offered by each of the Selling Shareholders have been held by them for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus with the SEBI and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For details of authorizations received for the Offer for Sale, see "**Other Regulatory and Statutory Disclosures**" beginning on page 329.*

Note: Our Company in consultation with the BRLMs, may consider a Pre-IPO Placement of specified securities, as may be permitted under the applicable law, aggregating up to ₹ 600.00 million prior to the filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to Offer complying with Rule 19(2)(b) of the SCRR, as amended. On utilization of Pre-IPO Placement proceeds (if any) prior to the completion of the Offer, it shall be appropriately intimated to the Pre-IPO Placement subscribers that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and result into listing of the Equity Shares of our Company on the Stock Exchanges.

The Offer shall constitute [●]% of the post-Offer paid up equity share capital of our Company.

Objects of the Offer

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

Particulars	Amount^ (in ₹ million)
Funding working capital requirements	2,757.18
General corporate purposes[(1)]	[●]
Total Net Proceeds	**[●]**

^ Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to Offer complying with Rule 19(2)(b) of the SCRR, as amended. On utilization of Pre-IPO Placement proceeds (if any) prior to the completion of the Offer, it shall be appropriately intimated to the Pre-IPO Placement subscribers that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and result into listing of the Equity Shares of our Company on the Stock Exchanges. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus.

(1) *To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

For further details, see "***Objects of the Offer– Net Proceeds***" on page 89.

Pre-Offer shareholding of Promoters, Promoter Group and Selling Shareholders

Sr. No.	Particulars	Pre-Offer	
		Number of Equity Shares	Percentage of pre-Offer Equity Share capital
	Corporate Promoters		
1.	Mascot Capital (also a Selling Shareholder)	22,560,000	46.62
2.	JNK Heaters (also a Selling Shareholder)	12,480,000	25.79
	Individual Promoters		
1.	Arvind Kamath	Nil	Nil
2.	Goutam Rampelli (also a Selling Shareholder)	5,760,000	11.90
3.	Dipak Kacharulal Bharuka (also a Selling Shareholder)	4,960,000	10.25
	Total (A)	**45,760,000**	**94.56**
	Selling Shareholder		
1.	Milind Joshi	2,400,000	4.96
	Total (B)	**2,400,000**	**4.96**
	Total (C=A+B)	**48,160,000**	**99.52**

As on the date of this Draft Red Herring Prospectus, none of the members of the Promoter Group hold any Equity Shares.

For further details, see "***Capital Structure – Share capital history of our Company***" beginning on page 75.

Summary of selected financial information derived from our Restated Consolidated Financial Information

(*₹ in million, unless otherwise specified*)

Particulars	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Equity Share capital	96.00	96.00	6.00
Net Worth	1,221.70	721.80	368.17
Revenue from operations	4,073.02	2,963.96	1,377.21
Profit/(Loss) for the period/year	463.62	359.83	164.76
Basic EPS (₹)	9.66	7.50	3.43
Diluted EPS (₹)	9.51	7.50	3.43
Net Asset Value per Equity Share (₹)	25.45	15.04	7.67
Total borrowings	337.63	59.90	89.50

Notes:

1. *Net Worth for the purposes of above, is calculated as per Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits and 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, as applicable.

2. *Basic EPS = Restated profit for the year attributable to Equity Shareholders / weighted average number of Equity Shares during the year*
3. *Diluted EPS = Restated profit for the year attributable to Equity Shareholders / weighted average number of Equity Shares adjusted for effects of dilutions during the year*
4. *Net Asset Value per Equity Share = restated Net Worth as per the Restated Consolidated Financial Information / Number of Equity Shares outstanding as at the end of year/period (after giving effect of split in face value from ₹ 10 to ₹ 2 each, such split being approved by Board Of Directors pursuant to their resolution dated April 12, 2023 and further approved pursuant to the Shareholders resolution dated April 14, 2023).*

For further details, see "***Restated Consolidated Financial Information***" on page 221.

Qualifications of the Auditors which have not been given effect to in the Restated Consolidated Financial Information

There are no qualifications which have not been given effect to in the Restated Consolidated Financial Information

Summary of Outstanding Litigation and Material Developments

A summary of outstanding litigation proceedings involving our Company, our Subsidiaries, our Promoters and our Directors and Group Companies, as disclosed in this Draft Red Herring Prospectus as per the Materiality Policy, is provided below.

Name	Criminal proceedings	Tax proceedings	Statutory or regulatory actions	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters for the last five years	Material civil litigation	Aggregate amount involved* *(in ₹ million)*
Company						
By our Company	2	Nil	Nil	NA	Nil	1.20
Against our Company	Nil	2	1	NA	Nil	2.77
Directors						
By our Directors	Nil	Nil	Nil	NA	Nil	Nil
Against our Directors	Nil	3	Nil	NA	Nil	0.76
Promoters						
By the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoters	Nil	3**	Nil	Nil	Nil	0.76
Subsidiaries						
By our Subsidiaries	Nil	Nil	Nil	NA	Nil	Nil
Against our Subsidiaries	Nil	Nil	Nil	NA	Nil	Nil
Group Companies						
Outstanding Litigation which may have a material impact on our Company	Nil	Nil	Nil	NA	Nil	Nil

* *Amount to the extent quantifiable.*
** *This includes tax proceedings against our Promoter and Director, Arvind Kamath*

For further details of the outstanding litigation proceedings, see '***Outstanding Litigation and Material Developments***' beginning on page 321.

Risk Factors

Investors are advised to read the risk factors carefully before taking an investment decision in the Offer.

Please see "***Risk Factors***" beginning on page 28.

Summary of Contingent Liabilities

The following is a summary table of our contingent liabilities as per Ind AS 37 as on March 31, 2023 as indicated in our Restated Consolidated Financial Information.

Particulars	As of March 31, 2023 (in ₹ million)
Contingent liabilities	
Income tax (assessment year 2020 -2021)	0.28
Income tax (assessment year 2013-2014)	2.00
Total	**2.28**

For further details, please see "***Restated Consolidated Financial Information – Note 34 – Contingent Liabilities***" and "***Outstanding Litigation and Material Developments***" beginning on pages 268, and 321, respectively.

Summary of Related Party Transactions

The following is the summary of transactions with related parties for Fiscals 2023, 2022 and 2021, as per the requirements under Ind AS 24.

(₹ in million)

Transactions with related parties					
Related Party Name	**Relationship**	**Nature of transactions**	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**
JNK Heaters Co. Ltd (Korea)	Entity with significant influence	Sale of goods	1,282.41	1,034.33	42.86
		Dividend paid	3.18	-	-
		Purchase of goods	151.16	-	-
		Sale of service	850.05	629.33	447.77
		Advances received in course of business	298.63	1,409.66	83.81
		Technical service charges	34.25	-	-
JNK Heaters Co. Ltd (Project Office, India*)	Entity with joint or common control	Sale of goods	651.39	459.77	-
		Advances received in course of business	566.04	207.46	149.74
		Sale of engineering, erection and works contract services	9.80	65.54	256.15
		Reimbursement of expenses	0.25	0.61	-
		Construction charges income	13.00	45.54	-
Mascot Dynamics Private Limited	Entity with joint or common control	Loan taken	35.00	20.00	-
		Interest on loan taken	0.04	0.19	-
		Duty credit scrips sold	1.26	-	8.95
		Loan given	5.00	-	30.00
		Interest on loan receivable	0.01	-	-
		Loan repaid	35.00	-	-
		Loan given received back	5.00	-	-
Arvind Kamath	Chairperson and Whole time Director	Director's remuneration	93.48	92.40	82.00
		Reimbursement of expenses	1.83	0.02	0.02
Goutam Rampelli	Whole time Director	Director's Remuneration	59.92	59.20	53.60
		Reimbursement of expenses	0.26	0.10	0.04
		Dividend paid	1.73	-	-
		Sale of Car	0.61	-	-
Bang Hee Kim	Non-Executive Director	Professional fees expenses	59.92	23.20	14.80

Transactions with related parties					
Related Party Name	**Relationship**	**Nature of transactions**	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**
Dipak Kacharulal Bharuka	CEO and Whole Time Director (KMP)	Remuneration including bonus and incentives	54.44	48.91	47.30
		Reimbursement of Expenses	1.63	0.24	0.32
		Rent paid	1.35	1.01	-
		Business advance	2.12	0.60	-
		Dividend paid	1.44	-	-
Mascot Capital and Marketing Private Limited	Entity with significant influence	Dividend paid	6.77	-	-
		Professional fees expenses	-	0.11	3.42
Priya Bharuka	Relative of Key Managerial Personnel	Professional fees expenses	-	4.25	4.00
		Rent paid	1.35	1.01	-
Mascot Business Solutions Private Limited	Entity with joint or common control	Professional fees expenses	0.33	0.52	-
Mascot Flowtech Private Limited	Entity with joint or common control	Technical service expenses	1.03	-	-
Porvair Filtration India Private Limited	Entity with joint or common control	Sale of goods	-	-	0.04
Total			**4,229.68**	**4,104.00**	**1,224.82**

A. Transactions within the group (these transactions got eliminated in Restated Consolidated Financial Information)*					
Related Party Name	**Relationship**	**Nature of transactions**	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**
JNK India Private FZE	Wholly Owned Subsidiary	Reimbursement of Expenses	2.33	5.44	4.30
		Erection service expenses	115.63	30.16	30.01
		Advances given in course of business	11.66	0.37	33.55
		Investment in subsidiary	-	0.10	-
JNK Renewable Energy Private Limited	Wholly Owned Subsidiary	Investment in subsidiary	1.00	-	-
		Loan given	21.77	-	-
		Interest on loan (income)	0.24	-	-
Total			**152.63**	**36.07**	**67.86**

Notes: All related party transactions entered during the year were in ordinary course of the business and on arm's length basis. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

[*]Opened in relation to the execution of projects in India, as required under section 6(6) of FEMA read with Foreign Exchange Management (Establishment in India a branch office or a liaison office or a project office or any other place of business) Regulations, 2016, as amended from time to time.

For details of the related party transactions in accordance with Ind AS 24, see "***Restated Consolidated Financial Information – Note 33 – B – Related Party Transaction***" on page 266.

Financing Arrangements

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

Details of price at which specified securities were acquired by our Promoters, members of the Promoter Group , Shareholders with rights to nominate directors or other rights and Selling Shareholders in the last three years preceding the date of this Draft Red Herring Prospectus

The details of price at which specified securities were acquired by our Promoters, members of the Promoter Group Shareholders with rights to nominate directors or other rights and Selling Shareholders in the last three years preceding the date of this Draft Red Herring Prospectus is as follows.

Particulars	Nature of specified securities	Face value (in ₹)	Date of acquisition	Number of equity shares acquired#	Acquisition price per equity share (in ₹)*#
Individual Promoters					
Arvind Kamath	NA	NA	NA	NA	NA
Goutam Rampelli (also a Selling Shareholder)	Equity Shares	10	November 24, 2021	1,080,000	Nil**
Dipak Kacharulal Bharuka (also a Selling Shareholder)	Equity Shares	10	November 24, 2021	900,000	Nil**
			April 12, 2023	32,000	10
Corporate Promoters					
Mascot Capital (also a Selling Shareholder)	Equity Shares	10	November 24, 2021	4,230,000	Nil**
JNK Heaters (also a Selling Shareholder)	Equity Shares	10	November 24, 2021	2,340,000	Nil**
Selling Shareholders					
Milind Joshi	Equity Shares	10	April 27, 2021	30,000	350
			November 24, 2021	450,000	Nil**

* *As certified by Statutory Auditor by way of their certificate dated August 22, 2023.*
** *Equity shares were allotted pursuant to bonus issuance dated November 24, 2021.*
# *The above is without considering the impact of split of equity shares of ₹10 each to Equity Shares of ₹2 each pursuant to a resolution of our Board passed in their meeting held on March 16, 2023 and a resolution of our Shareholders passed in their extraordinary general meeting held on April 14, 2023.*

As on the date of this Draft Red Herring Prospectus, none of our Shareholders have the right to nominate directors or other rights.

Weighted average price at which the Equity Shares were acquired by our Promoters and Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus

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

Name	Number of Equity Shares acquired in last one year	Weighted average price of Equity Shares acquired in the last one year(in ₹)*
Individual Promoters		
Arvind Kamath	Nil	Nil
Goutam Rampelli (also a Selling Shareholder)	Nil	Nil
Dipak Kacharulal Bharuka (also a Selling Shareholder	160,000**	2.00
Corporate Promoters		
Mascot Capital (also a Selling Shareholder)	Nil	Nil
JNK Heaters (also a Selling Shareholder)	Nil	Nil
Selling Shareholder		
Milind Joshi	Nil	Nil

* *As certified by Statutory Auditor by way of their certificate dated August 22, 2023.*
** *These equity shares were acquired pursuant to the exercise of stock option pursuant to ESOP 2022 in his capacity as an employee. Pursuant to a resolution dated July 19, 2023, Dipak Kacharulal Bharuka has been identified as a Promoter and all his unvested/unexercised stock options have been surrendered by him by way of his letter dated July 17, 2023 and approved by our Board dated July 18, 2023 by way of a circular resolution.*

Average Cost of Acquisition of Equity Shares for the Promoters and the Selling Shareholders

The average cost of acquisition per Equity Share for our Promoters and the Selling Shareholders as on the date of this Draft Red Herring Prospectus is as follows.

Name	Number of Equity Shares held as on date of this Draft Red Herring Prospectus	Average cost of acquisition per Equity Share (in ₹)*
Individual Promoters		
Arvind Kamath	Nil	Nil
Goutam Rampelli (also a selling shareholder)	5,760,000	0.13
Dipak Kacharulal Bharuka (also a Selling Shareholder	4,960,000	0.19
Corporate Promoters		
Mascot Capital (also a selling shareholder)	22,560,000	0.13
JNK Heaters (also a selling shareholder)	12,480,000	0.13
Selling Shareholder		
Milind Joshi	2,400,000	4.38

**As certified by Statutory Auditor, by way of certificate dated August 22, 2023.*

Weighted average cost of acquisition of all shares transacted in last one year, 18 months and three years preceding the date of this Draft Red Herring Prospectus:

Period	Weighted average cost of acquisition (in ₹)	Cap Price is 'x' times the weighted average cost of acquisition*	Range of acquisition price: lowest price – highest price (in ₹)#
Last one year preceding the date of this Draft Red Herring Prospectus	2.00	[●]	2.00-2.00
Last 18 months preceding the date of this Draft Red Herring Prospectus	2.00	[●]	2.00-2.00
Last three years preceding the date of this Draft Red Herring Prospectus$	20.82	[●]	2.00-70.00

 # As certified by Statutory Auditor, by way of certificate dated August 22, 2023.
** To be updated upon finalization of the Price Band.*
$Excludes Equity Shares issued pursuant to bonus issuance

Details of Pre-IPO Placement

Our Company in consultation with the BRLMs, may consider a Pre-IPO Placement of specified securities, as may be permitted under the applicable law, aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to Offer complying with Rule 19(2)(b) of the SCRR, as amended. On utilization of Pre-IPO Placement proceeds (if any) prior to the completion of the Offer, it shall be appropriately intimated to the Pre-IPO Placement subscribers that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and result into listing of the Equity Shares of our Company on the Stock Exchanges.

Issue of Equity Shares for consideration other than cash or bonus issue in the last one year

Our Company has not issued any Equity Shares for consideration other than cash or bonus issue in the one year preceding the date of this Draft Red Herring Prospectus. For details, see "***Capital Structure – Equity Shares issued for consideration other than cash or by way of bonus issue***" beginning on page 77.

Split / Consolidation of Equity Shares in the last one year

Other than the sub-division of face value of the equity shares of our Company from ₹ 10 to ₹ 2 pursuant to a resolution passed by the Shareholders in the EGM held on April 14, 2023, pursuant which 20,000,000 equity shares of ₹ 10 each aggregating to ₹ 200,000,000 were subdivided as 100,000,000 Equity Shares of face value of ₹ 2 each aggregating up to ₹ 200,000,000, 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. For details, see "***Capital Structure – Share capital history of our Company***" beginning on page 75.

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

Our Company had filed an exemption application dated April 27, 2023 under Regulation 300 (1) (c) of the SEBI ICDR Regulations seeking an exemption from identifying and disclosing the following as members of the Promoter Group: (i) Prajwal Kamath (wife and immediate relative of Arvind Kamath who is one of our Promoters); (ii) Tanishk Kamath (i.e., son of Prajwal Kamath and Arvind Kamath); (iii) certain relatives of Prajwal Kamath, in this case being Harini Sharma (mother of Prajwal Kamath) and Ranjit Sharma (brother of Prajwal Kamath); (iv) any body corporate in which 20% or more of the equity share capital is held by Prajwal Kamath or Tanishk Kamath or by Harini Sharma or Ranjit Sharma or a firm or any Hindu Undivided Family where Prajwal Kamath or Tanishk Kamath or Harini Sharma or Ranjit Sharma may be a member; and (v) any body corporate in which any body corporate mentioned under (iv) above holds 20% or more of the equity share capital, in accordance with the SEBI ICDR Regulations. SEBI pursuant to its letter dated June 22, 2023, has directed our Company to include Prajwal Kamath, Tanishk Kamath, Harini Sharma, Ranjit Sharma and their connected entities (as explained under (iv) and (v) above) in this case being Mascot International and Power Rubber Industries Private Limited, as part of the Promoter Group of our Promoter, Arvind Kamath and include applicable disclosures based on the information as available in the public domain.

SECTION II: RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below may not be exhaustive or the only ones relevant to us, the Equity Shares or the industry segments in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently do not deem material may arise or may become material in the future. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks mentioned below. If any or a combination of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and investors may lose all or part of their investment. Furthermore, some events may be material collectively rather than individually.

*In order to obtain a more comprehensive understanding of our Company and our business, prospective investors should read this section in conjunction with "**Industry Overview**", "**Our Business**", "**Key Industry Regulations and Policies in India**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and "**Outstanding Litigation and Material Developments**" on pages 111, 151, 177, 285 and 321, respectively, as well as "**Summary of this Draft Red Herring Prospectus – Summary of Select Financial Information**" and "**Other Financial Information**" on pages 21 and 281 in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer, including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. 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.*

*Unless otherwise indicated or the context otherwise requires, the financial information as of and for Fiscals 2023, 2022 and 2021, included herein is derived from the Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus. For further information, see "**Financial Information**" on page 221. Our financial year ends on March 31 of each year, and references to a particular year are to the 12 months ended March 31 of that year.*

Our Company's order book as of a particular date is calculated based on the aggregate contract value of our on-going projects as of such date reduced by the value of work executed by us until such date, subject to certain adjustments including foreign exchange fluctuations and other contractual terms ("Order Book").

*Our Company caters to the companies which own and operate oil and gas refineries, petrochemical complexes, fertilizer plants or other chemical plants i.e. asset owners / manufacturers ("**End Customers**"). Our Company also caters to the companies contracted with such asset owners / manufacturers for engineering, procurement and construction of either full or part of their oil and gas refineries, petrochemical complex, fertilizer plants or other chemical plants ("**Contracting Customers**", and together with End Customers, the "**Customers**"). Unless otherwise indicated, any reference made in this section to Customers includes both End Customers and Contracting Customers.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Opportunities In Heating Equipment, Waste Gas Handling/Emission, Control, And Renewable Energy Systems" dated August 14, 2023, (the "**F&S Report**"), prepared and issued by Frost & Sullivan (India) Private Limited ("**Frost and Sullivan**"), which was exclusively commissioned and paid for by our Company for the Offer, and was prepared and released by Frost and Sullivan, who were appointed by us pursuant to the proposal dated February 28, 2023 and the engagement letter dated March 2, 2023. The data included herein includes excerpts from the F&S Report which may have been re-arranged by us for the purposes of presentation. The F&S Report forms part of the material contracts for inspection and is accessible on the website of our Company at www.jnkindia.com/industry-report.html. The F&S Report does not omit any material facts, information, or relevant details that may have an adverse impact on the investors. Frost and Sullivan are an independent service provider and are not related to our Company or its Directors, Promoters, Subsidiaries, Key Managerial Personnel or Senior Management, whether directly or indirectly in any manner. For details, see "**Certain Conventions, Presentation of Financial Information, Industry and Market Data – Industry and Market Data**" beginning on page 16.*

*In this section, unless the context otherwise indicates, references to "we", "us", "our" and similar terms are to our Company together with its Subsidiaries. For further information relating to various defined terms in the section, please see "**Definitions and Abbreviations**" on page 1.*

Internal Risks

1. ***We derive a significant portion of our revenue from orders which are contracted to us by Contracting Customers, any failure to obtain new contracts may impact our revenue from operations, cash flows and financial conditions materially and adversely.***

We derive a significant portion of our revenue from operations from orders which are contracted to us by Contracting Customers. We have received projects from Contracting Customers such as Tata Projects Limited, and JNK Heaters, one of our Corporate Promoters. However, we receive majority of our projects from JNK Heaters. We work with JNK Heaters as one of our Contracting Customers and thereby cater to various End User Customers including Indian Oil Corporation Limited in India. The table below shows the revenue from operations for Fiscals 2023, 2022 and 2021, respectively:

S.No.	Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
A.	Revenue from operations from Contracting Customers (in ₹ million)	2,954.03	2,214.37	918.85
	As a % of revenue from operations	72.53	74.71	66.72
B.	Revenue from operations from projects provided by JNK Heaters (in ₹ million)	2,215.23	2,188.96	751.00
	As a % of revenue from operations	54.39	73.85	54.53

As on March 31, 2023, our Order Book value was ₹ 8,682.70 million, out of which ₹ 3,058.55 million was from Contracting Customers which was 35.23 % of the total Order Book value. Our business, growth prospects and financial performance are largely dependent on our ability to obtain new projects from Contracting Customers and retain existing projects from Contracting Customers and there can be no assurance that we will be able to attract new Contracting Customers and procure projects or retain the existing Contracting Customers. Further, our future results of operations and cash flows may fluctuate from period to period depending on the timing of receiving our projects from Contracting Customers. Further, inability of the primary contractor to obtain new contracts due to reasons beyond our control would also impact our prospects of getting projects from Contracting Customer. In the event we are unable to obtain new projects from Contracting customers, our revenue from operations, cash flows and financial conditions will be materially and adversely affected.

2. ***The number of orders we have received in the past, our current Order Book and our growth rate may not be indicative of the number of orders we will receive in future. The order wins and any delays in execution of our orders expose us to time and cost overruns and variability in revenue, materially and adversely impacting our revenue from operations, cash flows and financial conditions*.**

Our Order Book may be materially impacted if the time taken or amount payable for completion of any ongoing orders of our Company exceeds the contractual estimate. The growth of our Order Book is a cumulative indication of the revenues including incentives, that we expect to recognise in future periods with respect to our existing contracts. We cannot guarantee that the income anticipated in our Order Book will be realised or if realised, will be realised on time or result in profits. The number of orders we have received in the past, our existing Order Book and our growth rate may not be indicative of the number of orders we will receive in future. While none of our orders have been cancelled or terminated prematurely as on the date of this DRHP, there can be no assurance that our orders will not be cancelled or terminated prematurely in the future, and our Company will receive any applicable termination payments in time, or at all, or that the amount paid will be adequate to enable our Company to recover its costs in respect of the prematurely cancelled order. In such events, we may have to bear the actual costs for such production incurred by us, which may exceed the agreed work as a result of which, our future earnings may be lower from the amount of the Order Book and if any of the forgoing risks materialize, our cash flow position, revenues and earnings may be adversely affected.

The table below shows our Order Book details as on March 31, 2023, March 31, 2022 and March 31, 2021:

Particulars	As on March 31, 2023	As on March 31, 2022	As on March 31, 2021
Total Order Book (in ₹ million)	8,682.70	5,434.57	1,435.76
Particulars	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**
Order Book wins (in ₹ million)	7,712.74	6,284.95	2,114.52

The completion of our orders involves various execution risks including delay or disruption in supply of raw materials, unanticipated cost increases, fluctuations in the rate of foreign exchanges, force majeure events, time and cost overruns, geo-political issues and operational hazards and therefore, we may not always be able to execute our projects within the scheduled time. In the event of any disruptions while executing our projects, due to natural or man-made disasters, workforce disruptions, fire, explosion, failure of machinery, or any significant social, political or economic disturbances or civil disruptions in or around the jurisdictions where such facilities are located, our ability to execute our projects may be adversely affected. While there have been no instances in the past, where our operations were affected due to such disruptions except due to COVID-19, we cannot assure you that our operations will not be affected if any such disruptions occur in future. Our Order Book as of a particular date is calculated based on the aggregate contract value of our on-going projects as of such date reduced by the value of work executed by us until such date, subject to certain adjustments including foreign exchanges fluctuations and other contractual terms. Project delays, modifications in the scope or cancellations may occur from time to time, due to delay in payments by our Customers or due to our own defaults on account of delay in delivering the order, incidents of force majeure, cash flows problems, regulatory delays and any other factors beyond our control. In view of the above, projects can remain outstanding in Order Book for extended periods of time because of the nature of the project and the timing of the services required by the project. Delays in the completion of a project for any reason whatsoever can lead to delay in receiving our payments and thereby leading to variability in revenue.

There have been instances in the past where we were not able to meet the scheduled timelines on account of revision in the timelines by our Customers and delay in the supply chain and accordingly our milestones of payments were impacted and consequently, we had to pay liquidated damages. The table below shows the liquidated damages that we paid for Fiscals 2023, 2022 and 2021, respectively:

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Liquidated damages (in ₹ million)	Nil	Nil	0.56
As a % of total expenses	Nil	Nil	0.05

We cannot guarantee that in future we would not default on any of the existing terms of our contracts resulting in the payment of liquidated damages. Further, delays in the execution of projects results in the cost overruns and affects our payment milestones, subsequently impacting our revenue recognition method. The order wins and delays in execution of projects expose our business to variability in revenue thereby creating an adverse impact on our revenue, cash flows and financial conditions. We may not be able to maintain and enhance our production capabilities within scheduled time or implement our production plans effectively at all.

3. *Any downside in the capital expenditure of oil and gas, petrochemical and fertilizers industry would create an adverse impact on our revenue from operations, cash flows and financial conditions.*

Our business is heavily dependent on the capital expenditure of oil and gas refineries, petrochemical and fertilizers industries as they are the primary Customers for Heating Equipment. Any fluctuations in the oil and gas prices, whether in India or overseas, would create an impact on the capital expenditure plans of oil and gas refineries, petrochemical and fertilizers industries. Such fluctuations may lead our Customers in oil and gas refineries, petrochemical and fertilizers industries to cancel, downsize or defer their capital expenditure plans thus impacting demand for Heating Equipment. While the collapse of global crude oil prices between 2014 and 2016 had no adverse impact on our business, we cannot assure you that any future collapse of the global crude oil prices would not result in the decline of tender opportunities resulting in the decline of our orders which may have an adverse impact on our financial conditions. Further, the recent hostilities between Russia and Ukraine have impacted the global crude oil prices, leading to an increase in the price of the crude oil in the global market. Given such volatile nature of the oil and gas prices which is contingent on several external factors that are beyond our control, we cannot assure you that any kind of fluctuations in the oil prices would not have an impact on our orders and tender opportunities, thereby creating an adverse impact on our revenue from operations, cash flows and financial conditions.

4. ***We derive a majority portion of our revenues from sales of Heating Equipment. Loss or decline in the demand of such Heating Equipment may result in an adverse effect on our business, revenue from operations and financial condition.***

Our product portfolio is categorised into two segments – Heating Equipment; and (b) Flares and incinerators and others. However, we obtain majority portion of our revenues from sales of Heating Equipment . The table below shows our revenue from sale of Heating Equipment for Fiscals 2023, 2022 and 2021, respectively.

Product category	Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Revenue from operations (in ₹ million)	% of revenue from operations	Revenue from operations (in ₹ million)	% of revenue from operations	Revenue from operations (in ₹ million)	% of revenue from operations
Heating Equipment	3,359.68	82.49	2,612.00	88.13	1,215.93	88.29

Sale of our Heating Equipment may decline because of several factors including but not limited to, a decline in capital expenditure requirements of our customers, loss of our market share, increase in competition, change in technology, pricing pressures and a decline or slowdown in oil and gas refineries, petrochemical and fertilizers industries. Any or all these factors may have an adverse effect on our business prospects, and sales of our products could decline substantially. We cannot assure you that such lack of demand for our high revenue generating products, i.e., our Heating Equipment could potentially be offset by sales of our other products.

5. ***We are subject to strict performance requirements and delivery within scheduled timelines and any failure by us to comply with these performance requirements may lead to the invocation of performance bank guarantee and liability claims*.**

Given the nature of our products and the sectors we cater to, inability of our products to meet the performance criteria and standards may lead to invocation of performance bank guarantee and liability claims and cancellation of future orders, any of which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Once we receive an order, we ensure that the product is designed and engineered to meet the specifications of our Customers. Further, we ensure that adequate measures are taken in selecting suppliers and third-party fabricators for a particular order and final assembly and erection of components are also undertaken as per industry standards to ensure quality of our products. Most of our purchase orders and contracts have clauses that requires us to guarantee the quality of the products free from any defects and faults. In the event there is any defect in our products, we are required to rectify such defects at our own cost. Further, for most of our projects, we are required to provide a performance bank guarantee against the performance of our products supplied. In the event if there is any deficiency in performance during the period of the performance bank guarantee, we are required to make necessary corrective actions including replacement of defective component and reconfiguration, at our own costs. While we take all measures to ensure the performance of our products, we cannot assure you that, the product would continue to deliver to the performance requirement during the period of performance bank guarantee. While there have been no instances in the past, where such performance bank guarantee was invoked by our Customers, we cannot assure you that our products would meet the required performance standards and our Customers would not invoke such performance bank guarantee in the future.

Further, process fired heaters, reformers and cracking furnaces are essential facilities that supply heat necessary for raw material process of oil refineries, petrochemical, fertilizers and hydrogen and methanol plants. Any downtime as a result of under-performance, non-performance or mal-performance of process fired heaters or reformers or cracking furnaces can cause significant losses to our Customers and accordingly the liability claims against us can be significant in quantum. While there have been no instances of any liability claims against us in the past, we cannot assure you that our products would meet the required performance standards and our customers would not raise any liability claims against us in the future. Any such instances of liability claims may impact our credentials and in turn affect our ability to win bids which may in turn affect our cash flows, financial condition and results of operations.

6. ***Our failure to expand geographically may have an adverse effect on our business, financial condition and results of operations.***

As of March 31, 2023, we have served 17 Customers in India and seven Customers overseas. In India, we have completed projects in, amongst others, Andhra Pradesh, Assam, Bihar, Karnataka, Kerala, Maharashtra, Tamil Nadu, West Bengal and globally have completed projects in Nigeria and Mexico. Further, we have ongoing projects in Gujarat, Odisha, Haryana, Rajasthan in India and globally in Oman, Algeria, and Lithuania. The table below shows our revenue from Indian markets and overseas markets revenue respectively for the last three Fiscals:

Particulars	In Fiscal 2023	In Fiscal 2022	In Fiscal 2021
Revenue from the Indian market (in ₹ million)	1,265.05	729.91	499.18
Revenue from overseas market (in ₹ million)	2,800.46	2,158.10	868.81

Further, our Order Book as on March 31, 2023 is ₹ 8,682.70 million. Further, we are evaluating options to expand to new geographies through sales office and distribution network, such as expanding to European countries and opening sales offices in the Middle East and Africa. While we believe that through such branch offices we will increase our engagement with our Customers and establish long-lasting relationships which may help us in becoming a preferred supplier of Heating Equipment to our Customers, the costs associated with entering and establishing ourselves in new markets, and expanding our operations and sales, may be higher than expected, and we may also face significant competition in these regions. Further, entering into new geographies would be subject to numerous regulatory, political and economic factors, legal requirements, cross-cultural considerations and other risks associated with doing business globally including but not limited to the enforcement of legal contracts in foreign jurisdiction. Such growth requires us to manage complexities across all aspects of our business, including those associated with increased headcount, integration of acquisitions, expansion of manufacturing and R&D facilities, execution on new lines of business and implementations of appropriate systems and controls to grow the business.

We partner as a global joint engineering and implementing partner for JNK Heaters for certain projects in Heating Equipment. In pursuit to strengthen our relationship, we have entered into a co-operation agreement dated May 17, 2023 with JNK Heaters. ("**Co-operation Agreement**"), which governs our relationship in relation to, amongst others marketing and geography of operations. For further details, please see "***History and Certain Corporate Matters - Summary of key agreements and shareholders' agreements - Key terms of other subsisting material agreements***" on page 193. Pursuant to the Co-operation Agreement, our Company and JNK Heaters have exclusivity for markets in India and South Korea, respectively, and for markets, other than India and South Korea, business development including participation in bids shall be pursued according to the terms of the Co-operation Agreement. While the Co-operation Agreement will facilitate our penetration into global markets which otherwise would not have been possible with our limited capabilities, it will also restrict our entry to certain overseas markets where our Company is required to consult with JNK Heaters prior to entering such overseas markets. Further, there cannot be any guarantee that any of the parties to the Co-operation Agreement would not default on any of the terms and conditions of the Co-operation Agreement or terminate the Co-operation Agreement. Any default of contractual obligations or termination of the Co-operation Agreement would preclude us from having projects in certain jurisdictions and could have an adverse impact on our marketing and sales opportunities. Our continued growth requires significant time and attention from our management and may place strains on our operational systems and processes, financial systems and internal controls and other aspects of our business. Therefore, we may not be able to expand our export business, which could have a material adverse effect on our business, financial condition and results of operations.

7. ***We do not have any trademark or logo registered in our name. We use the logo and trademark of one of our Corporate Promoters, JNK Heaters, pursuant to the Co-operation Agreement dated May 17, 2023 and consent letter dated July 20, 2023. Any default in the contractual obligations or termination of the Co-operation Agreement or revocation of the consent would prohibit us from using the trademark and logo and may have an adverse impact on our business.***

We have not obtained any trademark registration of our name and logo. We use the logo and trademark of one of our Corporate Promoters, JNK Heaters pursuant to the Co-operation Agreement dated May 17, 2023 and consent letter dated July 20, 2023. The terms and the conditions of the usage of the logo and trademark are governed by the Co-operation Agreement and consent letter dated July 20, 2023. Any default in the contractual obligations or termination of the Co-operation Agreement or revocation of the consent, would prohibit us from using the trademark and logo and may have an adverse impact on our business.

8. *Conflicts of interests may arise out of the business ventures in which one of our Corporate Promoters and Directors are interested.*

As on the date of this Draft Red Herring Prospectus, one of our Corporate Promoters, JNK Heaters, is engaged in a similar line of business to that of our Company. Further, one of our Directors, Bang Hee Kim is currently the president and chief executive officer at JNK Heaters. We cannot assure you that JNK Heaters and Bang Hee Kim will not provide competitive services or otherwise compete in the same business lines in which we are already present or will enter in future. We have a Co-operation Agreement with JNK Heaters which governs our commercial relationship in relation to bidding, geography of operations, technological and engineering assistance and intellectual property. Pursuant to such Co-operation Agreement, our Company and JNK Heaters have exclusivity to markets in India and South Korea, respectively, and for markets, other than India and South Korea, the participation in bids and tender process would be based on technical and commercial qualifications. The Co-operation Agreement, however, contemplates a situation where our Company is required to consult JNK Heaters prior to participation in certain bids. For further details, please see "***History and Certain Corporate Matters - Summary of key agreements and shareholders' agreements - Key terms of other subsisting material agreements***" on page 193. JNK Heaters being in the same line of business may not always approve the participation of our Company in such bids resulting in loss of opportunities for our Company. If any conflict of interest arises, JNK Heaters and Bang Hee Kim may make decisions regarding our operations, financial structure or commercial transactions that may not be in our shareholders' best interest. Further, in case of any conflict between JNK Heaters and our Company, we may not even get projects from JNK Heaters which may create an adverse impact on our business, revenue from operations and financial conditions. Such decisions could have a material adverse effect on our business, financial condition, results of operations and prospects. Should we face any such conflicts in the future, there is no guarantee that they will get resolved in our favour.

9. *We have significant working capital requirements. If we are unable to borrow or raise additional financing or furnish bank guarantees or performance bank guarantees in future, it would adversely impact our business, cash flows and results of operations.*

Our business requires significant working capital in connection with manufacturing of our products, furnishing of bank guarantees for participation in bids, financing inventory and purchase of critical components which may be adversely affected in case there is any change in terms of credit or payment. The table below shows the net working capital requirements of our Company for Fiscals 2023, 2022 and 2021 respectively:

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Net working capital requirements* (in ₹ million)	1,030.94	211.31	299.80

**excludes cash and cash equivalents and current investments*

Delays in payment under our existing contracts or an increase in inventory and work in progress and/or accelerated payments to suppliers, or an increase in the performance bank guarantee requirement could adversely affect our working capital, lower our cash flows and materially increase the amount of working capital requirements. Accordingly, we may require additional capital or financing from time to time to meet our working capital requirements.

As on June 30, 2023, our borrowings were ₹ 1,204.90 million on a consolidated basis. While we have the capacity to take on financial leverage, our ability to obtain financing is subject to a variety of uncertainties, including our financial condition, results of operations, cash flows and liquidity of the domestic and international capital and lending markets. In addition, our loan agreements may contain financial covenants that restrict our ability to incur additional indebtedness without our lender consent. Any indebtedness that we may incur in the future may also contain operating and financing covenants that could be restrictive. Further, financing may not be available in a timely manner or in amounts or on terms acceptable to us, or at all. If we are required to raise equity financing, this could result in dilution to our Shareholders. While our Company has not availed any unsecured loans, in the event we do avail any unsecured loans in the future, there would always be a possibility where such loans could be recalled by the lender at any time. If any lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all.

Our Company is also required to furnish bank guarantees with respect to the advances that we receive for our orders and furnish performance bank guarantees in relation to security deposit and performance of our products. In the event that any such bank guarantees or performance bank guarantees are invoked and if we are unable to meet our guaranteed requirements, then legal proceedings may be initiated against us, or we may incur additional costs. While we have not defaulted in the payment of any of our borrowings including bank guarantees and performance bank guarantee as on the date of this DRHP, we cannot assure you that we will not default in future. Further, our Promoters have given personal and corporate guarantees for our borrowings. If any of these guarantees are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal or corporate guarantees provided by our Promoters. Any failure to raise additional funds on favourable terms or in a timely manner or at all could severely restrict our liquidity and have a material adverse effect on our business and results of operations. Further, continued increase in our working capital requirements may have an adverse effect on our financial condition and results of operations.

10. *We are dependent on our Promoters, Directors, Key Managerial Personnel and Senior Management, including other employees with technical expertise. Any loss of or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.*

We are dependent on our Promoters, Directors, Key Managerial Personnel and Senior Management for strategic business decisions and managing our business. Our Promoters and Directors Arvind Kamath Dipak Kacharulal Bharuka and Goutam Rampelli and our Director Bang Hee Kim have an extensive experience in the Heating Equipment industry and have been instrumental in the evolution of our business. Our Promoters are supported by an experienced management team comprising Deepak Sake (vice president engineering), Mohsin Shaikh (assistant vice president projects) and Vallathur Ravikumar Mudali (general manager, procurement department), with a cumulative experience of over 38 years in the development and execution of projects in process fired heaters industry.

The experience and leadership of our Promoters, Directors, Key Managerial Personnel and Senior Management has played a key factor in our growth and development. Our management team of qualified and experienced professionals enables us to identify new avenues of growth and help us to implement our business strategies in an efficient manner and to continue to build on our track record of successful product offerings. The relationships and reputation that members of our management team have established and maintain with our Customers contribute to our ability to maintain good Customer relations and to identify new business opportunities. We cannot assure you that we will be able to retain them or find adequate replacements in a timely manner, or at all. Any loss or interruption in the services of our Key Managerial Personnel or Senior Management could significantly affect our ability to effectively manage our operations and to meet our strategic objectives.

In addition, we could incur additional expenses and need to devote significant time and resources to recruit and train replacement personnel, which could further disrupt our business operations, growth and prospect. The table below shows the employee benefits expense for Fiscals 2023, 2022 and 2021, respectively:

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Employee benefits expense (in ₹ million)	532.38	414.48	326.26
As a % of revenue from operations	13.07	13.98	23.69
As a % of total expenses	15.26	16.63	28.21

Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and train experienced, talented and skilled professionals and retain our engineers and sales and marketing professionals. We have a team of experienced engineers and technicians who work with our Customers to understand their specific needs and provide solutions that meet or exceed their expectations. Recruiting and retaining capable personnel, particularly those with expertise and experience in our industry, are vital to our success. If we are unable to recruit, train and retain a sufficient number of these employees, then our ability to maintain our competitiveness and grow our business could be negatively affected. The loss of the services of any key personnel or our inability to recruit or train enough experienced personnel may have an adverse effect on our financial results and business prospects. Further, as we expect to continue to expand our operations and develop new products, we will need to continue to attract and retain experienced management personnel. If we are unable to attract and retain qualified personnel, our results of operations may be adversely affected. Further, should our Promoters' involvement in our business reduce for any reason in the future, our business, results of operations, financial condition and prospects may be adversely affected. For instance, one of our Promoters, Arvind Kamath is currently engaged in other businesses within other companies which carry out activities related to, inter alia, pumps and mechanical seals and any increased focus on such businesses may impact the time that he is involved in our business. For details of our Board, Key Managerial Personnel and Senior Management, see "***Our Management – Key Managerial Personnel and Senior Management***" on page 209.

11. *Our expansion into new business lines may not be successful.*

We have recently diversified into renewable energy systems. While currently we supply grey hydrogen through onsite and offsite production and storage systems, we are working towards capabilities of producing and storing green hydrogen systems. We are also building capabilities in renewable sector with onsite hydrogen production hydrogen fuel stations and solar photovoltaic – engineering, procurement and construction ("**EPC**") which forms part of green hydrogen value chain.

While we believe that we have the requisite technological and infrastructural capabilities, we cannot assure you that we will be able to successfully enter into hydrogen energy industry and Solar PV-EPC markets or that our products and engineering solutions will be successful. In the event we are not successful in entering the renewable energy system markets despite making substantial investments, our financial conditions would be adversely affected.

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

We have entered into transactions with related parties in the past and from, time to time, we may enter into related party transactions in the future. The details of the related party transaction for Fiscals 2023, 2022 and 2021, respectively:

(₹ in million)

Related Party Name	Relationship	Nature of transactions	Fiscal 2023	Fiscal 2022	Fiscal 2021
		Transactions with related parties			
JNK Heaters Co. Ltd (Korea)	Entity with significant influence	Sale of goods	1,282.41	1,034.33	42.86
		Dividend paid	3.18	-	-
		Purchase of goods	151.16	-	-
		Sale of service	850.05	629.33	447.77
		Advances received in course of business	298.63	1,409.66	83.81
		Technical service charges	34.25	-	-
JNK Heaters Co. Ltd (Project Office, India)*	Entity with joint or common control	Sale of goods	651.39	459.77	-
		Advances received in course of business	566.04	207.46	149.74
		Sale of engineering, erection and works contract services	9.80	65.54	256.15
		Reimbursement of expenses	0.25	0.61	-
		Construction charges income	13.00	45.54	-
Mascot Dynamics	Entity with joint or common control	Loan taken	35.00	20.00	-
		Interest on loan taken	0.04	0.19	-
		Duty credit scrips sold	1.26	-	8.95

Related Party Name	Relationship	Transactions with related parties Nature of transactions	Fiscal 2023	Fiscal 2022	Fiscal 2021
Private Limited		Loan given	5.00	-	30.00
		Interest on loan receivable	0.01	-	-
		Loan repaid	35.00	-	-
		Loan given received back	5.00	-	-
Arvind Kamath	Whole time Director	Director's remuneration	93.48	92.40	82.00
		Reimbursement of expenses	1.83	0.02	0.02
Goutam Rampelli	Whole time Director	Director's Remuneration	59.92	59.20	53.60
		Reimbursement of expenses	0.26	0.10	0.04
		Dividend payment	1.73	-	-
		Sale of Car	0.61	-	-
Bang Hee Kim	Director	Professional fees expenses	59.92	23.20	14.80
Dipak Kacharulal Bharuka	CEO (KMP)	Remuneration including bonus and incentives	54.44	48.91	47.30
		Reimbursement of Expenses	1.63	0.24	0.32
		Rent paid	1.35	1.01	-
		Business advance	2.12	0.60	-
		Dividend paid	1.44	-	-
Mascot Capital and Marketing Private Limited	Entity with significant influence	Dividend paid	6.77	-	-
		Professional fees expenses	-	0.11	3.42
Priya Bharuka	Relative of Key Managerial Personnel	Professional fees expenses	-	4.25	4.00
		Rent paid	1.35	1.01	-
Mascot Business Solutions Private Limited	Entity with Joint or Common Control	Professional fees expenses	0.33	0.52	-
Mascot Flowtech Private Limited	Entity with Joint or Common Control	Technical service expenses	1.03	-	-
Porvair Filtration India Private Limited	Entity with joint or common control	Sale of goods	-	-	0.04
Total			**4,229.68**	**4,104.00**	**1,224.82**

A. **Transactions within the group (these transactions got eliminated in Restated Consolidated Financial Information)***

Related Party Name	Relationship	Nature of transactions	Fiscal 2023	Fiscal 2022	Fiscal 2021
JNK India Private FZE	Wholly Owned Subsidiary	Reimbursement of Expenses	2.33	5.44	4.30
		Erection service expenses	115.63	30.16	30.01
		Advances given in course of business	11.66	0.37	33.55
		Investment in subsidiary	-	0.10	-
JNK Renewable Energy Private Limited	Wholly Owned Subsidiary	Investment in subsidiary	1.00	-	-
		Loan given	21.77	-	-
		Interest on loan (income)	0.24	-	-

Transactions with related parties					
Related Party Name	**Relationship**	**Nature of transactions**	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**
Total			**152.63**	**36.07**	**67.86**

**An office opened by JNK Heaters in relation to the execution of projects in India, as required under section 6(6) of FEMA read with Foreign Exchange Management (Establishment in India a branch office or a liaison office or a project office or any other place of business) Regulations, 2016, as amended from time to time.*

For further information relating to our related party transactions, see "***Restated Consolidated Financial Information – Note 33 – B – Related Party Transaction***" on page 266.

Most of our related party transactions have been conducted with one of our Corporate Promoters, JNK Heaters. While all such transactions have been conducted on an arm's length basis, we cannot assure you that we might not have obtained more favourable terms had such transactions been entered into with unrelated parties. While we shall endeavour to conduct all related party transactions post listing of the Equity Shares subject to the Board's or Shareholders' approvals, as applicable, and in compliance with the applicable accounting standards, provisions of Companies Act, 2013, provisions of the SEBI Listing Regulations and other applicable law, such related party transactions may potentially involve conflicts of interest. While our Company will endeavour to duly address such conflicts of interest as and when they may arise, we cannot assure you that these arrangements in the future, or any future related party transactions that we may enter, individually or in the aggregate, will not have an adverse effect on our business, financial condition and results of operations.

13. ***Our business subjects us to certain risks due to our operations in multiple jurisdictions.***

We undertake in-house fabrication process at some of our leased facilities, apart from engaging with third-party fabricators. While one of our facilities is situated at a multi-product special economic zone at Mundra, Gujarat, where fabrication is undertaken for export purposes only, our other facility is situated at Jajpur, Odisha which has been setup for a specific project only. Further, we are expanding into other jurisdictions and planning to set up sales office in Europe and opening more branches in the Middle East and Africa.

Our operations are subject to risks that are specific to each jurisdiction in which we operate or intend to operate from, including:

- Social, economic, political, geopolitical conditions, such as natural disasters, civil, disturbance, terrorist attacks, war or other military action, which may adversely affect our business and operations;

- Compliance with local laws, environmental, health, safety, labour laws, which may impose obligations on our Company;

- Changes in foreign laws, regulations and policies, including restrictions on trade, import and export licence, requirements, and tariffs and taxes, and changes in foreign trade and investment policies, which may affect our ability to both operate and the way in which we manage our business in the countries in which we operate; and

- Fluctuations in foreign currency exchange rates against the Indian Rupee, which may affect our results of operations, the relative prices at which we and foreign competitors sell products in the same markets and the cost of certain inventory and non-inventory items required for our operations;

In addition, changes in laws and regulations, more stringent enforcement or alternative interpretation of existing laws and regulations in jurisdictions in which we currently operate can change the legal and regulatory environment, making compliance with all applicable laws and regulations more challenging. If any of these risks materialises, it could have a material adverse effect on our business, financial condition and results of operations.

14. ***Our industry is competitive and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows.***

We are one of the leading Heating Equipment companies in India in terms of new order booking between Fiscal 2021 to Fiscal 2023 and have capabilities in thermal designing, engineering, manufacturing, supplying, installing and commissioning process fired heaters, reformers and cracking furnaces. *(Source: F&S Report)*

While the process fired heaters market has high entry barriers as the engineering of industrial process fired heaters requires a complex understanding of various oil products (*Source: F&S Report*), our competitors may win market share from us by providing lower cost solutions to our Customers, or by offering technologically advanced products. Our success depends on our ability to develop and deliver advanced products, utilizing our technologies, to help our Customers operate more effectively and efficiently. We may incur significant expenses in preparing to meet anticipated Customer requirements that we may not be able to recover or pass on to our Customers. Even if our offerings address industry and Customer needs, our competitors may be more responsive to these needs and more successful at selling their products. 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 our current and prospective Customers, market share or be compelled to reduce our prices, thereby adversely affecting our business, results of operations and financial condition. Our profitability and growth can also be affected by other competitive pressures such as competition for skilled engineering and technology professionals with a proven delivery track record. Our competitors' actions, including expanding manufacturing capacity, expansion of their operations to newer geographies or product segments in which we compete, or the entry of new competitors into one or more of our markets could cause us to lower prices in an effort to maintain our sales volume which may affect our business, results of operations, financial condition and cash flow.

15. ***Bidding for a tender involves cost estimations for the bidding process. Inability to accurately estimate the cost or match the prices quoted by our competitors, may lead to loss of tender creating an adverse impact on our business, results of operations, financial condition and cash flows.***

We are in the business of designing, engineering, manufacturing, supplying, installing and commissioning Heating Equipment. We obtain our business through a competitive bidding process in which we compete for contracts based on, among other factors, pricing, technical capabilities, inclusion of our name in the vendor list of our Customers, reputation for quality, financing capabilities and past track record. These contracts are large and based on specifications which are awarded only by way of a request for proposal ("**RFP**"). Once, the RFP is floated by a Customer, we evaluate the scope of that project and commence our process of participation. We prepare our estimation based on our budget and bid for the proposals. Once the bids are evaluated by the end user or the contractor, the bidder offering a competitive price and meeting other criteria such as technical capabilities, name in the vendor list of Customers, reputation for quality, financing capabilities and past track record, is awarded the project.

Our ability to win a successful bid depends on our ability to accurately estimate the budget and bid for the RFPs through a comprehensive estimation, since offering our products at a lower price could adversely affect our profit margin. Further, our inability to accurately estimate the cost of the project at the time of submission of bids could also have an adverse impact on our profit margins. For instance, we provide price quotes on estimations of raw material prices at the time of submission of bids. In the event there is an increase in prices of the raw materials, we may not be able to pass on the additional cost to our Customers, which in turn may affect our profitability.

While most of the contracts entered with public sector undertakings include provisions for price escalations of commodity prices, the process to recover those escalated costs is time consuming and it may also happen that we may incur greater expenses while recovering those escalated costs than the actual costs for which the cost escalation provision has been invoked.

Reduced profit margin could have an adverse impact on our financial condition and cash flows. Further, the bidding and selection process is affected by several factors, including factors which may be beyond our control, such as market conditions and external economic outlook. In the past we have lost certain bids on account of competitors offering lower price. We cannot assure you that we would not lose any bids in future as well. Further, any increase in competition during the bidding process or reduction in our competitive capabilities could have a material adverse effect on our market share. Our ability to bid also depends on ability to furnish bank guarantee, our inability to furnish such bank guarantee may affect our participation in such bids. There can be no assurance that our current or potential competitors will not offer products comparable or superior to those that we offer at the same or lower prices, adapt more quickly to industry challenges, or expand their operations at a faster pace than we do. Increased competition may result in price reductions, reduced profit margins and loss of market share, thereby causing an adverse effect on our operations, prospects, and financial condition.

16. ***We carry out in-house fabrication at some leased facilities and any slowdown or shutdown in our manufacturing operations could have an adverse effect on our business, financial condition and results of operations.***

While we outsource most of our fabrication process to third-party fabricators and most of the fabrication takes place at the premises of the third-party fabricators, we also undertake in-house fabrication process at two of our leased premises. In the event these existing leases are terminated or they are not renewed on commercially acceptable terms or at all, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, sizes or locations, our business and results of operations may be adversely affected. One of our facilities is situated at a multi-product special economic zone at Mundra, Gujarat, where fabrication is undertaken for export purposes only. Further, on situational basis and based on the requirement of our projects, we take certain facilities on lease basis and once the project is completed the facility is shut down and all the equipment and machinery are shifted to other facilities for other projects. This ensures project optimisation while providing us with logistical efficiency. One such facility is situated, at Jajpur, Odisha, where fabrication is undertaken only for one of our Customer's refinery and we do not intend to renew the facility post completion of the project. Our facilities may be subject to various operating risks, including those beyond our control, such as the breakdown, failure of equipment or industrial accidents, fire, power interruption and natural disasters. While there have been no instances in the past where there was any significant breakdown of our machinery or our equipment nor any industrial accidents, such operational interruptions may cause delays in our operations. Further, our Mundra facility is situated on a SEZ land and accordingly there are certain restrictions with respect to its usage. We can use that premise to manufacture products only for our exports. Further, as a lessee, we must comply with the conditions stipulated in the lease agreement such as compliance with environmental safety standards and labour laws and submission of compliance report. In the event we are unable to comply with the restrictions under the laws governing SEZs in India, our rights to use our facility may be suspended or withdrawn, which may in turn adversely affect our business, financial condition, results of operations and prospects. Further, any change in the SEZ regime may adversely affect our business, financial condition, results of operations and prospects.

17. ***We may not be successful in our pursuit of strategic investment and acquisition opportunities.***

We intend to selectively pursue strategic investment and acquisition opportunities that complement our growth strategy or strengthen or establish our presence in our targeted domestic and overseas markets. The costs associated with entering and establishing ourselves in new markets and expanding our operations and sales, may be higher than expected and we may face significant competition in these regions. Further, entering into the international markets would be subject to numerous political and economic factors, legal requirements, cross-cultural considerations and other risks associated with doing business globally including but not limited to the enforcement of legal contracts in foreign jurisdiction. Such growth requires us to manage complexities across all aspects of our business, including those associated with increased headcount, integration of acquisitions, expansion of manufacturing and R&D facilities, execution on new lines of business and implementations of appropriate systems and controls to grow the business. Our continued growth requires significant time and attention from our management and may place strains on our operational systems and processes, financial systems and internal controls and other aspects of our business. Therefore, we may not be able to expand our export business, which could have a material adverse effect on our business, financial condition and results of operations.

18. ***We outsource our fabrication process to third-party fabricators for most of our projects which presents numerous risks.***

Depending on the size of the project and other commercial factors, we outsource most of our fabrication process to third-party fabricators**.** The table below shows total amount paid to third-party fabricators for Fiscals 2023, 2022 and 2021, respectively:

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Total amount paid to third party fabricators (in ₹ million)	222.69	465.54	59.34
As a % of our total expenses	6.38	18.67	5.13

Most of the fabrication takes place at the premises of the third-party fabricators. While we endeavour to implement strict quality control measures on our third-party fabricators, we do depend on the expertise of such third-party fabricators and rely on them to provide satisfactory products and levels of service. Further, our contractors may not be always available and may be hired by our competitors since we do not enter into any exclusive contractual obligations with them, due to which we may not be able to deliver on projects in time. This kind of operational model presents numerous risks, including the following:

- insufficient quality controls or failures in the quality controls of our third party fabricators;
- interruptions to the operations of our third-party fabricators due to strikes, lockouts, work stoppages or other forms of labour unrest, breakdown or failure of equipment as well as accidents;
- failure by our third-party fabricators to comply with applicable law and the directives of relevant governmental authorities;
- significant adverse changes in the financial or business conditions of our third party fabricators;
- performance by our third-party fabricators below expected levels of output or efficiency;
- inability to deliver projects on schedule time due to geo-political or any economic or regulatory changes in the jurisdictions where the third-party fabricators may operate;
- any inability on our part to renew existing agreements with or find replacements for existing third-party fabricators; and;
- sub-standard products impacting our production schedules or adversely impacting our relationships with key Customers.

Other than the delays in dispatching of fabricated parts by the third-party fabricators which impacted our delivery schedules, there has been no past instance where our operations were affected by any of the above-mentioned risks, we cannot assure you that we will be successful in continuing to receive uninterrupted services from our third-party fabricators.

19. *We face foreign exchange risks that could adversely affect our results of operations.*

We partially import certain components such as burners, pressure parts and pipes for our manufacturing process from countries such as China and from certain parts of Europe such as Spain, Italy, Netherlands and Luxembourg. The table below indicates the expenditure incurred on our imports from various jurisdictions in the Fiscals 2023, 2022 and 2021, respectively:

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Total expenditure on imports of raw material (in ₹ million)	285.23	312.90	11.87
Total expenditure on imports of raw materials from China (in ₹ million)	75.63	293.63	11.87
Total expenditure on imports of raw materials from Europe (in ₹ million)	22.62	12.36	Nil
Total expenditure on import of raw materials from China as a % of total expenditure on raw materials	4.72	19.54	3.92
Total expenditure on import of raw materials from Europe as a % of total expenditure on raw materials	1.41	0.82	Nil

We are therefore exposed to fluctuations in exchange rates especially of U.S. dollar $, Chinese Yuan ¥ and Euro € against the Indian Rupee. Majority of our contracts do not have provisions to pass on losses on account of foreign currency fluctuations to our Customers, limiting our ability to foresee future foreign currency fluctuations. Further, due to the time gap between the accounting of purchases and actual payments, the foreign exchange rate at which the purchase is recorded in the books of accounts may vary with the foreign exchange rate at which the payment is made, thereby benefiting or affecting us negatively, depending on the appreciation or depreciation of the Rupee which may also have an impact on our Order Book. We may, therefore, be exposed to risks arising from exchange rate fluctuations and we may not be able to pass on all losses on account of foreign currency fluctuations to our Customers, and as a result, suffer losses on this account.

Our revenue from global projects are denominated in either U.S dollar $ or Euro €.The table below indicates our export revenue for Fiscals 2023, 2022 and 2021, respectively:

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Export revenue (in ₹ million)	2,800.46	2,158.10	868.81
As a % of revenue from operations	68.76	72.81	63.08

The exchange rate between the Indian Rupee and these currencies, primarily the U.S. dollar $ have fluctuated in the past and our results of operations have been impacted by such fluctuations and may be impacted by such fluctuations in the future. However, the effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact on our results of operations in any given financial period due to other variables impacting our business and results of operations during the same period. While our Company in past has used foreign currency futures for hedging our exposure to foreign currency fluctuations, there is no guarantee that we may be able to manage our foreign currency risk effectively or mitigate exchange exposures always and our inability may harm our results of operations and cause our results to fluctuate and/or decline.

20. ***Certain sections of this Draft Red Herring Prospectus disclose information from the industry report which has been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risk.***

We have availed the services of an independent third-party research agency, Frost and Sullivan, appointed by us pursuant to a proposal dated February 28, 2023 and an engagement letter dated March 2, 2023 entered into with our Company, to prepare an industry report titled "*Opportunities in Heating Equipment, Waste Gas Handling/Emission, Control Systems, and Renewable Energy Systems*" (the "**F&S Report**"). The F&S Report has been exclusively commissioned and paid for by us, for purposes of inclusion in this Draft Red Herring Prospectus. The F&S Report is available on the website of our Company at www.jnkindia.com/industry-report.html. The F&S Report is subject to various limitations and based upon certain assumptions that are subjective in nature. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amount may differ materially from those included in this Draft Red Herring Prospectus. Also see '***Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data***' on page 16.

21. ***Our operations are dependent on our ability to identify and understand evolving industry trends, technological advancements, Customer preferences and develop new products to meet our Customers' demands. Our inability to secure necessary technological knowledge through our own research and development and any failure in our abilities to understand industry trends and requirements will adversely impact our results of operations.***

We are one of the leading Heating Equipment companies in India in terms of new order booking between Fiscal 2021 to Fiscal 2023 and have capabilities in thermal designing, engineering, manufacturing, supplying, installing and commissioning process fired heaters, reformers and cracking furnaces. *(Source: F&S Report)* We use modern engineering techniques and modern design tools to ensure that our products are efficient and cost-effective. We focus in product upgradation, engineering and design which is essential for onboarding new Customers and retention of existing Customers by aligning our product and service offerings with their requirements. Our ability to anticipate changes in technology and understand industry trends and requirements, changes in Customer preferences, accurate estimation of a project's cost is a significant factor in our ability to remain competitive.

We do not have any research and development ("**R&D**") facility and may have to rely on one of our Corporate Promoters, JNK Heaters for any new technological development. While we continue to focus on developing newer technology to upgrade our existing products further, we cannot assure you that efforts will result in new technologies and capabilities being developed on a timely basis or meet the demands of our Customers as effectively and competitively. Any failure on our part to successfully introduce new technologies and upgrades may have an adverse effect on our business, results of operations and financial condition.

22. ***We have certain contingent liabilities which, if materialized, may adversely affect our financial condition.***

As of March 31, 2023, our contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, that have not been provided for in our results of operations were as follows:

(in ₹ million)

S. No.	Particulars	As on March 31, 2023
1.	Demands raised by income tax authorities	2.28
2.	Demands raised by indirect tax authorities	Nil
	Total	**2.28**

If a significant portion of these liabilities materialize, we may have to fulfil our payment obligations, which could have an adverse effect on our business, financial condition and results of operations. For further information on our contingent liabilities, see "***Restated Consolidated Financial Information***" on page 221.

23. ***Inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business and results of operations.***

Our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of actions, any of which could adversely affect our business and financial condition. Our Company is required to obtain prior approval from and provide prior intimation to certain of our lenders for, among other things, change in control of our Company, change in capital structure or constitutional documents, or undertake any new projects or expansion. While we have received the requisite consents from our concerned lenders, one of our lenders has provided a conditional consent which is subject to the final approval to be received from their internal committee. While we will ensure to receive the consent from this lender prior to filing of the Red Herring Prospectus with the RoC, we cannot guarantee that we will receive such consent on time or at all. In the event we do not receive such consent, it may have an impact on our filing of the Red Herring Prospectus and consequently, we may be required to defer the filing of the Red Herring Prospectus until we receive the consent. While we have complied with the conditions and covenants under the financing arrangements as on date of this DRHP, any failure in the future to satisfactorily comply with any condition or covenant under our financing arrangements may lead to termination of one or more of our credit facilities, immediate repayments of our credit facilities any of which may adversely affect our business, financial condition and results of operations. Although we have not defaulted on our financial obligations and have been in compliance with covenants in the past, we cannot assure you that we will be able to comply with all such financial obligations and covenants in the future. Further, we have granted security interests over certain of our assets, including charge on our present and future current assets and on our present and future movable assets and certain immovable fixed assets, to secure our borrowings and any failure to satisfy our obligations under such borrowings could lead to the forced sale and seizure of such assets, which may adversely affect our business, financial condition and results of operations. For further details of our indebtedness, see "***Financial Indebtedness***" on page 283.

24. ***We are unable to trace some of the historical records and there have been certain instances of regulatory non-compliances in the past. We may be subject to regulatory actions and penalties for any such past or future non-compliance or delays and our business, financial condition and reputation may be adversely affected.***

Our Company is unable to trace the share transfer form with respect to the transfer of equity shares to Dipak Kacharulal Bharuka from Mascot Capital dated April 10, 2014. We have included the details of such transfer in the Draft Red Herring Prospectus based on other corporate records such as share certificate and board resolution. Further, in accordance with Para 8 of Schedule 1 of erstwhile Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, required that an Indian company is first required to receive the foreign remittance and subsequently allot its equity shares. However, our Company erred and allotted 130,000 equity shares prior to the receipt of foreign inward remittance, to one of our Corporate Promoters, JNK Heaters on March 29, 2012. Subsequently, an application was filed for compounding of such non-compliance by our Company and the said non-compliance was compounded pursuant to the order dated February 24, 2021 by the Deputy General Manager and Compounding Authority, Reserve Bank of India, Foreign Exchange Department, Mumbai Regional Office, upon payment of ₹ 0.033 million as compounding fees. A penalty was also paid for late filing of FGPR form pursuant to the bonus allotment of equity shares to JNK Heaters on November 24, 2021. Further, there have been certain instances of inadvertent delays in filing RoC forms by our Company for which we had paid additional fees. We cannot assure you that there will be no such delays or non-compliances in the future and our Company will not be subject to adverse actions by the authorities.

25. ***We are subject to various laws and regulations, including environmental and health and safety laws and regulations. If we fail to obtain, maintain or renew the licenses, permits and approvals required to operate our business, or fail to comply with applicable laws, our business, results of operations and financial condition may be adversely affected.***

Our operations are subject to extensive laws and regulations. Our business requires us to obtain and renew from time to time, certain approvals, licenses, registrations and permits. Our Company is required to obtain a prior consent from the Unit Approval Committee, Adani Ports and Special Economic Zone Limited and Office of Development Commissioner with respect to change in shareholding of our Company and accordingly we have applied for such consent. While we will ensure to receive the consent with respect to change in shareholding of Promoters prior to filing of the Red Herring Prospectus with the RoC, we cannot assure you that we will be able to obtain their consent or will receive the applied license in a timely manner. Further, consequent upon the change of the name of our Company from 'JNK India Private Limited' to 'JNK India Limited, pursuant to the conversion of our Company from a private limited company to a public limited company, we have/are in the process of filing certain applications / intimations for issuance of fresh licenses, consents, registrations, permissions and approvals or to take on record the change of name in various licenses obtained from regulatory or statutory authorities under the applicable laws, as applicable. There can be no assurance that the relevant authorities will issue such permits or approvals in time or at all. Certain of our approvals, licenses, registrations and permits are subject to expiry in the ordinary course of business and once they expire, we cannot guarantee that we will receive the renewed approvals in a timely manner or at all. Such approvals, licenses, registrations and permissions are governed by various regulations, guidelines, circulars and statutes regulated by the Government of India, the State Governments and certain other regulatory and government authorities, for operating our business. See "***Government and Other Approvals – Material approvals obtained by our Company***" on page 327 for further details. Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, the approvals, licenses, registrations and permits issued to us may be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. For instance, any violation of the environmental laws and regulations may result in fines, criminal sanctions, revocation of operating permits, or shutdown or disruption of our operations. While there have been no instances in the past where any approvals, licenses, registrations and permits issued to us were suspended or revoked, we cannot assure you that the relevant authorities would never suspend or revoke any of our approvals, licenses, registrations and permit.

26. ***Our insurance policies may not be adequate to cover all losses incurred in our business. An inability to maintain adequate insurance cover to protect us from material adverse incidents in connection with our business may adversely affect our operations and profitability.***

Our operations are subject to certain hazards such as accidents at work, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions, including hazards that may cause destruction of property and inventory. While we have not obtained any insurance coverages for our facilities and premises, we have obtained certain insurance coverages for our stocks that includes all normal risks associated with our business, including burglary insurance policy, standard fire and special perils insurance policy and employee compensation insurance policy. We typically obtain marine insurance policies for transit of goods, as and when required. We have also obtained a group medical policy and group accidental policy for our employees. These insurance policies are generally valid for a year and are renewed annually. In our experience, the amount of insurance currently maintained by us represents an appropriate level of coverage required to insure our business and operations. The table below shows the aggregate coverage of insurance policies obtained by us as a percentage of our total fixed assets and inventory for Fiscals 2023, 2022 and 2021, respectively:

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Aggregate coverage of insurance policies (in ₹ million)	500.00	500.00	500.00
% of our total fixed assets and inventory covered by insurance	14.93	18.72	39.99

Our insurance may not be adequate to completely cover any or all our risks and liabilities. There can be no assurance 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. Our inability to maintain adequate insurance cover in connection with our business could adversely affect our operations and profitability. To the extent that we suffer loss or damage as a result of events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance or exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected. Recently some of our iron pipes were stolen at our Jajpur facility in Odisha amounting to an estimated loss of ₹ 0.08 million. While the current loss did not have any material impact on our financial condition, we cannot assure you that there will be no such loss of uninsured assets by way of theft or otherwise in future that would impact our financial conditions. For further information on our insurance arrangements, see "***Our Business – Insurance***" on page 174. If insurance coverage, Customer indemnifications and/or other legal protections are not available or are not sufficient to cover risks or losses, it could have a material adverse effect on our financial position, results of operations and/or cash flows.

27. ***There are outstanding legal proceedings involving our Company, Promoters, and Directors. Any adverse outcome in such legal proceedings may affect our business, results of operations and financial condition.***

There are outstanding legal proceedings against our Company, Promoters, and Directors, which are pending at various levels of adjudication before various courts, tribunals and other authorities. The summary of outstanding matters set out below includes details of criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation (as defined in the section '***Outstanding Litigation and Material Developments***' on page 321) involving our Company, Promoters, Directors and Subsidiaries.

Name	Criminal proceedings	Tax proceedings	Statutory or regulatory actions	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters for the last five years	Material civil litigation	Aggregate amount involved* *(in ₹ million)*
Company						
By our Company	2	Nil	Nil	NA	Nil	1.20
Against our Company	Nil	2	1	NA	Nil	2.77
Directors						
By our Directors	Nil	Nil	Nil	NA	Nil	Nil
Against our Directors	Nil	3	Nil	NA	Nil	0.76
Promoters						
By the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoters	Nil	3**	Nil	Nil	Nil	0.76
Subsidiaries						
By our Subsidiaries	Nil	Nil	Nil	NA	Nil	Nil
Against our Subsidiaries	Nil	Nil	Nil	NA	Nil	Nil
Group Companies						
Outstanding Litigation which may have a material impact on our Company	Nil	Nil	Nil	NA	Nil	Nil

**Amount to the extent quantifiable.*
** *This includes tax proceedings against our Promoter and Director, Arvind Kamath*

For further information, see '***Outstanding Litigation and Other Material Developments***' on page 321.

These legal proceedings may or may not be decided in our favor. Further, as for March 31, 2023, we have not made any provisioning as necessary to be made by us for any possible liabilities arising out of this litigation. Additional liability may also arise out of these proceedings. Adverse decisions in such proceedings may have an adverse effect on our business, results of operations, cash flows, financial condition and growth strategy.

28. ***Availability and cost of raw materials may adversely affect our business, results of operations, financial condition and cash flows.***

The primary raw materials required for manufacturing of our products are steel, pipes, fittings, burners and fans. The table below indicates the cost of raw materials consumed in Fiscals 2023, 2022 and 2021respectively:

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Cost of goods used (in ₹million)	1,405.58	930.37	254.60
As % of our revenue from operations	34.51	31.39	18.49
As % of our total expenses	40.29	37.22	22.01

Suppliers of our raw materials are predetermined by our Customers and most of the times we have to opt for the suppliers from a preferred list of suppliers provided by our Customers, 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 a reasonable costs, or at all.

We also import certain of our components such as burners, pressure parts and pipes required in the manufacturing process. We generally import these components from China and certain parts of Europe such as Spain, Italy, Netherlands and Luxembourg. We do not have any long-term contracts or have a fixed price with our foreign suppliers, any fluctuation in the price of the components would create an adverse impact on our expenditure on imports. Further, loss of any of our foreign suppliers due to lack of any long-term contractual obligations, may adversely affect our flow of operations. The table below indicates the expenditure incurred on our imports from various jurisdictions for the Fiscals 2023, 2022 and 2021, respectively:

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Total expenditure on imports of raw material (in ₹ million)	285.23	312.90	11.87
Total expenditure on imports of raw materials from China (in ₹ million)	75.63	293.63	11.87
Total expenditure on imports of raw materials from Europe (in ₹ million)	22.62	12.36	Nil
Total expenditure on import of raw materials from China as a % of total expenditure on raw materials	4.72	19.54	3.92
Total expenditure on import of raw materials from Europe as a % of total expenditure on raw materials	1.41	0.82	Nil

Though we are continuously evaluating the potential of domestic vendors for the supply of components in order to reduce our dependency on import of components from global vendors, we cannot assure you that we would be able to meet our requirements only from domestic vendors and not be dependent on global vendors.

Pricing of our raw materials can be volatile due to several factors beyond our control, including global demand and supply, general economic and political conditions, transportation and labour costs, labour unrest, natural disasters, competition, import duties, tariffs and currency exchange rates, and there are uncertainties inherent in estimating such variables, regardless of the methodologies and assumptions that we may use. Volatility in commodity prices in particular, the cost of steel can significantly affect our cost of raw materials. Steel prices fluctuate based on a number of factors, such as, the availability and cost of raw material inputs, fluctuations in domestic and international demand and supply of steel and steel products, international production and capacity, fluctuation in the volume of steel imports, transportation costs, protective trade measures and various social and political factors, in the economies in which the steel producers sell their products and are sensitive to the trends of particular industries, such as, the construction and machinery industries. Further, volatility in fuel prices can also affect commodity prices worldwide which may increase our raw material costs. Moreover, any disruption in supply chain in China and Europe could lead to a delay in business operations at our facilities and could have an impact on our results of operations and profitability. COVID-

19 pandemic had an adverse impact on the global supply chain, while our global supply chain was also disrupted, there was no adverse impact on our operations. While we were able to successfully continue with our operations, as we altered our requirements of raw materials, we cannot assure you that in future we would be able to find similar alternative routes to combat the shortages of supply of components. Additionally, rising freight costs could also impact the supply and prices of raw materials which we may not be able to pass on to our Customers and in turn affect our results of operations and profitability.

29. *We do not enter into any long-term contracts with our suppliers.*

We primarily procure our materials from suppliers already pre-approved by our Customers and accordingly we do not enter into any long-term contracts with our suppliers. Any variation in the agreed terms of such orders or contracts would create an adverse impact on our business. The loss of any of our existing suppliers as a result of termination of existing contracts, may adversely affect our flow of operations. We are also subject to the risk that one or more of our existing suppliers may discontinue their operations, which may adversely affect our ability to source materials at a competitive price.

30. *Our business may be subject to labour conflicts, strikes, or other types of conflicts with our workforce and our third-party fabricators which may adversely impact on our business, results of operations and financial condition.*

We are significantly dependent on workforce for our operations. The table below shows our attrition rates for our permanent employees for Fiscals 2023, 2022 and 2021, respectively:

Particulars	
Number of permanent employees	
As of March 31, 2023	192
As of March 31, 2022	150
As of March 31, 2021	101
Attrition rates (in %)	
Fiscal 2023	16.37
Fiscal 2022	22.31
Fiscal 2021	13.83

The success of our operations depends on the availability of labour and maintaining a good relationship with our workforce. A shortage of skilled or unskilled personnel or work stoppages caused by disagreements with our workforce, strikes and lockouts because of disputes could have an adverse effect on our business, results of operations and financial conditions. As such, we believe our relations with our employees to be amicable. While there is no instance of work stoppages caused by disagreements with our workforce, strikes, lockouts or labour disputes in the past, we cannot assure you that we shall not experience any such disagreements, strikes, lockouts or labour disputes in the future. Such events could disrupt our operations and may have a material adverse effect on our business, financial condition and results of operations. We also engage third-party fabricators to perform either parts of our project or entire project. There could be a delay in the performance of duties by third-party fabricator or any conflict which may cause a delay in the completion of our projects. Our company had sub-contracted some fabrication work of heaters in relation to a project in Mexico. While the sub-contractor had defaulted on the contract fulfilment by delaying the delivery of job work assigned to it, there was no impact on the completion and delivery of our project in Mexico. However, we cannot assure you that we will be able to mitigate such default on the part of the third party fabricator in future and not affect our delivery timelines. Further, we engage independent contractors through whom we engage contract labour for certain jobs at our facilities. Although our Company does not engage such contract labourers directly, we may be held responsible for any wage payments to be made to such contract labourers in the event of default by independent contracts. While there has been no past instance where we were held responsible for payment of wages to contract labourers, we cannot assure you that we would not be held liable for payment of wages in the future. In addition, we are subject to several stringent labour laws that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes financial obligations on employers upon retrenchment. If labour laws become more stringent, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, financial condition, results of operations and cash flows.

31. *The continuing impact of the COVID-19 pandemic on our business and operations is uncertain and it may be significant and continue to have an adverse effect on our business, operations and our future financial*

performance.

An outbreak of COVID-19 was recognized as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak the governments of many countries, including India, had taken and may continue to take preventive or protective actions, such as imposing country-wide lockdowns, restrictions on travel and business operations and advising or requiring individuals to limit time spent outside of their homes. The nationwide lockdown in India during March and April 2020 resulted in the full closure of our premises and all our facilities for a month in April 2021, and while there was no financial impact on our Company, we cannot guarantee that any such similar closure in the future would not have any financial impact or any adverse impact on our operations, resulting in no operations for that period. However, we had made an alternative arrangement for the accommodation of our workers within the premise of our job facilities and as a result, our operations were not affected. COVID-19 had an adverse impact on the global supply chain, consequently, while our supply chain was also disrupted initially, there was no adverse impact on our operations. While we were able to successfully continue with our fabrication process, as we altered our requirements of raw materials, we cannot assure you that in future we would be able to find similar alternative routes to combat the shortages of supply of components.

The duration and extent of the effect of COVID-19 on our business and results of operations is not determinable. If the COVID-19 pandemic persists, whether through the outbreak of new virus strains or otherwise, further lockdowns and travel disruptions may occur, factory closures may be required, and we may experience lower production levels, additional direct costs and lost revenue. For example, a new COVID-19 variant named Omicron was detected in November 2021 and caused major supply chain disruptions. In addition, if our suppliers experience COVID-19 related closures or reductions in their capacity utilization levels in the future, we may have difficulty sourcing the components necessary to fulfil production requirements. Any of these factors could have a material adverse effect on our business, financial condition and results of operations.

32. ***We may be unable to detect, deter and prevent all instances of fraud or other misconduct committed by our employees which may have a material adverse effect on our business, results of operations and financial condition*.**

Fraud or misconduct by our employees such as leaking of confidential information in relation to our products, unauthorized business transaction, bribery, breach of any applicable law or our internal policies could result in regulatory actions and litigation thereby creating an adverse impact on our business and reputation. Although we have controls in place with respect to the handling of such cases, we may be unable to prevent, detect or deter all such instances of misconduct. While there have been no past instances of any such fraud or misconduct committed by our employees under such contract or otherwise, we cannot assure you that our employees will not commit any fraud or other misconduct in the future. Further, we may not be able to identify non-compliance and suspicious transactions in a timely manner. Any such misconduct committed against our interests, which may include past acts that have gone undetected or future acts, may have a material adverse effect on our business, results of operations and financial condition.

33. ***Our Promoters, Directors, Key Managerial Personnel and Senior Management may have an interest in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.***

Certain of our Promoters, Directors, Key Managerial Personnel and Senior Management may be deemed to be interested to the extent of Equity Shares held by them, as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares or any other interest. For instance, pursuant to an agreement dated January 12, 2022, our Company has taken one of our office premises on a leave and license basis from our Whole Time Director and Chief Executive Officer, Dipak Kacharulal Bharuka for a period of five years commencing from July 1, 2021. Pursuant to such interests they may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. For more information, see "***Our Management – Interest of Directors***", "***Restated Consolidated Financial Information – Note 33 – B – Related Party Transactions***" and "***Our Management – Interest of Key Managerial Personne and Senior Management***" on pages 200, 266 and 211, respectively.

34. ***The immediate relatives of one of our Promoters, who are deemed to be a part of the Promoter Group under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 have not provided consent, information or any confirmations or undertakings pertaining to themselves which are required to be disclosed in relation to a member of the Promoter Group in this Draft Red***

Herring Prospectus.

Our Company had sought and requested Prajwal Kamath, wife of one of our Promoters Arvind Kamath and Tanishk Kamath, the son of Arvind Kamath and Prajwal Kamath, that Prajwal Kamath, Tanishk Kamath and certain relatives of Prajwal Kamath and connected entities (as defined under SEBI ICDR Regulations) of Prajwal Kamath (the "**Prajwal Kamath Group**") deemed to be a part of the Promoter Group under the SEBI ICDR Regulations to provide the confirmations and undertakings in respect of themselves as a member of the Promoter Group of our Company as well as any other entities/bodies corporate/firms/HUFs that they may be interested in, which would qualify as part of the Promoter Group of our Company. However, our Company despite making several attempts to obtain information or documents, did not receive any information or document from either Prajwal Kamath or Tanishk Kamath. Thereafter, our Company, pursuant to its letter dated April 27, 2023 had sought an exemption from the inclusion of Prajwal Kamath, Tanishk Kamath and Prajwal Kamath Group in the Promoter Group of our Company on account of not receiving the relevant information, confirmations and undertakings and also regarding the entities they may be interested in, respectively, for inclusion in this Draft Red Herring Prospectus. SEBI, pursuant to its letter dated June 22, 2023 has directed our Company to include Prajwal Kamath, Tanishk Kamath, Harini Sharma, Ranjit Sharma and their connected entities as part of the Promoter Group of our Promoter, Arvind Kamath and include applicable disclosures based on the information as available in the public domain.

In view of non-receipt of the relevant confirmations and undertakings from Prajwal Kamath, Tanishk Kamath, and Prajwal Kamath Group, in order to comply with the disclosure requirements specified under the SEBI ICDR Regulations pertaining to members of the Promoter Group of issuer companies, our Company has disclosed such details pertaining to Prajwal Kamath, Tanishk Kamath, and Prajwal Kamath Group in the section titled "***Our Promoter and Promoter Group***" beginning on page 212 of this Draft Red Herring Prospectus, only to the extent available and accessible to our Company from the publicly available information. However, given that certain of such undertakings and confirmations are based only on publicly available information published on websites, our Company has not been able to identify any body corporate in which 20.00% or more of the equity share capital is held by either Prajwal Kamath or Tanishk Kamath or Harini Sharma or Ranjit Sharma or a firm or Hindu Undivided Family in which they are members and consequently, our Company has not been able to identify all entities which may be considered as a part of the Promoter Group of our Company and/or include disclosures in this Draft Red Herring Prospectus pertaining to any factual confirmations required to be made in relation to the Promoter Group members. There can be no assurance that all relevant and/or complete disclosures pertaining to Prajwal Kamath, Tanishk Kamath, Harini Sharma, and Ranjit Sharma and/or connected entities, as members of the Promoter Group of our Company are included in this Draft Red Herring Prospectus. To that extent, the incremental disclosures made in the section titled "***Our Promoter and Promoter Group – Promoter Group***" in relation to Prajwal Kamath, Tanishk Kamath Harini Sharma or Ranjit Sharma and/or connected entities beginning on page 215 of this Draft Red Herring Prospectus, are limited and based on the publicly available information published.

35. ***Our Registered and Corporate Office are located on premises taken on a leave and license basis or leased. There can be no assurance that these leave and license or leased agreements will be renewed upon termination, or that we will be able to obtain other premises on leave and license basis on same or similar commercial terms or at all.***

Our Registered and Corporate Office is located on a premise which is taken on a lease basis for a period of five years with effect from November 16, 2019. While we renew the leased agreements periodically in the ordinary course of business, in the event that these existing leases are terminated or they are not renewed on commercially acceptable terms or at all, we may suffer a disruption in our operations. Our inability to renew the leased agreements on commercially favourable terms may lead to disruptions to our business and have a material adverse impact on our financial condition and results of operations.

36. ***Failure or any disruption of our IT systems, may adversely affect our business, financial condition, results of operations and prospects.***

We rely on our IT infrastructure to provide us with connectivity and data backup across our locations and facilities. We believe that we have deployed adequate IT management systems including data backup and retrieval mechanisms, in all our facilities and offices. However, any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to plan, track, record and analyze work in progress and sales, process financial information, manage our creditors, debtors or otherwise conduct our normal business operations, which may increase our costs and otherwise adversely affect our business, financial condition, results of operations and prospects.

37. ***Failures in internal control systems could cause operational errors which may have an adverse impact on our profitability.***

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Internal control systems comprising policies and procedures are designed to ensure sound management of our operations, safekeeping of our assets, optimal utilization of resources, reliability of our financial information and compliance. To identify the potential risk to our operations we carry out a risk assessment exercise by using a risk assessment and control matrix. Once the risks are identified, we classify those risks as low, medium and high depending on their impact on our operations. We mitigate the high and medium risk by designing appropriate internal control systems and procedures. Our systems and procedures are periodically reviewed and tested and covers all our areas of our functions. Further, we have engaged an external professional agency to conduct our internal audit of systems and controls. Our internal auditors have recommended amongst others to strengthen controls in relation to our inventory management and supplier selection process and process of settlement of supplier advances. We have taken requisite measures to such address such observations. While we believe that we have adequate controls, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to guarantee effective internal controls in all circumstances. Given the size of our operations, it is possible that errors may repeat or compound before they are discovered and rectified. Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, our actions may not be sufficient to correct such internal control weakness. These factors may have an adverse effect on our reputation, business, results of operations, cash flows and financial condition.

38. ***Our funding requirements and proposed deployment of the Net Proceeds are not appraised by any independent agency and are based on management estimates and may be subject to change based on various factors, some of which are beyond our control.***

We intend to use the Net Proceeds for (i) funding working capital requirements and (ii) general corporate purposes in the manner specified in "***Objects of the Offer – Objects of the Fresh Issue***" on page 89. The amount of Net Proceeds to be actually used will be based on our management's estimates and has not been appraised by any bank or financial institution. Our internal management estimates may exceed fair market value or the value that would have been determined by third-party appraisals, which may require us to reschedule or reallocate our capital expenditure and may have an adverse impact on our business, financial condition, results of operations and cash flows. 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 Offer 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.

39. ***Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.***

We propose to utilize the Net Proceeds towards (i) funding working capital requirements and (ii) general corporate purposes in the manner specified in "***Objects of the Offer – Objects of the Fresh Issue***" on page 89. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization 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 or operations.

In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, 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.

40. ***Non-GAAP measures presented in this Draft Red Herring Prospectus may have limitations as analytical tools, may vary from any standard methodology applicable across the Heating Equipment industry, and may not be comparable with financial or statistical information of similar nomenclature presented by other peer companies.***

This Draft Red Herring Prospectus contains certain non-GAAP financial measures and certain other statistical information related to our operations and financial performance. These non-GAAP measures and statistical information may vary from any standard methodology that is applicable across the Heating Equipment industry, and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other companies in similar lines of business. Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of companies engaged in similar business, many of which provide such non-GAAP financial measures and other statistical and operational information when reporting their financial results. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other Heating Equipment companies.

41. ***Our Company has issued Equity Shares during the last 12 months at a price which may be lower than the Offer Price.***

We have, in the 12 months preceding the filing of this Draft Red Herring Prospectus, issued Equity Shares at prices that may be lower than the Offer Price. See '***Capital Structure – Notes to Capital Structure – Issue of equity shares at a price lower than the Offer Price in the last one year***' on page 77. The price at which our Company has issued the Equity Shares in the past is not indicative of the price at which they will be issued or traded.

External Risk

42. ***Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.***

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other force majeure events, many of which are beyond our control, may lead to economic instability, including in India or in other jurisdictions where we operate, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may also require us to evacuate personnel and suspend operations. For instance, our operations at our facility at Mundra were affected by 'Biparjoy' cyclone in June 2023 where our manufacturing activities were halted for around six days and the main gate of our Mundra facility was also damaged due to high wind and heavy rain. Any terrorist attacks, civil unrest and other acts of violence or war may adversely affect the Indian securities markets. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. A worsening of the COVID-19 pandemic or future outbreaks of COVID-19 virus or a similar contagious disease could adversely affect the Indian economy and economic activity in the country. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

43. ***Political, economic, regulatory or other factors that are beyond our control may have an adverse effect on***

our business and results of operations.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in India is also affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect 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. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of our Equity Shares.

44. ***A downgrade in ratings of India, may affect the trading price of the Equity Shares.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Set forth below is India's sovereign debt ratings:

Name of the Agency	Rating	Outlook	Date
Fitch	BBB-	Stable	May 8, 2023
Moody's	Baa3	Stable	March 17, 2023
DBRS	BBB (low)	Stable	May 16, 2023

Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favorable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

45. ***We may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges which may adversely affect trading price of our Equity Shares.***

On listing, we may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Offer due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may lead to us triggering the parameters specified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation.

In the event our Equity Shares are covered under such surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market for and trading of our Equity Shares.

46. ***If there is any change in laws or regulations, including taxation laws, or their interpretation, such changes may significantly affect our financial statements.***

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Act, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favor of a concessional tax regime (subject to no other special benefits or exemptions being claimed), which would ultimately reduce the tax rate (on gross basis) for Indian companies from 30.00% to 22.00% (exclusive of applicable health and education cess and surcharge). Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities or tribunals or courts would have an effect on our profitability.

The Finance Act, 2020 ("**Finance Act**"), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime. For instance, dividend distribution tax ("**DDT**") will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are likely be subject to tax deduction at source. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

In addition, we are subject to tax related inquiries and claims. We may be particularly affected by claims from tax authorities on account of income tax assessment, service tax and GST that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017 and all subsequent changes and amendments thereto.

Further, the Supreme Court of India, in a judgment delivered on August 24, 2017, had held that the right to privacy is a fundamental right. Following this judgment, the Government of India is considering the enactment of the Digital Personal Data Protection Bill, 2023 ("**Data Protection Bill**") on personal data protection for implementing organizational and technical measures in processing personal data and lays down norms for cross-border transfer of personal data including ensuring the accountability of entities processing personal data. The Data Protection Bill has been recently approved by the Union Cabinet on July 5, 2023 and Lok Sabha on August 7, 2023. The Data Protection Bill, if passed into law, would require companies that collect and deal with high volumes of personal data to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal and a data auditor to evaluate compliance with such Data Protection Bill.

Further, the Government of India has announced the Union Budget for Fiscal 2024 and the Finance Act, 2023, which was notified on the e-Gazette on March 31, 2023. The Finance Act, 2023 proposes various amendments to taxation laws in India. As such, there is no certainty on the impact that the Finance Act, 2023 may have on our business and operations or on the industry in which we operate. In addition, unfavorable 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 relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations 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.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, the likely nature and impact of the specific terms of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect on our business.

47. ***We may be affected by competition laws, the adverse application or interpretation of which could adversely affect our business.***

The Competition Act, 2002 of India, as amended ("**Competition Act**") seeks to prevent business practices that have an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and attracts substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of consumers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition.

The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished. On March 4, 2011, the GoI notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions 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, or CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. With effect from April 11, 2023, the GoI has enacted the Competition (Amendment) Act, 2023 ("**Competition Amendment Act**"). Pursuant to the Competition Amendment Act, several amendments have been made to the Competition Act, including 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.

The Competition Act aims to, among other things, prohibit all agreements and transactions, including agreements between vertical trading partners i.e. entities at different stages or levels of the production chain in different markets, which may have an appreciable adverse effect on competition in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. We may also be subject to queries from the CCI pursuant to complaints by consumers or any third persons, which could be made without any or adequate basis given our market presence. Further, the CCI 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 on competition in India. However, the effect of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. However, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows, and prospects.

48. ***Investors may not be able to enforce a judgment of a foreign court against us.***

Our Company is a company incorporated under the laws of India. Most of our Company's Directors and officers are residents of India and a substantial portion of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered**.**

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 ("**CPC**"). India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the CPC. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, 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, including the United States, 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 directly enforceable in India. The party in whose favor a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India.

49. ***Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions due to which they may have difficulty in asserting their rights as a shareholder.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

50. ***Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

Our Company has a formal dividend policy as on the date of this Draft Red Herring Prospectus pursuant to a resolution of our Board dated June 9, 2023 . For further information, see "***Dividend Policy***" on page 220. Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value. Further any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time taken for such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency 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 proceeds received by Shareholders. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

51. ***Our Company will not receive any proceeds from the Offer for Sale. The Selling Shareholders will receive the proceeds from the Offer for Sale.***

The Offer consists of a Fresh Issue and an Offer for Sale. The Selling Shareholders shall be entitled to the proceeds from the Offer for Sale (net of its portion of the Offer-related expenses) and our Company will not receive any proceeds from the Offer for Sale. None of our Directors or Key Managerial Personnel or Senior Management will receive, in whole or in part, any proceeds from the Offer except for proceeds pursuant to the Offer for Sale.

52. ***The trading volume and market price of the Equity Shares may be volatile following the Offer.***

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of Key Management Personnel or Senior Management;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.
- changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

53. ***The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the Book Running Lead Managers is below their respective issue prices.***

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company and the Promoter Selling Shareholders, in consultation with the Book Running Lead Managers. Furthermore, the Offer Price of the Equity Shares will be determined by our Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Managers through the Book Building Process. These will be based on numerous factors, including factors as described under "***Basis for the Offer Price***" on page 100 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to resell their Equity Shares at or above the Offer Price**.**

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Book Running Lead Managers is below their respective issue price. For further details, see "***Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Book Running Lead Managers***" on page 337. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

54. ***The Equity Shares have never been publicly traded and the Offer may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Offer Price, or at all.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Offer. 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.

Our Equity Shares are expected to trade on NSE and BSE after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after the Offer could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Red Herring Prospectus. The market price of our Equity Shares may be influenced by many factors, some of which are beyond our control, including, among others:

- the failure of security analysts to cover the Equity Shares after the Offer, or changes in the estimates of our performance by analysts;
- the activities of competitors and suppliers;
- future sales of the Equity Shares by us or our Shareholders;
- investor perception of us and the industry in which we operate;
- our quarterly or annual earnings or those of our competitors;
- developments affecting fiscal, industrial or environmental regulations; and
- the public's reaction to our press releases and adverse media reports.

A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

55. ***Investors may be subject to Indian taxes arising out of income arising on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realized on the sale of listed equity shares on a 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 specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of Securities Transaction Tax ("**STT**"), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realized 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 as well as STT.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument ("**MLI**"), if and to the extent applicable, and the seller is entitled to avail benefits thereunder. 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.

No dividend distribution tax is required to be paid in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

General Anti-Avoidance Rules ("**GAAR**") seeks to deny the tax benefit to any arrangement, whose main purpose is to obtain a tax benefit, subject to the satisfaction of certain tests. If GAAR provisions are invoked, the tax authorities have wide powers, including cancellation of a proposed transaction or ignoring the impact of a transaction undertaken by our Company, denial of tax benefit under the IT Act, denial of a benefit available under a tax treaty, etc. 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. Furthermore, the Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. As such, there is no certainty on the impact that the Finance Act, 2023 may have on our Company's business and operations.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, financial condition, results of operations and cash flows.

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

The Equity Shares will be listed on the Stock Exchanges. 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 credited with the Equity Shares after the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in the Offer, the credit of such Equity Shares to the applicant's demat account with depository participant and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to complete within the timelines prescribed under the applicable law.

There could be a failure or delay in listing the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise any delay in commencing 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.

57. ***Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

58. ***Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer 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 RBI. If the transfer of shares which are sought to be transferred is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. 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. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 372.

59. ***Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.***

Our Restated Consolidated Financial Information for Fiscals 2023, 2022 and 2021, have been prepared and presented in conformity with Ind AS. Ind AS differs in certain significant respects from Indian GAAP, IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial information and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar.

60. ***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 the submission of their Bid, and Retail Individual Investors are not permitted to withdraw their Bids after closure of the Bid/ Offer 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 Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Therefore, QIBs and Non-Institutional Investors will not be able to withdraw or lower their Bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise at any stage after the submission of their bids.

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

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

However, if the law of the jurisdiction in which the investors are located, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportionate interest in our Company would be reduced.

62. ***The requirements of being a publicly listed company may strain our resources.***

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will, among other things, require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

63. ***Financial instability in other countries may cause increased volatility in Indian financial markets.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions and economic developments globally could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("**Brexit**"), there remains significant uncertainty around the terms of their future relationship with the European Union and, more generally, as to the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, regulators implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption such as the recent collapse of the silicon valley bank, could have a material adverse effect on our business, financial condition and results of operation.

64. ***If inflation were to rise in India, we might not be able to increase the prices of our products at a proportionate rate in order to pass costs on to our Customers thereby reducing our margins.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, components and other expenses relevant to our business. Further, a rise in inflation in other countries, such as in the United States of America or United Kingdom, may lead to an increase in the interest rates in India and depreciation in the value of the Rupee which in turn make the components imported by our Company costlier.

Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

In recent months, consumer and wholesale prices in India have exhibited increased inflationary trends, as the result of an increase in crude oil prices, higher international commodity prices, and higher domestic consumer and supplier prices. The RBI has enacted certain policy measures and has recently increased the repo rates to curb inflation. However, these policies and steps taken by the RBI may not be successful. In February 2022, hostilities between Russia and Ukraine commenced. The market price of oil has risen sharply since the commencement of these hostilities which may have an inflationary effect in India. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our Customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to control the increase in our expenses related to salaries or wages payable to our employees, reduce our costs or increase the price of our products to pass the increase in costs on to our Customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

SECTION III: INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer[#]	Up to [●] Equity Shares aggregating up to ₹ [●] million
The Offer consists of:	
Fresh Issue[(1)]	Up to [●] Equity Shares aggregating up to ₹ 3,000.00 million
Offer for Sale [(2)]	Up to 8,421,052 Equity Shares aggregating up to ₹ [●] million
Of which:	
A. QIB Portion[(3)(4)]	Not more than [●] Equity Shares aggregating up to ₹ [●] million
Of which:	
Anchor Investor Portion[(3)]	Up to [●] Equity Shares
Net QIB (assuming the Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares
Of which:	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares
B. Non-Institutional Category[(5)]	Not less than [●] Equity Shares aggregating up to ₹ [●] million
Of which:	
One-third of the Non-Institutional Category available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000	[●] Equity Shares
Two-third of the Non-Institutional Category available for allocation to Bidders with an application size of more than ₹ 1,000,000	[●] Equity Shares
C. Retail Portion[(5)]	Not less than [●] Equity Shares aggregating up to ₹ [●] million
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus)	48,392,000 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds of the Offer	See "***Objects of the Offer – Net Proceed***" beginning on page 89 for information about the use of the Net Proceeds arising from the Fresh Issue. Our Company will not receive any portion of the proceeds from the Offer for Sale.

[#] *Our Company in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹ 600.00 million. The Pre-IPO Placement may be undertaken by our Company in consultation with the BRLMs, at their discretion. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and the Pre-IPO Placement, if any, will be undertaken prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to Offer complying with Rule 19(2)(b) of the SCRR. On utilization of Pre-IPO Placement proceeds (if any) prior to the completion of the Offer, it shall be appropriately intimated to the Pre-IPO Placement subscribers that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and result into listing of the Equity Shares of our Company on the Stock Exchanges.*

(1) *Our Board has authorised the Offer by way of its resolution dated June 9, 2023 and our Shareholders have approved the Fresh Issue pursuant to a special resolution passed on July 27, 2023. Further, our Board has taken on record the consent of the Selling Shareholders to participate in the Offer for Sale pursuant to a resolution passed at its meeting held on August 22, 2023.*

(2) *Each Selling Shareholder has, severally and not jointly, confirmed that the Offered Shares have been held by them for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and are accordingly eligible for being offered for sale in the Offer in compliance with the SEBI ICDR Regulations. For details of authorizations received for the Offer for Sale, see "**Other Regulatory and Statutory Disclosures**" beginning on page 329.*

(3) *Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may 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 Offer. 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. For further information, see "**Offer Procedure**" beginning on page 353.*

(4) *Subject to valid bids being received at or above the Offer 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 and the Promoter Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. Undersubscription, 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.

(5) *Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Investors 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 Investors of which one-third of the Non-Institutional Category will be available for allocation to Non-Institutional Category with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Category will be available for allocation to Non-Institutional Category with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category. 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 Category 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 information, see "***Offer Structure***", "***Offer Procedure***" and "***Terms of the Offer***" on pages 350, 353 and 343, respectively.

SUMMARY OF FINANCIAL STATEMENTS

The following tables set forth summary financial information derived from our Restated Consolidated Financial Information. The summary financial information as at financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 presented below should be read in conjunction with "***Restated Consolidated Financial Information***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 221 and 285, respectively.

(*Remainder of this page is intentionally left blank*)

JNK India Limited
(Formerly known as JNK India Private Limited)
Restated Consolidated Statement of Assets and Liabilities

(INR in Million)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Non-Current Assets			
(a) Property, Plant & Equipment	54.39	54.53	7.95
(b) Right of Use Assets	149.18	142.15	25.66
(c) Intangible Assets	3.63	4.35	1.05
(d) Financial Assets			
(i) Other Financial Assets	88.85	80.96	2.90
(e) Deferred Tax Assets (Net)	24.90	7.95	-
(f) Other Non-Current Assets	3.31	1.97	1.97
Total Non-Current Assets	**324.26**	**291.91**	**39.53**
Current Assets			
(a) Inventories	820.53	624.37	51.76
(b) Financial Assets			
(i) Investments	-	110.59	-
(ii) Trade Receivables	1,143.50	1,100.10	540.22
(iii) Cash & Cash Equivalents	153.93	225.19	80.10
(iv) Bank Balances other than (iii) above	317.88	31.90	192.22
(v) Loans & Advances	2.87	8.21	1.80
(vi) Other Financial Assets	122.07	47.88	101.68
(c) Other Current Assets	492.71	243.04	243.93
Total Current Assets	**3,053.49**	**2,391.28**	**1,211.71**
Total Assets	**3,377.75**	**2,683.19**	**1,251.24**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	96.00	96.00	6.00
(b) Other Equity	1,125.70	625.80	362.17
Total Equity	**1,221.70**	**721.80**	**368.17**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	32.39	26.92	2.53
(ii) Lease Liabilities	80.50	75.15	17.80
(iii) Other Financial Liabilities	9.09	4.02	4.37
(b) Deferred Tax Liabilities (Net)	-	-	2.03
(c) Other Non-Current Liabilities	149.97	11.11	23.48
(d) Provisions	15.48	-	1.05
Total Non-Current Liabilities	**287.43**	**117.20**	**51.26**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	305.24	32.98	86.97
(ii) Lease Liabilities	22.59	14.70	9.57
(iii) Trade Payables			
(A) total outstanding dues of micro enterprises and small enterprises;	45.74	122.76	16.48
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	351.83	330.27	232.99
(iv) Other Financial Liabilities	158.63	185.74	96.83
(b) Other Current Liabilities	844.88	1,076.55	280.04
(c) Provisions	77.54	49.26	86.92
(d) Current Tax Liabilities (Net)	62.17	31.93	22.01
Total Current Liabilities	**1,868.62**	**1,844.19**	**831.81**
Total Liabilities	**2,156.05**	**1,961.39**	**883.07**
Total Equity and Liabilities **(c+f)**	**3,377.75**	**2,683.19**	**1,251.24**

JNK India Limited
(Formerly known as JNK India Private Limited)
Restated Consolidated Statement of Profit and Loss

(INR in Million except earnings per share)

	Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2021
I	Revenue from Operations	4,073.02	2,963.96	1,377.21
II	Other Income	42.43	7.40	7.32
III	**Total Income**	**4,115.45**	**2,971.36**	**1,384.53**
IV	**Expenses**			
	Purchase of Stock- in- Trade	1,601.74	1,502.98	302.68
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	(196.16)	(572.61)	(48.08)
	Project Expenses	1,097.26	704.49	279.36
	Employee Benefit Expenses	532.38	414.48	326.26
	Finance Costs	42.12	37.65	13.47
	Depreciation and Amortization Expenses	65.82	29.86	18.59
	Other Expenses	345.18	376.25	264.21
	Total Expenses	**3,488.34**	**2,493.10**	**1,156.49**
V	**Profit / (Loss) before exceptional items and tax (III-IV)**	**627.11**	**478.26**	**228.04**
VI	Exceptional Items	-	-	(0.05)
VII	**Profit / (Loss) before tax (V-VI)**	**627.11**	**478.26**	**228.09**
VIII	**Tax Expense :**			
	Current Tax Expense	180.44	128.41	59.41
	Deferred Tax Expense / (Income)	(16.95)	(9.98)	3.92
	Total Tax Expense	**163.49**	**118.43**	**63.33**
IX	**Profit / (Loss) For The Year (VII-VIII)**	**463.62**	**359.83**	**164.76**
X	**Other Comprehensive Income:**			
	Items that will not be reclassified to Profit or Loss:			
	-Remeasurement gains / (loss) of Defined benefit plans	(0.04)	-	-
	-Exchange difference on translation	-	-	-
	Total Other Comprehensive Income for the year	**(0.04)**	**-**	**-**
XI	**Total Comprehensive Income for the year (IX+X)**	**463.58**	**359.83**	**164.76**
XII	**Earnings Per Share (Face value of Rs. 2 each)**			
	(1) Basic	9.66	7.50	3.43
	(2) Diluted	9.51	7.50	3.43

JNK India Limited
(Formerly known as JNK India Private Limited)
Restated Consolidated Statement of Cash Flows

(INR in Million)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Cash Flows From Operating Activities			
Profit before income tax	627.11	478.26	228.09
Adjustments for Non Cash Items:			
Depreciation and Amortization Expense	65.82	29.86	18.59
Write Back of Trade Payables	-	-	(0.92)
Bad Debts Written Off	0.03	0.82	28.73
Bad Debts Provision	2.22	16.32	2.21
Notional Interest	(0.11)	(0.11)	(0.19)
Notional Expenses	0.11	0.20	0.21
Fixed Assets Written Off	2.77	-	-
Employee Benefit Expenses (ESOP)	50.72	-	-
Adjustments for Non Operating Items:			
Finance Charges Incurred	25.38	16.47	13.48
Interest Income	(7.81)	(6.12)	(4.82)
Foreign Exchange Rate Fluctuation (Gain) / Loss	(7.61)	21.17	6.44
Changes in Working Capital:			
(Increase) / Decrease in Trade Receivables	(38.04)	(601.32)	(364.79)
(Increase) / Decrease in Inventories	(196.16)	(572.61)	(48.08)
(Increase) / Decrease in Non-Current Assets & Current Assets	(319.86)	82.64	(292.38)
Increase / (Decrease) in Trade Payables	(55.46)	208.03	174.66
Increase / (Decrease) in Other Current Liabilities	(114.85)	872.70	350.60
Increase / (Decrease) in Provisions	43.72	(38.68)	52.34
Increase / (Decrease) in Borrowings	272.27	(54.00)	85.12
Cash Generated From Operations:	**350.25**	**453.63**	**249.29**
Income Taxes (Paid) / Refund	(150.20)	(118.51)	(49.65)
Net Cash From Operating Activities	**200.05**	**335.12**	**199.64**
Cash Flows From Investing Activities			
Sale / (Purchase) of Property, Plant and Equipment	(72.04)	(190.95)	(40.07)
Sale / (Purchase) of Intangible Assets	(2.68)	(5.28)	(0.06)
Interest on Deposits	7.81	6.12	4.82
Fixed Deposits (Added) / Matured	(293.87)	51.40	(132.07)
Sale / (Purchase) of Investments	110.59	(110.59)	-
Net Cash Used In Investing Activities	**(250.19)**	**(249.30)**	**(167.38)**
Cash Flows From Financing Activities			
Addition / (Repayment) of Long Term Borrowings	5.47	24.39	(1.35)
Finance Charges Incurred	(25.38)	(16.47)	(13.48)
Increase in Lease Liabilities	13.24	57.35	17.80
Dividend Paid	(14.40)	(6.00)	(6.00)
Net Cash From Financing Activities	**(21.07)**	**59.27**	**(3.03)**
Net Increase / (Decrease) in Cash and Cash Equivalents (d=a+b+c)	**(71.21)**	**145.09**	**29.23**
Cash and Cash Equivalents at Beginning of the Year	**225.19**	**80.10**	**50.87**
Exchange differences on translation of foreign operations	(0.05)	-	-
Cash and Cash Equivalents at End of the Year	**153.93**	**225.19**	**80.10**

GENERAL INFORMATION

Our Company was incorporated as "JNK India Private Limited", a private limited company under the Companies Act, 1956, in Thane, Maharashtra, pursuant to a certificate of incorporation dated June 14, 2010 granted by the RoC. Pursuant to the conversion of our Company from a private limited company into a public limited company and as approved by our Board on April 12, 2023, and a special resolution passed by our Shareholders at the EGM on April 14, 2023, the name of our Company was changed to "JNK India Limited", and the RoC issued a fresh certificate of incorporation on May 26, 2023.

Corporate identity number: U29268MH2010PLC204223

Registration number: 204223

Registered and Corporate Office

Unit No. 203, 204, 205 & 206
Opposite TMC Office
Centrum IT Park
Near Satkar Hotel
Thane -West
Thane 400 604
Maharashtra, India
Tel: + 91 22 6885 8000

Address of the Registrar of Companies

Our Company is registered with the RoC located at the following address:

Registrar of Companies, Maharashtra at Mumbai
100, Everest, Marine Drive
Mumbai 400 002
Maharashtra, India

Board of Directors

The following table sets out the details regarding our Board as on the date of filing of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Arvind Kamath	Chairperson and Whole Time Director	00656181	2004 Fiona, G B Road, Hiranandani Estate, Thane, Sandozbaugh Thane 400 607 Maharashtra, India
Goutam Rampelli	Whole Time Director	07262728	Flat No. 1204, Yucca, Nahar Amrit Shakti, Chandivali, Mumbai 400 072, Maharashtra, India
Dipak Kacharulal Bharuka	Whole Time Director and Chief Executive Officer	09187979	Flat No.102, 1st floor, BLDG No. 2 Orchid, Hiranandani Meadows Chitalsar Manpada, Kashinath Ghanekar Natygruh, Thane, Maharashtra 400 610, India
Bang Hee Kim	Non-Executive Director	03117636	505-dong 803-ho, 350 Mokdongdong-ro, Yangcheon-gu, Seoul Metropoitan, South Korea
Balraj Kishor Namdeo	Independent Director	06620620	F-31, 3/1 Panchakamal CHS, Near Rajiv Gandhi Udyan Sector-29, Navi Mumbai, Vashi, Thane, Maharashtra – 400 703, India
Sudha Bhushan	Independent Director	01749008	701, B-Wing, Julian ALPS, Bhakti Park, Wadala East, Mumbai, s Maharashtra – 400 037, India
Raman Govind Rajan	Independent Director	01253189	Y23, Concorde Silicon Valley, Neeladri Road, Next to Wipro Gate 15, Electronic City Phase 1, Electronic City, Bangaluru, Karnataka – 560 100, India

Name	Designation	DIN	Address
Mohammad Habibulla	Independent Director	01719204	2003, A Block, Aditya Empress Towers, Tolichowki Passport Office, Shaikpet, Golconda, Hyderabad, Telangana 500 008, India

For brief profiles and further details in respect of our Directors, see "***Our Management – Brief profiles of our Directors***" on page 197.

Company Secretary and Compliance Officer

Ashish Soni is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Ashish Soni
Unit No. 203, 204, 205 & 206
Opposite TMC Office
Centrum IT Park
Near Satkar Hotel
Thane -West
Thane 400 604
Maharashtra, India
Tel: + 91 22 6885 8000
E-mail : compliance@jnkindia.com

Investor Grievances

Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Investors may also write to the BRLMs.

All Offer-related grievances, other than that of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediaries 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 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 Bidders.

All Offer-related grievances of the Anchor Investors may be addressed to Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

IIFL Securities Limited
10th Floor, IIFL Centre, Kamala City
Senapati Bapat Marg
Lower Parel (W), Mumbai 400 013
Maharashtra, India
Tel: +91 22 4646 4728
E-mail: jnk.ipo@iiflcap.com
Investor grievance e-mail: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact person: Mukesh Garg/ Pawan Jain
SEBI registration no.: INM000010940

ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025
Maharashtra, India
Tel: +91 22 6807 7100
E-mail: jnk.ipo@icicisecurities.com
Investor grievance e-mail: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact person: Namrata Ravasia/ Harsh Thakkar
SEBI registration no.: INM000011179

Statement of inter-se allocation of responsibilities among the Book Running Lead Managers

The responsibilities and co-ordination by the BRLMs for various activities in this Offer are as follows:

S. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring, due diligence of Company including its operations / management / business plans / legal etc., drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. Ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalisation of Red Herring Prospectus, Prospectus, Offer Agreement, Underwriting Agreements and RoC filing	IIFL, I-Sec	IIFL
2.	Drafting and approval of all statutory advertisements	IIFL, I-Sec	IIFL
3.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in point 2 above, including corporate advertising and brochures and filing of media compliance report.	IIFL, I-Sec	I-Sec
4.	Appointment of intermediaries - Registrar to the Offer, advertising agency, printer (including coordination of all agreements)	IIFL, I-Sec	IIFL
5.	Appointment of all other intermediaries, including Sponsor Bank, Monitoring Agency, etc. (including coordination of all agreements)	IIFL, I-Sec	I-Sec
6.	Preparation of road show presentation and FAQs	IIFL, I-Sec	IIFL
7.	International institutional marketing of the Offer, which will cover, inter alia: • Marketing strategy • Finalising the list and division of international investors for one-to-one meetings Finalising international road show and investor meeting schedules	IIFL, I-Sec	IIFL
8.	Domestic institutional marketing of the Offer, which will cover, inter alia: • Marketing strategy • Finalising the list and division of domestic investors for one-to-one meetings Finalising domestic road show and investor meeting schedules	IIFL, I-Sec	I-Sec
9.	Non-institutional marketing of the Offer, which will cover, inter-alia: • Finalising media, marketing, public relations strategy and Formulating strategies for marketing to Non –Institutional Investors	IIFL, I-Sec	IIFL
10.	Retail marketing of the Offer, which will cover, inter-alia: • Finalising media, marketing, public relations strategy and publicity budget, frequently asked questions at retail road shows • Finalising brokerage, collection centres • Finalising centres for holding conferences for brokers etc. Follow-up on distribution of publicity and Offer material including form, Red Herring Prospectus/ Prospectus and deciding on the quantum of the Offer material	IIFL, I-Sec	I-Sec
11.	Coordination with Stock Exchanges for book building software, bidding terminals and mock trading, 1% security deposit with the designated stock exchange	IIFL, I-Sec	IIFL

S. No.	Activity	Responsibility	Co-ordination
12.	Coordination with Stock Exchanges for Anchor coordination, Anchor CAN and intimation of anchor allocation and submission of letters to regulators post completion of anchor allocation	IIFL, I-Sec	I-Sec
13.	Managing the book and finalization of pricing in consultation with Company and Promoter Selling Shareholders	IIFL, I-Sec	I-Sec
14.	Post-Offer activities – management of escrow accounts, finalisation of the basis of allotment based on technical rejections, post Offer stationery, essential follow-up steps including follow-up with bankers to the Offer and Self Certified Syndicate Banks and coordination with various agencies connected with the post-offer activity such as registrar to the offer, bankers to the offer, Self-Certified Syndicate Banks, etc. listing of instruments, demat credit and refunds/ unblocking of monies, announcement of allocation and dispatch of refunds to Bidders, etc., payment of the applicable STT on behalf of Selling Shareholders, coordination for investor complaints related to the Offer, including responsibility for underwriting arrangements, submission of final post issue report and coordination with SEBI and Stock Exchanges for refund of 1% security deposit.	IIFL, I-Sec	I-Sec

Syndicate Members

[●]

Legal Counsel to the Company

Shardul Amarchand Mangaldas & Co
Amarchand Towers
216, Okhla Industrial Estate Phase III
New Delhi 110 020, India
Tel: +91 11 4159 0700

Registrar to the Offer

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
L.B.S. Marg, Vikhroli West
Mumbai 400 083
Maharashtra, India
Tel: +91 810 811 4949
E-mail: jnkindia.ipo@linkintime.co.in
Website: www.linkintime.co.in
Investor grievance e-mail: jnkindia.ipo@linkintime.co.in
Contact person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Escrow Collection Bank(s)

[●]

Public Offer Account Bank

[●]

Refund Bank

[●]

Sponsor Bank(s)

[●]

Bankers to our Company

State Bank of India
101, 1st Floor, Bhoomi Velocity, B-39
Road No. 23 Wagle Estate, Thane – 400 604
Maharashtra, India
Tel: +91 8008553061
Contact person: Vineet Kejriwal
Email: vineet.kejriwal@sbi.co.in

HDFC Bank Limited
Emerging Corporates Group
Peninsula Business Park, Tower – B,
4th Floor, Unit No. 401 and 402,
Lower Parel, Mumbai – 400 013
Maharashtra, India
Tel: + 022 33958095
Contact person: Suman Kasliwal
Email: suman.khandelwal@hdfcbank.com

Self Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a Retail Individual Investor using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

Self-Certified Syndicate Banks and mobile applications enabled for Unified Payments Interface Mechanism

In accordance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders using the UPI Mechanism may only apply through mobile applications using UPI handles or through SCSBs whose names appear on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40), which may be updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism, is provided as 'Annexure A' for SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and is also available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 for SCSBs and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications or at such other websites as may be prescribed by SEBI from time to time.

Syndicate Self-Certified Syndicate Banks Branches

In relation to Bids (other than Bids by Anchor Investors) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time or any other website prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time or any other website prescribed by SEBI from time to time.

Broker Centres/ Designated Collecting Depository Participants Locations/ Designated Registrar and Share Transfer Agents Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Bidders (other than Anchor Investors) can submit Bid cum Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. And at the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34. The list comprising the details of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34and updated from time to time.

Statutory Auditor of our Company

M/s CVK & Associates
2, Samarth Apartments, D.S. Babrekar
Marg, Dadar – West
Mumbai, 400028
Maharashtra, India
Tel: +91 022-24468717/24451488
E-mail: kpc@cvk-ca.com/cvkassocaiates@gmail.com
Firm registration number: 101745W
Peer review number: 012918

Changes in Auditors

There has been no change in the statutory auditors during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Expert

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

Our Company has received written consent dated August 17, 2023, from CVK & Associates, our Statutory Auditor, 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, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 and in respect of (i) their examination report dated August 1, 2023 on our Restated Consolidated Financial Information; and (ii) their report dated August 17, 2023, on the Statement of Possible Special Tax Benefits in this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has received written consent dated August 1, 2023, from Meman Riyazahmed M, Independent Chartered Engineer, to include his name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and referred to as an "expert", as defined under Section 2(38) of the Companies Act, to the extent and in their capacity as an independent chartered engineer, in relation to the certificate dated August 1, 2023 certifying, *inter alia*, the details in relation to the installed production capacities and capacity utilizations of our in – house fabrication facilities at Mundra, Gujarat and Jajpur, Odisha, respectively.

The above-mentioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Monitoring Agency

Our Company will appoint a monitoring agency prior to the filing of the Red Herring Prospectus in accordance with Regulation 41 of SEBI ICDR Regulations, for monitoring of the utilisation of the proceeds from the Fresh Issue. For details in relation to the proposed utilisation of the proceeds from the Fresh Issue, please see "***Objects of the Offer – Utilisation of Net Proceeds***" on page 89.

Grading of the Offer

No credit agency registered with SEBI has been appointed for grading for the Offer.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Credit Rating

As the Offer is of Equity Shares, credit rating is not required.

Debenture Trustees

As the Offer is of Equity Shares, the appointment of debenture trustees is not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing of this Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus has been uploaded on the SEBI intermediary portal at siportal.sebi.gov.in, in accordance with SEBI master circular bearing reference SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, as specified in Regulation 25(8) of the SEBI ICDR Regulations. The Draft Red Herring Prospectus will also be filed with SEBI at:

Securities and Exchange Board of India
Corporation Finance Department
Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex
Bandra (E)
Mumbai 400 051, Maharashtra, India

A copy of the Red Herring Prospectus, along with the material documents and contracts required to be filed, shall be filed with the RoC in accordance with Section 32 of the Companies Act, 2013 and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, shall be filed with the RoC and through the electronic portal at https://www.mca.gov.in/mcafoportal/login.do.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from Bidder on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band and minimum Bid lot which will be decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs and advertised in all editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper), Marathi being the regional language of Maharashtra where our Registered Office is located) at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective website. The Offer Price shall be determined by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs after the Bid/Offer Closing Date. For further details, see "***Offer Procedure – Book Building Procedure***" on page 354.

All investors, other than Anchor Investors, shall only participate through 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 alternatively using the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date. Except Allocation to Retail Individual Investors, Non-Institutional Investors and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. Allocation to the Anchor Investors will be on a discretionary basis.

For further details on method and process of Bidding, see "***Offer Procedure***" and "***Offer Structure***" on pages 353 and 350 respectively.

The Book Building Process and the Bidding process are subject to change, from time to time. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid in the Offer.

Investors should note the Offer is also subject to obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment within such time period as prescribed under applicable law.

Each Bidder by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

Explanation of Book Building Process and Price Discovery Process

For an explanation of the Book Building Process and the price discovery process, see "***Terms of the Offer***" and "***Offer Procedure – Book Building Procedure***" on pages 343 and 354, respectively.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten by each BRLMs shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before filing of the Prospectus with the RoC.)

(in ₹ million)

Name, address, telephone and e-mail of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten
[●]	[●]	[●]
[●]	[●]	[●]

The abovementioned amounts are provided for indicative purposes only and would be finalized after the pricing and actual allocation and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board of Directors (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered as merchant bankers with SEBI or registered as brokers with the Stock Exchange(s). Our Board of Directors, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them.

The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters after the determination of the Offer Price and allocation of Equity Shares, but prior to filing the Prospectus with the RoC.

CAPITAL STRUCTURE

The share capital of our Company, as of the date of this Draft Red Herring Prospectus, is set forth below:

(in ₹, except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Offer Price*
A)	**AUTHORIZED SHARE CAPITAL(1)**		
	100,000,000 Equity Shares of face value of ₹ 2 each	200,000,000	-
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER AS ON THE DATE OF THIS DRAFT RED HERRING PROSPECTUS**		
	48,392,000 Equity Shares of face value of ₹ 2 each	96,784,000	-
D)	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Offer of up to [●] Equity Shares of face value of ₹ 2 each aggregating up to [●] million(2)(3)	[●]	[●]
	Of which:		
	Fresh Issue of up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ 3,000.00 million(3)	[●]	[●]
	Offer for Sale of up to 8,421,052 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million(4)	[●]	[●]
E)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER^**		
	[●] Equity Shares of face value of ₹ 2 each	[●]	-
F)	**SECURITIES PREMIUM ACCOUNT**		
	Prior to the Offer (*as on the date of this Draft Red Herring Prospectus*)		Nil
	After the Offer		[●]

**To be updated upon finalisation of the Offer Price.*

^Assuming full subscription in the Offer

(1) *For details in relation to changes in the authorized share capital of our Company in the last 10 years, see "**History and Certain Corporate Matters – Amendments to our Memorandum of Association in the last 10 years**" on page 181.*

(2) *The Offer has been authorized by our Board pursuant to its resolution dated June 9, 2023 and the Fresh Issue has been authorized by our Shareholders pursuant to a special resolution dated July 27, 2023. Each of the Selling Shareholders, severally and not jointly, specifically confirm that they have authorized their respective participation in the Offer for Sale. For details of authorizations for the Offer for Sale, see "**Other Regulatory and Statutory Disclosures – Authority for the Offer**" on page 329.*

(3) *Our Company in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹ 600.00 million. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and the Pre-IPO Placement, if any, will be undertaken prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to Offer complying with Rule 19(2)(b) of the SCRR. On utilization of Pre-IPO Placement proceeds (if any) prior to the completion of the Offer, it shall be appropriately intimated to the Pre-IPO Placement subscribers that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and result into listing of the Equity Shares of our Company on the Stock Exchanges.*

(4) *Each of the Selling Shareholders, severally and not jointly, have confirmed that their respective portion of the Offered Shares are eligible to be offered for sale in accordance with the SEBI ICDR Regulations.*

Notes to Capital Structure

1. **Share capital history of our Company**

(a) *Equity share capital history*

The following table sets forth the history of the equity share capital of our Company.

Date of allotment	Name(s) of allottee(s)	Reason or nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
June 14, 2010	5,000 equity shares each were allotted to Prajwal Kamath and Uma Natarajan	Initial subscription to the MOA	10,000	10	10	Cash
September 16, 2010	32,000 equity shares each were allotted to Prajwal Kamath and Uma Natarajan.	Further issue	64,000	10	10	Cash
December 27, 2010	26,000 equity shares were allotted to JNK Heaters	Further issue	26,000	10	10	Cash
March 29, 2012	185,000 equity shares each were allotted to Arvind Kamath and Prajwal Kamath and 130,000 equity shares were allotted to JNK Heaters.	Further issue	500,000	10	10	Cash
November 24, 2021	2,340,000 equity shares were allotted to JNK Heaters, 900,000 equity shares were allotted to Dipak Kacharulal Bharuka, 4,230,000 equity shares were allotted to Mascot Capital, 1,080,000 equity shares were allotted to Goutam Rampelli and 450,000 equity shares were allotted to Milind Joshi.	Bonus issuance[1]	9,000,000	10	N/A	N/A
Issue of equity shares in the last one year preceding the date of this Draft Red Herring Prospectus						
April 12, 2023	32,000 equity shares were allotted to Dipak Kacharulal Bharuka, 14,000 equity shares were allotted to Deepak Sake, 10,400 equity shares were allotted to Mohsin Shaikh, 8,000 equity shares were allotted to Sandeep Vasant Bapat, 8,000 equity shares were allotted to Kritika Sadanand Vilankar, 4,000 equity shares were allotted to Ashwini Pramod Warang and 2,000 equity shares were allotted to Sankaranand Pappuswamy Ganesan.	Exercise of stock option pursuant to ESOP 2022	78,400	10	10	Cash
April 14, 2023	Pursuant to resolutions passed by our Board and the Shareholders in their meetings dated March 16, 2023 and April 14, 2023, respectively, the authorized share capital of our Company was sub-divided from 20,000,000 equity shares of face value of ₹ 10 each to 100,000,000 Equity Shares of face value of ₹ 2 each. Accordingly, the issued, subscribed and paid up equity share capital of our Company was sub-divided from 9,678,400 equity shares of face value of ₹ 10 per equity share to 48,392,000 equity shares of face value of ₹ 2 per equity share.					

[1] *Bonus issuance in the ratio 15:1, wherein 15 equity shares were allotted for every one equity share held*

(b) Preference Share Capital

Our Company has not issued any preference shares as on the date of filing of this Draft Red Herring Prospectus.

2. **Equity Shares issued for consideration other than cash or by way of bonus issue**

Except as disclosed below, our Company has not issued any equity shares for consideration other than cash or by way of bonus issue since its incorporation.

Date of allotment	Name(s) of allottee(s)	Reason/Nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
November 24, 2021	2,340,000 equity shares were allotted to JNK Heaters, 900,000 equity shares were allotted to Dipak Kacharulal Bharuka, 4,230,000 equity shares were allotted to Mascot Capital, 1,080,000 equity shares were allotted to Goutam Rampelli and 450,000 equity shares were allotted to Milind Joshi.	Bonus issuance in the ratio 15 equity shares for every one equity share held.	9,000,000	10	N/A	N/A

3. **Equity Shares issued out of revaluation reserves**

Our Company has not issued any shares out of revaluation reserves since its incorporation.

4. **Issue of Equity Shares pursuant to schemes of arrangement**

Our Company has not issued or allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act 2013, as applicable.

5. **Issue of Equity Shares under employee stock option schemes**

For details of Equity Shares issued by our Company pursuant to the exercise of options which have been granted under the employee stock option schemes, see –"***Equity Share Capital history of our Company***' and '– ***Employee Stock Option Scheme***" on pages 75 and 84 respectively.

6. **Issue of shares at a price lower than the Offer Price in the last one year**

Except as disclosed in the equity share capital history of our Company, our Company has not issued any Equity Shares at a price that may be lower than the Offer Price during the one year immediately preceding the date of this Draft Red Herring Prospectus. For further details, see "– ***Notes to Capital Structure – Share Capital History – Equity Share capital history of our Company***" on page 75.

7. **History of build-up of Promoter's shareholding and Promoter's contribution**

(i) **Build-up of Promoter's equity shareholding in our Company**

As on the date of this Draft Red Herring Prospectus, our Promoters holds, in aggregate, 45,760,000 Equity Shares, which constitute 94.56 % of the issued, subscribed and paid-up Equity Share capital of our Company. All the Equity Shares held by our Promoters are held in dematerialised form.

Set forth below is the build-up of the equity shareholding of our Promoters since the incorporation of our Company:

Date of allotment/ transfer	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of transaction	% of the pre-Offer equity share capital
Arvind Kamath					
November 1, 2010	18,500	10	10	Transfer of equity shares from Prajwal Kamath	0.19
November 20, 2011	18,500	10	10	Transfer of equity shares from Vardhan T.R	0.19
March 29, 2012	185,000	10	10	Further issue	1.91
July 17, 2012	(12,000)	10	10	Transfer of equity shares to Dipak Kacharulal Bharuka	(0.12)
May 9, 2013	(12,000)	10	10	Transfer of equity shares to Dipak Kacharulal Bharuka	(0.12)
August 26, 2013	(198,000)	10	10	Transfer of equity shares to Mascot Capital	(2.05)
Pursuant to resolutions passed by our Board and the Shareholders in their meetings dated March 16, 2023 and April 14, 2023, respectively, the authorized share capital of our Company was sub-divided from 20,000,000 equity shares of face value of ₹ 10 each to 100,000,000 Equity Shares of face value of ₹ 2 each. Accordingly, the issued, subscribed and paid up equity share capital of our Company was sub-divided from 9,678,400 equity shares of face value of ₹ 10 per equity share to 48,392,000 Equity Shares of face value of ₹ 2 per Equity Share.					
Total (A)	**Nil**				**Nil**
Goutam Rampelli					
August 31, 2015	72,000	10	10	Transfer of equity shares from Mascot Capital	0.74
November 24, 2021	1,080,000	10	N/A	Bonus issuance in the ratio fifteen equity shares for every one equity share held.	11.16
Pursuant to resolutions passed by our Board and the Shareholders in their meetings dated March 16, 2023 and April 14, 2023, respectively, the authorized share capital of our Company was sub-divided from 20,000,000 equity shares of face value of ₹ 10 each to 100,000,000 Equity Shares of face value of ₹ 2 each. Accordingly, the issued, subscribed and paid up equity share capital of our Company was sub-divided from 9,678,400 equity shares of face value of ₹ 10 per equity share to 48,392,000 Equity Shares of face value of ₹ 2 per Equity Share.					
Total (B)	**5,760,000**				**11.90**
JNK Heaters					
December 27, 2010	26,000	10	10	Further issue	0.27
March 29, 2012	130,000	10	10	Further issue	1.34
November 24, 2021	2,340,000	10	N/A	Bonus issuance in the ratio 15 equity shares for every one equity share held.	24.18
Pursuant to resolutions passed by our Board and the Shareholders in their meetings dated March 16, 2023 and April 14, 2023, respectively, the authorized share capital of our Company was sub-divided from 20,000,000 equity shares of face value of ₹ 10 each to 100,000,000 Equity Shares of face value of ₹ 2 each. Accordingly, the issued, subscribed and paid up equity share capital of our Company was sub-divided from 9,678,400 equity shares of face value of ₹ 10 per equity share to 48,392,000 Equity Shares of face value of ₹ 2 per Equity Share.					
Total (C)	**12,480,000**				**25.79**
Mascot Capital					
August 26, 2013	222,000	10	10	Transfer of equity shares from Prajwal Kamath	2.29
	198,000	10	10	Transfer of equity shares from Arvind Kamath	2.05
April 10, 2014	(12,000)	10	10	Transfer of equity shares to Dipak Kacharulal Bharuka	(0.12)
June 29, 2015	(12,000)	10	10	Transfer of equity shares to Dipak Kacharulal Bharuka	(0.12)
August 31, 2015	(72,000)	10	10	Transfer of equity shares to Goutam Rampelli	(0.74)
September 8, 2016	(12,000)	10	10	Transfer of equity shares to Dipak Kacharulal Bharuka	(0.12)
April 27, 2021	(30,000)	10	350	Transfer of equity shares to Milind Joshi	(0.31)
November 24, 2021	4,230,000	10	N/A	Bonus issuance in the ratio 15 equity shares for every one equity share held.	43.71
Pursuant to resolutions passed by our Board and the Shareholders in their meetings dated March 16, 2023 and April 14, 2023, respectively, the authorized share capital of our Company was sub-divided from 20,000,000 equity shares of face value of ₹ 10 each					

Date of allotment/ transfer	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of transaction	% of the pre-Offer equity share capital
to 100,000,000 Equity Shares of face value of ₹ 2 each. Accordingly, the issued, subscribed and paid up equity share capital of our Company was sub-divided from 9,678,400 equity shares of face value of ₹ 10 per equity share to 48,392,000 Equity Shares of face value of ₹ 2 per Equity Share.					
Total (D)	**22,560,000**				**46.62**
Dipak Kacharulal Bharuka					
July 17, 2012	12,000	10	10	Transfer of equity shares from Arvind Kamath	0.12
May 9, 2013	12,000	10	10	Transfer of equity shares from Arvind Kamath	0.12
April 10, 2014	12,000	10	10	Transfer of equity shares from Mascot Capital	0.12
June 29, 2015	12,000	10	10	Transfer of equity shares from Mascot Capital	0.12
September 8, 2016	12,000	10	10	Transfer of equity shares from Mascot Capital	0.12
November 24, 2021	900,000	10	N/A	Bonus issuance in the ratio 15 equity shares for every one equity share held	9.30
April 12, 2023	32,000	10	10	Exercise of stock option pursuant to ESOP 2022*	0.33
Pursuant to resolutions passed by our Board and the Shareholders in their meetings dated March 16, 2023 and April 14, 2023, respectively, the authorized share capital of our Company was sub-divided from 20,000,000 equity shares of face value of ₹ 10 each to 100,000,000 Equity Shares of face value of ₹ 2 each. Accordingly, the issued, subscribed and paid up equity share capital of our Company was sub-divided from 9,678,400 equity shares of face value of ₹ 10 per equity share to 48,392,000 Equity Shares of face value of ₹ 2 per Equity Share.					
Total (E)	**4,960,000**				**10.25**
Total (A+B+C+ D+E)	**45,760,000**				**94.56**

**These equity shares were acquired pursuant to the exercise of stock option pursuant to ESOP 2022 in his capacity as an employee. Pursuant to a resolution dated July 19, 2023 Dipak Kacharulal Bharuka has been identified as a Promoter and all his unvested/unexercised stock options have been surrendered by him by way of his letter dated July 17, 2023 and approved by our Board dated July 18, 2023 by way of a circular resolution.*

All the Equity Shares held by our Promoters were fully paid-up on the respective date of allotment of such Equity Shares. As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are subject to any pledge.

(ii) **Shareholding of our Promoter and the members of our Promoter Group**

Set forth below is the equity shareholding of our Promoters and the members of the Promoter Group as on the date of this Draft Red Herring Prospectus:

Name of Shareholder	Pre-Offer		Post-Offer[(1)]	
	No. of Equity Shares	% of pre-Offer Equity Share capital	No. of Equity Shares	% of post-Offer capital
Arvind Kamath	Nil	Nil	[●]	[●]
Goutam Rampelli	5,760,000	11.90	[●]	[●]
JNK Heaters	12,480,000	25.79	[●]	[●]
Mascot Capital	22,560,000	46.62	[●]	[●]
Dipak Kacharulal Bharuka	4,960,000	10.25	[●]	[●]
Total	**45,760,000**	**94.56**	**[●]**	**[●]**

(1) Subject to finalization of Basis of Allotment

As on the date of this Draft Red Herring Prospectus, none of the members of the Promoter Group or directors of our Corporate Promoters holds any Equity Shares.

8. Lock-in requirements

(i) *Details of minimum Promoter's contribution locked in for eighteen months*

Pursuant to Regulation 14 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital (considering vested options) of our Company held by our Promoters shall be considered as minimum promoter's contribution and, pursuant to Regulation 16 of the SEBI ICDR Regulations, shall be locked-in for a period of eighteen months years from the date of Allotment ("**Promoter's Contribution**"). Our Promoter's shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of six months year from the date of Allotment.

Our Promoters have given consent to include such number of Equity Shares held by them, as constituting 20% of the fully diluted post-Offer Equity Share capital (considering vested options) of our Company as Promoter's Contribution. Details of the Promoter's Contribution are as provided below:

Name of the Promoter	Date of allotment/ transfer of Equity Shares	Nature of transaction	No. of Equity Shares[#]	Face value per Equity Share (₹)	Allotment/ Acquisition price per Equity Share (₹)	No. of Equity Shares[**] locked-in	% of the fully diluted post-Offer paid-up Capital[*]	Date up to which the Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Note: To be updated prior to the filing of the Prospectus with the RoC.
[#] *Equity Shares were fully paid-up on the date of allotment/transfer.*
[**] *Subject to finalisation of Basis of Allotment.*
[*] *Considered vested options.*

Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoter's Contribution from the date of filing of this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

The Equity Shares that are being locked-in for computation of Promoter's Contribution are not and will not be ineligible under Regulation 15 of the SEBI ICDR Regulations. In particular:

(i) these Equity Shares do not and shall not consist of Equity Shares acquired during the three years preceding the date of this Draft Red Herring Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets, or (b) as a result of bonus shares issued by utilization of revaluation reserves or unrealised profits or from a bonus issue against Equity Shares which are otherwise in-eligible for computation of Promoter's Contribution;

(ii) these Equity Shares do not and shall not consist of Equity Shares acquired during the one year immediately preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii) our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and

(iv) these Equity Shares do not and shall not consist of Equity Shares held by the Promoters that are subject to any pledge or any other form of encumbrance.

(ii) *Details of share capital locked-in for six months*

In terms of Regulation 17 of the SEBI ICDR Regulations, except for:

1. the Promoter's Contribution and any Equity Shares held by our Promoter in excess of Promoter's Contribution, which shall be locked in as above;

2. the Equity Shares issued to our employees under ESOP 2022 pursuant to exercise of options held by such employees (whether current employees or not and including the legal heirs or nominees of any deceased employees or ex-employees); and

3. the Equity Shares successfully transferred by the Selling Shareholders pursuant to the Offer for Sale;

The entire pre-Offer Equity Share capital of our Company, shall, unless otherwise permitted under the SEBI ICDR Regulations, be locked in for a period of six months from the date of Allotment in the Offer. In terms of Regulation 17(c) of the SEBI ICDR Regulations, Equity Shares held by a venture capital fund or alternative investment fund of category I or category II or a foreign venture capital investor shall not be locked-in for a period of six months from the date of Allotment, provided that such Equity Shares shall be locked in for a period of at least six months from the date of purchase by such shareholders.

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in pursuant to Regulation 16 of the SEBI ICDR Regulations, may be transferred amongst our Promoters or any member of the Promoter Group or to any new promoter, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. The Equity Shares held by persons other than our Promoters and locked-in for a period of six months from the date of Allotment in the Offer, may be transferred to any other person holding Equity Shares which are locked -in, subject to the continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the provisions of the Takeover Regulations.

In terms of Regulation 21 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be pledged only with scheduled commercial banks or public financial institutions or systemically important non-banking finance companies or deposit taking housing finance companies as collateral security for loans granted by such entity, provided that such pledge of the Equity Shares is one of the terms of the sanctioned loan. However, such lock-in will continue pursuant to any invocation of the pledge and the transferee of the Equity Shares pursuant to such invocation shall not be eligible to transfer the Equity Shares until the expiry of the lock-in period stipulated above.

(iii) ***Lock-in of Equity Shares Allotted to Anchor Investors***

50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

9. **Our shareholding pattern**

Set forth below is the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of the Shareholder (II)	No. of Shareholders^ (III)	No. of fully paid up Equity Shares held (IV)	No. of partly paid-up Equity Shares held (V)	No. of Equity Shares underlying Depository Receipts (VI)	Total No. Equity Shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	No. of Voting Rights held in each class of securities (IX) – No. of Voting Rights (X) Total	No. of Voting Rights held in each class of securities (IX) – Total as a % of total voting rights	No. of Equity Shares underlying outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital) (XI)=(VII)+ (X) as a % of (A+B+C2)	Number of locked in Equity Shares (XII) – No. (a)	Number of locked in Equity Shares (XII) – As a % of total Equity Shares held (b)	Number of Equity Shares pledged or otherwise encumbered (XIII) – No. (a)	Number of Equity Shares pledged or otherwise encumbered (XIII) – As a % of total Equity Shares held (b)	Number of Equity Shares held in dematerialized form (XIV)
(A)	**Promoter & Promoter Group**	4	45,760,000	-	-	45,760,000	94.56	45,760,000	94.56	-	-	-	-	-	-	45,760,000
(B)	**Public**	7	26,32,000	-	-	26,32,000	5.44	26,32,000	5.44	-	-	-	-	-	-	2,592,000
(C)	**Non-Promoter-Non Public**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(1)	**Shares underlying Custodian/Depository Receipts**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	**Shares held by employee trust**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A)+(B)+(C)	**11**	**48,392,000**	**-**	**-**	**48,392,000**	**100**	**48,392,000**	**100**	-	-	-	-	-	-	**48,282,000**

(*Remainder of this page is intentionally left blank*)

10. The BRLMs and its associates (as defined under the SEBI Merchant Bankers Regulations) do not hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

11. **Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company**

Except as stated below, none of our Directors or Key Managerial Personnel or Senior Management hold any Equity Shares or employee stock options in our Company:

S. No.	Name of the Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Goutam Rampelli	5,760,000	11.90
2.	Dipak Kacharulal Bharuka	4,960,000	10.25
3.	Deepak Sake	70,000	0.14
4.	Mohsin Shaikh	52,000	0.11

For further details on the stock options held by our Directors, Key Managerial Personnel or Senior Management, see "***– Employee Stock Option Schemes***" on page 84.

12. **Details of shareholding of the major Shareholders of our Company**

(a) As on the date of this Draft Red Herring Prospectus, our Company has 11 holders of Equity Shares.

Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as on date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Pre-Offer*	
		Number of Equity Shares	Percentage Equity Share capital (%)
1.	Mascot Capital	22,560,000	46.62
2.	JNK Heaters	12,480,000	25.79
3.	Goutam Rampelli	5,760,000	11.90
4.	Dipak Kacharulal Bharuka	4,960,000	10.25
5.	Milind Joshi	2,400,000	4.96
	Total	**48,160,000**	**99.52**

**There are no vested options pursuant to ESOP 2022*

(b) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of 10 days prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Pre-Offer*	
		Number of Equity Shares	Percentage Equity Share capital (%)
1.	Mascot Capital	22,560,000	46.62
2.	JNK Heaters	12,480,000	25.79
3.	Goutam Rampelli	5,760,000	11.90
4.	Dipak Kacharulal Bharuka	4,960,000	10.25
5.	Milind Joshi	2,400,000	4.96
	Total	**48,160,000**	**99.52**

**There are no vested options pursuant to ESOP 2022*

(c) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of one year prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Pre-Offer*	
		Number of equity shares	Percentage Equity Share capital (%)
1.	Mascot Capital	4,512,000	47.00
2.	JNK Heaters	2,496,000	26.00
3.	Goutam Rampelli	1,152,000	12.00
4.	Dipak Kacharulal Bharuka	960,000	10.00
5.	Milind Joshi	480,000	5.00
	Total	**9,600,000**	**100.00**

* *There are no vested options pursuant to ESOP 2022*

(d) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of two years prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Pre-Offer	
		Number of equity shares	Percentage Equity Share capital (%)
6.	Mascot Capital	282,000	47.00
7.	JNK Heaters	156,000	26.00
8.	Goutam Rampelli	72,000	12.00
9.	Dipak Kacharulal Bharuka	60,000	10.00
10.	Milind Joshi	30,000	5.00
	Total	**600,000**	**100.00**

13. **Employee Stock Option Schemes**

JNK Employee Stock Option Plan, 2022 ("**ESOP 2022**")

Our Company, pursuant to the resolutions passed by our Board in its meeting dated March 28, 2022 and our Shareholders in its meeting dated March 29, 2022, adopted ESOP 2022 which was amended by the Company pursuant to resolutions passed by our Board in its meeting held on June 3, 2023 and our Shareholders in its meeting held on July 27, 2023.

The following table sets forth the particulars of ESOP 2022, as certified by the Statutory Auditor through its certificate dated August 22, 2023, as on the date of this Draft Red Herring Prospectus.

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	From April 1, 2023 up to the date of filing the DRHP*
Total options outstanding (including vested and unvested options) - as at the beginning of the period	NA	NA	221,000	196,000
As adjusted for the split in face value from ₹10 to ₹ 2*	NA	NA	NA	980,000
Total options granted during the year / period	NA	221,000	Nil	Nil
Total options exercised	NA	NA	NA	78,400
As adjusted for the split in face value from ₹10 to ₹ 2*	NA	NA	NA	392,000
Exercise price of options in ₹ (as on the date of grant options)	NA	NA	10	10
As adjusted for the split in face value from ₹10 to ₹ 2*	NA	NA	NA	2
Options forfeited / lapsed / cancelled	NA	NA	25,000	48,000
As adjusted for the split in face value from ₹10 to ₹ 2*	NA	NA	NA	240,000
Variation of terms of options	NA	NA	Nil	Nil
Money realized by exercise of options (in ₹ million)	NA	NA	NA	784,000
Total number of options (vested and unvested) outstanding as at the end of the period' or Total number of options in force	NA	221,000	196,000	148,000
As adjusted for the split in face value from ₹10 to ₹ 2*	NA	NA	NA	740,000
Granted but not vested	NA	221,000	196,000	69,600
As adjusted for the split in face value from ₹10 to ₹ 2*	NA	NA	NA	348,000

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	From April 1, 2023 up to the date of filing the DRHP*
Total options vested in each Fiscal/Period	NA	NIL	NIL	78,400
As adjusted for the split in face value from ₹10 to ₹ 2*	NA	NA	NA	392,000
Options exercised (since implementation of the ESOP Scheme)	NA	NA	NA	78,400
As adjusted for the split in face value from ₹10 to ₹ 2*	NA	NA	NA	392,000
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	NA	196,000	196,000	148,000
As adjusted for the split in face value from ₹10 to ₹ 2*	NA	NA	NA	740,000
Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option:				
Method of Valuation	NA	NA	DCF Method	
Risk free interest rate (%)	NA	NA	7.34	NA
Industry Beta	NA	NA	1.00	NA
Equity Risk premium (%)	NA	NA	8.25	NA
Cost of equity (%)	NA	NA	15.59	NA
Weighted average cost of capital (WACC) (%)	NA	NA	13.84	NA
Expected Volatility (%)	NA	NA	NA	NA
Dividend Yield (%)	NA	NA	NA	NA
Average remaining contractual life of the options outstanding at end of the year (Years)	NA	NA	NA	NA
Exercise price equals market price on the date of grant :				
- Fair Value of options granted (₹)	NA	NA	647.00 (129.40 for face value ₹ 2)	NA
- Exercise Price (₹)	NA	NA	10.00 (2 for face value ₹2)	NA
Employee wise details of options granted to:				
(a) Key managerial personnel	NA	Dipak Kacharulal Bharuka - 80,000	Nil	Nil
(b) Senior management personnel	NA	(i) Deepak Sake 35,000	Nil	Nil

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	From April 1, 2023 up to the date of filing the DRHP*
	(ii) Mohsin Shaikh 26,000 Total - 61,000			
(c) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	NA	Nil	Nil	Nil
(d) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	NA	Nil	Nil	Nil
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options calculated in accordance with IND AS 33 'Earnings Per Share'	3.43	7.50	9.51	NA
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of the Company and on the earnings per share of the Company	NA	NA	Nil	NA
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 had been followed, in respect of options granted in the last three years	Nil	Nil	Nil	Nil
Intention of key managerial personnel, senior management personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	NA	NA	NA	Nil
Intention to sell Equity Shares arising out of the ESOP Scheme or allotted under an ESOP Scheme within three months after the listing of Equity Shares by directors, key	NA	NA	NA	Nil

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	From April 1, 2023 up to the date of filing the DRHP*
managerial personnel, senior management personnel and employees having Equity Shares arising out of the ESOP Scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)				

** Pursuant to resolutions passed by our Board and the Shareholders in their meetings dated March 16, 2023 and April 14, 2023, respectively, the authorized share capital of our Company was sub-divided from 20,000,000 equity shares of face value of ₹ 10 each to 100,000,000 Equity Shares of face value of ₹ 2 each. Accordingly, the issued, subscribed and paid up equity share capital of our Company was sub-divided from 9,678,400 equity shares of face value of ₹ 10 per equity share to 48,392,000 Equity Shares of face value of ₹ 2 per Equity Share.*

14. None of our members of our Promoter Group, directors of our Corporate Promoters and our Directors or their relatives have sold or purchased any Equity Shares of our Company during the six months preceding the date of this Draft Red Herring Prospectus.

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

16. Our Company, our Directors and the BRLMs have not entered into any buy-back arrangement for purchase of the Equity Shares being offered through the Offer.

17. 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 Offer shall be fully paid-up at the time of Allotment.

18. Except for the options vested pursuant to the ESOP 2022, there are no outstanding warrants 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.

19. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

20. Except for the allotment of Equity Shares pursuant to (i) the Fresh Issue, (ii) exercise of employee stock options under ESOP 2022 and (iii) Pre-IPO Placement there will be no further issue of specified securities whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.

21. Except for the Equity Shares to be allotted pursuant to (i) the Fresh Issue, and (ii) exercise of employee stock options under ESOP 2022, there is no proposal or intention, negotiations or consideration by our Company to alter its capital structure by way of split or consolidation of the Equity Shares or issue of Equity Shares or convertible securities on a preferential basis or issue of bonus or rights or further public offer of such securities, within a period of six months from the Bid/Offer Opening Date.

22. The BRLMs, and any person related to the BRLMs or the Syndicate Members, cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associate of the BRLMs, or insurance companies promoted by entities which are associates of the BRLMs, or AIFs sponsored by entities which are associates of the BRLMs, or a FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs pension funds sponsored by entities which are associate of the BRLMs.

23. Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

24. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of up to [●] Equity Shares, aggregating up to ₹ 3,000.00 million by our Company and an Offer for Sale of up to 8,421,052 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders. For details, see "***Summary of this Draft Red Herring Prospectus– Offer Size***" and "***The Offer***" on pages 20 and 60, respectively.

The Offer for Sale

Each of the Selling Shareholders will be entitled to its respective portion of the proceeds of the Offer for Sale after deducting its proportion of the Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale. The proceeds of the Offer for Sale will be received by the Selling Shareholders and will not form part of the Net Proceeds. For further details, see "***- Objects of the Offer – Offer related expenses***" on page 97.

Objects of the Fresh Issue

Our Company proposes to utilize the Net Proceeds towards funding the following objects (collectively, the "**Objects**"):

1. Funding working capital requirements; and
2. General corporate purposes

In addition, we expect to achieve the benefit of listing of our Equity Shares on the Stock Exchanges, enhancement of our Company's visibility and brand name amongst our existing and potential Customers and creation of a public market for the Equity Shares in India.

The main objects clause of our Memorandum of Association enables us to undertake the activities for which the funds are being raised by us in the Fresh Issue. Further, the activities we have been carrying out until now are in accordance with the main objects clause of our Memorandum of Association.

Net Proceeds

After deducting the Offer related expenses from the Gross Proceeds, we estimate the net proceeds of the Fresh Issue to be ₹ [●] million ("**Net Proceeds**"). The details of the Net Proceeds are summarized in the table below.

S. No	Particulars	Estimated Amount (in ₹ million)
(a)	Gross Proceeds	Up to ₹ 3,000.00 million(1)
(b)	Less: Offer Related Expenses in relation to the Fresh Issue	[●](2)(3)
(c)	Net Proceeds	[●](3)

(1)Includes proceeds, if any, received pursuant to the Pre-IPO Placement. Upon completion of Pre-IPO Placement, we may utilize the proceeds from the Pre-IPO Placement towards the Objects as set out in this section. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to Offer complying with Rule 19(2)(b) of the SCRR.
*(2) See "**– Offer Related Expenses**" below on page 97.*
(3)To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

Utilisation of Net Proceeds

The Net Proceeds are proposed to be utilised in accordance with the details provided in the table below.

Particulars	Estimated Amount (in ₹ million)^
Funding working capital requirements	2,757.18
General corporate purposes (1)	[●]
Total Net Proceeds(1)	[●]

^ Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to Offer complying with Rule 19(2)(b) of the SCRR, as amended. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus.
(1)To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds as set forth in the table below:

(₹ in million)

S. No	Particulars	Amount to be funded from the Net Proceeds#	Amount to be deployed from the Net Proceeds in Fiscal 2024#	Amount to be deployed from the Net Proceeds in Fiscal 2025#
1.	**Funding working capital requirements**	2,757.18	1,777.47	979.71
2.	**General corporate purposes***	[●]	[●]	[●]
	Total Net Proceeds	**[●]**	**[●]**	**[●]**

** To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

#Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement of specified securities, as may be permitted under the applicable law, aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to Offer complying with Rule 19(2)(b) of the SCRR, as amended. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus. Upon allotment of specified securities pursuant to the Pre-IPO Placement, we may utilize the proceeds from the Pre-IPO Placement towards the Objects as set out in this section.

The above-stated fund requirements, deployment of the funds and the intended use of the Net Proceeds as described in this Draft Red Herring Prospectus are based on (a) our current business plan and internal management estimates based on current market conditions; and (b) certificate from the Statutory Auditor certifying the working capital requirements. However, such fund requirements and deployment of funds have not been appraised by any bank, financial institution or any other independent agency. For further details, see *"**Risk Factors – Our funding requirements and proposed deployment of the Net Proceeds are not appraised by any independent agency and are based on management estimates and may be subject to change based on various factors, some of which are beyond our control.**"* on page 49. We may have to revise our funding requirements and deployment on account of a variety of factors such as market conditions, our business and growth strategies, competitive landscape, general factors affecting our results of operations, financial condition and access to capital and other external factors such as changes in the business environment or regulatory climate and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling the proposed utilisation 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 details, see "***Risk Factors - Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholder's approval.***" on page 49.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by our internal accruals, additional equity and/or debt arrangements, as required. In case the actual utilisation towards the aforementioned Object is lower than the proposed deployment, such balance will be used towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes does not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations.

Further, our Company may decide to accelerate the estimated Objects ahead of the schedule specified above. However, in the event that estimated utilization out of the Net Proceeds in a scheduled Fiscal being not undertaken in its entirety, the remaining Net Proceeds shall be utilised in subsequent Fiscals, as may be decided by our Company, in accordance with applicable laws. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds.

Further, in case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the objects, our Company may explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

Means of finance

The fund requirements for the Objects above are proposed to be entirely funded from the Net Proceeds and hence, no amount is proposed to be raised through any other means of finance. Accordingly, we are in compliance with the requirements prescribed under Paragraph 9(C)(1) of Part A of Schedule VIII and Regulation 7(1)(e) of the SEBI ICDR Regulations which require firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue and existing internal accruals. In case of a shortfall in the Net Proceeds or any increase in the actual requirement of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals.

Details of the Objects

1. Funding working capital requirements

Our Company's working capital requirement depends on multiple factors including the current Order Book value, expected order wins and the resultant requirement of margin money for bank guarantees while executing these orders.

Our revenue from operations for Fiscals 2021 to 2023, has grown at a CAGR of 71.97%. In Fiscals 2023, 2022 and 2021, our revenue from operations was ₹ 4,073.02 million, ₹ 2,963.96 million and ₹ 1,377.21 million, respectively. This growth in our revenue from operations is in conjunction with the growth in our Order Book. Our Order Book has increased from ₹ 1,435.76 million as on March 31, 2021 to ₹ 8,682.70 million as on March 31, 2023 on the back of order wins of ₹ 6,284.95 million during Fiscal 2022 and ₹ 7,712.74 million during Fiscal 2023. This has led to our Order Book to Sales ratio doubling from 1.04 times for Fiscal 2021 to 2.13 times for Fiscal 2023. For further details in relation to our Order Book, please see "***Our Business – Order Book***" on page 164.

We require working capital to bid and execute projects. Typically, we have a milestone-based payment structure for our projects and therefore there are intermittent cash inflows, as the project progresses. Most of the cash inflows, however, are skewed towards the second half of the project implementation period. Thus, the cash inflows and cash outflows in any of our projects are not balanced and accordingly lead to a requirement of working capital.

Since, we procure orders based on RFPs or tenders, we are required to furnish bank guarantees, such as security deposits (or contract performance guarantee), performance bank guarantee, bid bond guarantee and advance bank guarantee (such bank guarantees being the "**Bank Guarantees**"). For a project, Bank Guarantees need to be provided to a Customer right from receipt of the purchase order till the completion of the defect liability period, which is a period during which we have an obligation to return to the project site to rectify any defects, at our own costs, that may arise due to engineering or manufacturing or supply of a faulty product, which can be attributed to our Company ("**Defect Liability Period**"). Accordingly, the Bank Guarantees are provided as follows:

i. We are required to provide security deposit in the form of bank guarantees to our Customers immediately upon receipt of the purchase order, which can generally range up to 10% of project value, and which is valid until completion of the project;

ii. Upon completion of the project, we are required to issue performance bank guarantee, which is around 10% of the project value. Most of the time, the security deposit furnished at the beginning of the project gets extended and is accepted as performance bank guarantee.

    Such performance bank guarantees are valid for a certain performance period which is as per the terms of the particular contract, and is generally for two to three years from the completion of the project i.e. the Defect Liability Period. Hence, including (i) the implementation period of the project which is typically up to 24 months; and (ii) the Defect Liability period which is typically two to three years, for every project, a Bank Guarantee is effectively provided for a duration of around five years;

iii. Further, some contracts have provision for specified advances which are accessible to the Company upon issuance of equivalent amount of advance bank guarantee. In case of availability of non-fund-based limit, our Company does issue such advance bank guarantees. In case our Company has fully utilised non-fund based limits, we do not issue advance bank guarantees to avail such advance from Customer; and

iv. In addition to the above, in few of the projects, our Company is also required to provide bid bond guarantee towards participation of bids and letter of credit towards purchase of raw material.

Our Company has availed certain non-fund-based limits from our bankers for issuance of bank guarantees or letter of credit, which are issued by the bankers against a margin money which typically ranges up to approximately

15% of such bank guarantee amount that is retained in fixed deposit with the issuing bank. Such fixed deposits are lien marked to the bank until the validity of such bank guarantees. These fixed deposits, in relation to the bank guarantees, have tenure of one year and are renewed at the end of tenure till the validity of such bank guarantee. Whenever, our Company is required to issue a bank guarantee over and above the sanctioned non-fund based limits, 100% margin money is required for issuance of such bank guarantee. Therefore, after full utilisation of the non-fund based limits the entire bank guarantee amount is required to be retained in fixed deposit, which is lien marked to the bank until the validity of such bank guarantee. For details, see '***Financial Indebtedness***' on page 283.

Our working capital requirement arise from the need to retain bank balances in the form of fixed deposits towards issuance of the bank guarantees. We fund our working capital requirements in the ordinary course of business from internal accruals and financing from various banks and financial institutions. As on June 30, 2023, our Company has sanctioned fund-based limits of working capital facilities of ₹ 350.00 million and non-fund based limits (including guarantees and letter of credit) for working capital of ₹ 1,124.50 million. For details, see '***Financial Indebtedness***' on page 283 and Note 1 under " ***- Basis of estimation of working capital requirement – Existing working capital***" below.

Further, with regards to our Order Book value as on March 31, 2023 of ₹ 8,682.70 million, we have (i) fully utilized our fund based limits and (ii) utilised 91.81% of our non-fund based limits. The overall demand for Heating Equipment from Indian refineries, petrochemicals and fertilizer (urea) segments between Fiscal 2024 and Fiscal 2029 is estimated at ₹ 270,890 million i.e., approximately ₹ 45,000 million on an annualized basis. The potential estimate is based on the projects announced until date and may go up if more projects are commissioned during the forecast period *(Source: F&S Report)*. Therefore, in order to increase our revenues by undertaking more projects and to tap into business opportunities from both India and overseas markets, we expect our working capital requirements to increase.

Accordingly, in view of the above, we propose to utilise ₹ 2,757.18 million from the Net Proceeds to fund the working capital requirement for business operations of our Company in Fiscals 2024 and 2025.

Basis of estimation of working capital requirement

(a) Existing working capital

Set forth below are the working capital of our Company (on a standalone basis), as on March 31, 2023, March 31, 2022 and March 31, 2021.

(in ₹ million)

Particulars	As at the Fiscal ended March 31, 2023	As at the Fiscal ended March 31, 2022	As at the Fiscal ended March 31, 2021
Current Assets			
a. Inventories	820.53	624.37	51.76
b. Financial Assets			
i. Trade receivables	1,143.50	1,100.10	540.22
ii. Bank balances apart from cash and cash equivalents. (1)	311.94	31.90	192.22
iii. Loans and advances	13.81	2.35	1.80
iv. Other Financial Assets	119.13	47.88	101.68
c. Other Current Assets	489.57	243.38	243.93
Total Current Assets (A)	**2,898.48**	**2,049.98**	**1,131.61**
Current Liabilities			
a. Financial Liabilities			
i. Trade payables	406.12	455.36	249.47
ii. Lease Liabilities	22.59	14.70	9.57
iii. Other Financial liabilities	158.63	185.74	96.83
b. Other Current Liabilities	844.61	1,076.55	280.04
c. Provisions	63.45	37.52	86.92
d. Current Tax Liabilities (Net)	62.17	31.93	22.01
Total Current Liabilities (B)	**1,557.57**	**1,801.80**	**744.84**
Working Capital (C = A-B)	**1,340.91**	**248.18**	**386.77**
Means of finance			

Particulars	As at the Fiscal ended March 31, 2023	As at the Fiscal ended March 31, 2022	As at the Fiscal ended March 31, 2021
Cash Credit/ Working Capital Borrowings	305.24	32.98	86.97
Internal Accrual	1,035.67	215.20	299.80

*Note: As certified by Statutory Auditor, by way of its certificate dated August 22, 2023. See "**Material Contracts and Documents for Inspection – Material Documents**" on page 418.*

[1]***Utilisation of fund based and non-fund based credit limits for working capital requirements***

(*in ₹ million*)

Particulars	*As on June 30, 2023*	*Fiscal 2023*	*Fiscal 2022*	*Fiscal 2021*
Fund Based				
State Bank of India#	*300.00*	*300.00*	*35.00*	*35.00*
*HDFC Bank**	*50.00*	*-*	*-*	*-*
Fund based credit limits	***350.00***	***300.00***	***35.00***	***35.00***
Utilisation	***374.07***	***301.41***	***31.37***	***85.12***
Utilisation %	***106.88%***	***100.47%***	***89.63%***	***243.20%***
Non Fund Based				
State Bank of India#	*674.50*	*674.00*	*200.00*	*200.00*
*HDFC Bank**	*450.00*	*-*	*-*	*-*
Non Fund Based Credit Limits	***1,124.50***	***674.00***	***200.00***	***200.00***
Utilisation	***766.14***	***618.79***	***171.04***	***0.00***
Utilisation %	***68.13%***	***91.81%***	***85.85%***	***0.00%***

 # Fiscal 2021 and Fiscal 2022 : SBI - interchangeability of ₹ 50.00 million from non-fund based (bank guarantee) to fund based (cash credit)
 # Fiscal 2023: SBI - interchangeability of ₹ 150.00 million from fund based (cash credit) to non-fund based (bank guarantee)
** HDFC – interchangeability of ₹ 100.00 million from non-fund based (bank guarantee) to fund based (cash credit) & interchangeability of ₹ 50.00 million from fund based (cash credit) to non-fund based (bank guarantee)*
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(b) *Future working capital*

We propose to utilize ₹ 1,777.47 million of the Net Proceeds in Fiscals 2024 and the balance amount of ₹979.71 million of the Net Proceeds in Fiscal 2025, respectively, towards our Company's working capital requirements. Any additional working capital requirement of our Company shall be met through internal accruals and / or cash credit and / or working capital borrowings.

Considering the existing working capital requirements and as expected for the future, our Board of Directors, pursuant to their resolution dated July 27, 2023, has approved the estimated working capital requirements for Fiscals 2024 and Fiscal 2025 and the proposed funding of such working capital requirements which are detailed below.

(*in ₹ million*)

Particulars	Amount as of March 31, 2024 (Estimated)	Amount as of March 31, 2025 (Estimated)
Current Assets		
a. Inventories	1,384.64	1,851.28
b. Financial Assets		
i. Trade receivables	2,076.96	2,776.92
ii. Bank balances apart from cash and cash equivalents	763.58	1,550.02
iii. Loans and advances	17.31	23.14
iv. Other Financial Assets	207.70	277.69
c. Other Current Assets	484.62	647.95
Total Current Assets (A)	**4,934.81**	**7,127.00**
Current Liabilities		
a. Financial Liabilities		
i. Trade payables	605.78	809.94
ii. Lease Liabilities	34.62	46.28
ii. Other Financial liabilities	103.79	138.80
b. Other Current Liabilities	363.47	485.96
c. Provisions	86.54	115.71
d. Current Tax Liabilities (Net)	18.13	23.79
Total Current Liabilities (B)	**1,212.33**	**1,620.48**

Particulars	Amount as of March 31, 2024 (Estimated)	Amount as of March 31, 2025 (Estimated)
Working Capital (C= A-B)	**3,722.48**	**5,506.52**
Means of finance		
Cash Credit/Working Capital Borrowings	300.00	300.00
Internal Accrual	1,645.01	2,449.34
Working capital gap	**1,777.47**	**2,757.18**
Amount proposed to be utilised from Net Proceeds	**1,777.47**	**979.71**

*Note: As certified by Statutory Auditor by way of its certificate dated August 22, 2023. See "**Material Contracts and Documents for Inspection – Material Documents**" on page 418.*

Holding levels and key assumptions for working capital requirements:

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for Fiscal 2023, Fiscal 2022 and Fiscal 2021, on the basis of audited standalone financial statements, as well as estimated for Fiscal 2025 and Fiscal 2024.

Particulars	Number of days				
	For the Fiscal ended March 31, 2025	For the Fiscal ended March 31, 2024	For the Fiscal ended March 31, 2023	For the Fiscal ended March 31, 2022	For the Fiscal ended March 31, 2021
	(Estimated)	(Estimated)	(Actual)	(Actual)	(Actual)
Current Assets					
a. Inventories	80	80	74	79	16
b. Financial Assets					
i. Trade receivables	120	120	103	139	162
ii. Bank balances apart from cash and cash equivalents	67	44	28	4	58
iii. Loans and advances	1	1	1	0	1
iv. Other Financial Assets	12	12	11	6	31
c. Other Current Assets	28	28	44	31	73
Total Current Assets	**308**	**285**	**261**	**259**	**341**
Current Liabilities					
a. Financial Liabilities					
i. Trade payables	35	35	37	57	75
ii. Lease Liabilities	2	2	2	2	3
ii. Other Financial liabilities	6	6	14	23	29
b. Other Current Liabilities	21	21	76	136	84
c. Provisions	5	5	6	5	26
d. Current Tax Liabilities (Net)	1	1	6	4	7
Total Current Liabilities	**70**	**70**	**141**	**227**	**224**

*Note: As certified by Statutory Auditor by way of its certificate dated August 22, 2023. See "**Material Contracts and Documents for Inspection – Material Documents**" on page 418.*

Assumptions for holding period levels

The working capital projections made by our Company are based on certain key assumptions, as set out below:

Particulars	Assumptions
Current Assets	
Inventories	The holding levels of inventories for Fiscals 2021, 2022 and 2023 was 16 days, 79 days and 74 days, of revenue from operations, respectively. Inventories include raw material inventory and work in progress goods inventory. The holding levels of inventories of raw material Fiscals 2021, 2022 and 2023 was 16 days, 79 days and 40 days of revenue from operations, respectively, whereas inventory for work in progress goods was 34 days in Fiscal 2023. We expect raw material inventory to the tune of 45 days of revenue from operations

Particulars	Assumptions
	and work in progress goods inventory to the tune of 35 days of revenue from operations, in order to support the growing business operations due to expected growth in the Order Book. Our Order Book had increased from ₹ 1,435.76 million as on March 31, 2021 to ₹ 8,682.70 million as on March 31, 2023 on the back of order wins of ₹ 6,284.95 million during Fiscal 2022 and ₹ 7,712.74 million during Fiscal 2023. For further details in relation to our Order Book, please see "***Our Business – Order Book***" on page 164.
Trade Receivables	The holding period for trade receivables for Fiscals 2021, 2022 and 2023 was 162 days, 139 days and 103 days of revenue from operations, respectively. Receivable days were high for Fiscal 2021 and Fiscal 2022, on account of some large dispatches which happened in last quarter. Basis the expected business activity, we expect trade receivables to remain steady around 120 days of revenue from operations.
Bank balances apart from cash and cash equivalents	Our working capital requirement arise from the need of keeping bank balances in the form of fixed deposits towards issuance of bank guarantee, either within sanctioned limits or beyond sanctioned limits. Deposits lien marked towards banks needs to be kept at the time of issuance of bank guarantees. This has been approximately 15% of the bank guarantees issued if it was within the sanctioned non fund based limits and 100% if it is beyond the sanctioned non fund based limits. As on March 31, 2023, the Company has utilised 91.81% of its non-fund based limits. Based on the current order book and expected order wins, we expect such deposits to increase to ₹ 763.58 million in Fiscal 2024 and ₹ 1,550.02 million in Fiscal 2025. Resultantly, this in terms of number of days of revenue from operations, are expected to be 44 days and 67 days of revenue from operation for Fiscal 2024 and Fiscal 2025, respectively. Please see, Note 1 under "***Basis of estimation of working capital requirement – Existing working capital***".
Loans & Advances	Based on the expected business activity, Loan and advances would continue to remain around one day of revenue from operations
Other Financial Assets	Other financial assets include various security deposits, retention of money receivable from Customers and unbilled revenue. The holding period of security deposits was 5 days of revenue from operations in Fiscal 2021, less than 1 day of revenue from operations in Fiscals 2022 and 2023. Based on the expected business activity, we expect this to remain at 1 day of revenue from operations for Fiscal 2024 and Fiscal 2025. The holding period for retention money receivable from Customer was 26 days, 7 days, and 8 days of revenue from operations in Fiscals 2021, 2022 and 2023 respectively. Based on the current Order Book, we expect this to remain at 10 days of revenue from operations for Fiscal 2024 and Fiscal 2025. The holding period for unbilled revenue was 2 days in Fiscal 2023, and based on the current Order Book, the same is expected to remain around 1 day of revenue from operations for Fiscal 2024 and Fiscal 2025. Accordingly, based on expected business activity, the holding period for other financial assets is expected to be 12 days of revenue from operations for Fiscal 2024 and Fiscal 2025.
Other Current Assets	The holding period for other current assets include, advance to vendors, prepaid expenses, and GST input credit. This was 73 days, 31 days, and 44 days of revenue from operations in Fiscals 2021, 2022 and 2023 respectively. Based on expected business activity, we expect this to remain at 28 days of revenue from operations for Fiscal 2024 and Fiscal 2025.
Current Liabilities	
Trade Payables	The business operations during Fiscals 2021 and 2022 were impacted by COVID-19. Hence the holding period for trade payable for Fiscals 2021 and 2022 was high and was 75 days and 57 days of revenue from operations, respectively. This decreased to 37 days in Fiscal 2023. This is expected to continue around 35 days of revenue from operations in Fiscal 2024 and Fiscal 2025.

Particulars	Assumptions
Lease Liabilities	The holding period of lease liabilities for Fiscals 2021, 2022 and 2023 was 3 days, 2 days and 2 days, respectively. Based on expected business activity, we don't see any major change and this is expected to continue around 2 days of revenue from operations in Fiscal 2024 and Fiscal 2025.
Other Financial liabilities	The holding period for other financial liabilities include retention money payable to vendors, due to employees and directors. It was 29 days, 23 days and 14 days of revenue from operations for Fiscals 2021, 2022 and 2023, respectively. Based on the expected business activity, we expect other financial liabilities would remain around 6 days of revenue from operations in Fiscal 2024 and Fiscal 2025.
Other Current Liabilities	The holding period for other current liabilities include statutory dues, other current liabilities and advance received from Customers. The holding period for advance received from Customers was 56 days, 126 days and 60 days of revenue from operations in Fiscals 2021, 2022 and 2023, respectively. These advance from Customers are typically received upon issuance of advance bank guarantees. As our Company utilizes its non- fund based banking limits, we would not be able to issue additional advance bank guarantees. Therefore advance received from Customers is assumed to remain 15 days of revenue from operations in Fiscal 2024 and Fiscal 2025. Also, further we have assumed statutory dues to remain 6 days of revenue from operations. Hence, holding period for other current liabilities would be 21 days for both Fiscal 2024 and Fiscal 2025, respectively.
Provisions	The holding period for provisions for Fiscals 2021, 2022 and 2023, was 26 days, 5 days and 6 days of revenue from operations, respectively. Based on the expected business activity, this is expected to continue around 5 days of revenue from operations in Fiscal 2024 and Fiscal 2025.
Current Tax Liabilities (Net)	The holding period for current tax liabilities for Fiscal 2021, 2022 and 2023 was 7 days, 4 days and 6 days of revenue from operations, respectively. These liabilities arise upon reconciliation of tax deducted at source, advance tax and self-assessed tax. Our Company does not see any major change and based on expected business activity, the same is expected to be around one day of revenue from operations for Fiscal 2024 and Fiscal 2025.

*Note: As certified by Statutory Auditor by way of its certificate dated August 22, 2023. See "**Material Contracts and Documents for Inspection – Material Documents**" on page 418.*

Further, our actual working capital requirements may eventually vary from the aforementioned estimated working capital requirements. The aforementioned estimates for our working capital requirements for Fiscal 2024 and Fiscal 2025, are based on the actual working capital requirements for Fiscal 2023, Fiscal 2022 and Fiscal 2021 and are also provided after taking into consideration various factors, including, market opportunities in India and overseas, our expected order wins, our sanctioned fund-based limits of working capital facilities and non-fund based limits (guarantees, letter of credit) for working capital, uncertainty in relation to the enhancement of our existing fund based and non-fund based credit limits and/ or in terms which are favourable to us and uncertainty pertaining to the exact timing of the launch of Offer (on account of market conditions).

2. *General corporate purposes*

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] million towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include strategic initiatives and acquisitions and meeting exigencies, strengthening our marketing capabilities/ business development expenses, infrastructure expenses, meeting expenses incurred by our Company in the ordinary course of business, as may be decided by our Company in accordance with applicable law.

In addition to the above, our Company may utilise the Net Proceeds towards other expenditure considered expedient and as approved periodically by our Board of Directors or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board of Directors, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any.

Offer related expenses

Other than the listing fees in connection with the Offer (which shall be solely borne by the Company) and fees and expenses of the legal counsel (which will be borne by the Selling Shareholders), all Offer expenses, including BRLMs' fee, underwriting commissions, roadshow expenses, procurement commissions, if any, and brokerage due to the underwriters and sub-brokers or stock brokers, fees payable to the Self Certified Syndicate Banks, syndicate members, other Designated Intermediaries, legal advisors and any other agreed fees and commissions payable in relation to the Offer will be shared amongst the Company and the Selling Shareholders on a pro-rata basis, as agreed upon under the agreements/engagement letters to be entered into with such persons and as set forth in the engagement letter, as applicable, in accordance with applicable law. The abovementioned expenses shall be borne by the Company and each of the Selling Shareholders, severally and not jointly, in proportion of the Equity Shares issued by the Company and sold by each of the Selling Shareholders in the Offer and in accordance with applicable law. All the expenses relating to the Offer shall be paid by the Company in the first instance and that each of the Selling Shareholders shall reimburse the Company for respective proportion of the expenses upon commencement of listing and trading of the Equity Shares on the Stock Exchanges in accordance with Applicable Law. Any outstanding amounts payable to intermediaries shall be payable directly from the Public Offer Account after transfer of funds from the Escrow Accounts to the Public Offer Account and immediately upon receipt of the listing and trading approvals from the Stock Exchanges.

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, amongst others, listing fees, selling commission, fees payable to the BRLMs, fees payable to legal counsels, fees payable to the Registrar to the Offer, Bankers to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The estimated Offer expenses are as follows:

(*₹ in million*)

S. No	Activity	Estimated amount(1) (₹ in million)	As a % of total estimated Offer Expenses(1)	As a % of Offer Size(1)
1.	BRLMs fees and commissions (including underwriting commission)	[●]	[●]	[●]
2.	Brokerage, selling commission, bidding charges, processing fees for the Members of the Syndicate, Registered Brokers, SCSBs, RTAs and CDPs(2)(3)(4)(5)(6)	[●]	[●]	[●]
3.	Advertising and marketing expenses for the Offer	[●]	[●]	[●]
4.	Fee payable to the Registrar to the Offer	[●]	[●]	[●]
5.	Fees payable to other advisors to the Offer			
(i)	*Fees payable to CVK & Associates, Chartered Accountants, in their capacity as the Statutory Auditor, in respect of the Restated Consolidated Financial Information and the Statement of Possible Special Tax Benefits and the certificates issued by them*	[●]	[●]	[●]
(iii)	*Fees payable to Meman Riyazahmed M, Independent Chartered Engineer, in relation to the issuance of the capacity utilisation certificate prepared and issued in connection with the Offer*	[●]	[●]	[●]
6.	Other expenses			
(i)	*Listing fees, SEBI filing fees, BSE & NSE processing fees, book building software fees, NSDL and CDSL fee and other regulatory expenses,*	[●]	[●]	[●]
(ii)	*Printing and stationery expenses*	[●]	[●]	[●]
(iii)	*Fees payable to the legal counsels*	[●]	[●]	[●]
(iv)	*Miscellaneous*	[●]	[●]	[●]
	Total Estimated Offer Expenses	[●]	[●]	[●]

(1) *Amounts will be finalised and incorporated in the Prospectus on determination of Offer Price include applicable taxes, where applicable*

(2) *Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows:*

*Portion for Retail Individual Bidders**	*[●]% of the Amount Allotted* (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●]% of the Amount Allotted* (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*
Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.
No processing fees shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procured by them.

(3) *Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:*

Portion for Retail Individual Bidders	*₹ [●] per valid application (plus applicable taxes)*
Portion for Non-Institutional Bidders	*₹ [●] per valid application (plus applicable taxes)*

(4) *The Processing fees for applications made by Retail Individual Bidders using the UPI Mechanism would be as follows:*

Members of the Syndicate / RTAs / CDPs	*₹[●] per valid application (plus applicable taxes)*
Sponsor Bank	*[●] per valid Bid cum Application Form* (plus applicable taxes)* *The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NCPI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.*

**For each valid application*

(5) *Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs would be as follows:*

Portion for Retail Individual Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

(6) *Bidding charges of ₹ [●] (plus applicable taxes) shall be paid per valid Bid cum Application Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Investors using the UPI mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. No additional bidding charges shall be payable to SCSBs on the Bid cum Application Forms directly procured and bid by them.*

(7) *Selling commission payable to the Registered Brokers on the portion for Retail Individual Investors and, Non-Institutional Investors which are directly procured by the Registered Brokers and submitted to SCSB for processing, shall be ₹ [●] per valid Bid cum Application Form (plus applicable taxes).*

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member. The selling commission and bidding charges payable to Registered Brokers the RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

In addition to the selling commission referred above, any additional amount(s) to be paid by our Company and Selling Shareholders shall be as mutually agreed amongst the Book Running Lead Managers, their respective Syndicate Members, our Company and Selling Shareholders before the opening of the Issue.

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 on 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.

Interim use of funds

Our management will have flexibility in deploying the Net Proceeds. Pending utilization for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only in interest bearing accounts with the Scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934, as amended for the necessary duration. Such investments will be approved by our management from time to time. Our Company confirms that, pending utilization of the Net Proceeds, it shall not use the funds for any investment in any other equity or equity linked securities. Further, in accordance with Section 27 of the Companies Act 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in securities of any other listed company or for any investment in the equity markets.

Bridge loan

Our Company has not raised any bridge loans from any bank or financial institution as of the date of this Draft Red Herring Prospectus which are proposed to be repaid from the Net Proceeds.

Monitoring of Utilization of Funds

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company shall appoint a Monitoring Agency for monitoring the utilisation of net proceeds, prior to the filing of the Red Herring Prospectus, as our size of the

Fresh Issue exceeds ₹ 1,000.00 million, in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Audit Committee and the Monitoring Agency will monitor the utilisation 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. Our Company will disclose the utilisation of the Net Proceeds, including interim use under a separate head in our balance sheet for such periods 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 utilised if any, of such currently unutilised Net Proceeds. Our Company will also, in its balance sheet for the applicable Fiscals, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilised Net Proceeds.

Pursuant to the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board of Directors for necessary action, if deemed appropriate. Additionally, in accordance with Regulation 32(5) of the SEBI Listing Regulations, our Company shall prepare, and place before the Audit Committee, an annual statement of funds utilized for purposes other than that specified in this Draft Red Herring Prospectus, as certified by our Auditor, until such time that the entire Net Proceeds have been utilized. Further, in accordance with Regulation 32(1) of the SEBI Listing Regulations our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (a) deviations, if any, in the utilization of the Net Proceeds stated in this Draft Red Herring Prospectus and (b) details of category wise variation between the projected utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus and the actual utilization of the Net Proceeds.

Variation in Objects of the Fresh Issue

In accordance with Sections 13(8) and 27 of the Companies Act 2013, our Company shall not vary the Objects of the Fresh Issue without our Company being authorized to do so by the shareholders by way of a special resolution. In addition, the notice issued to the shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act 2013. Pursuant to the Companies Act 2013, the Promoters or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the Objects of the Fresh Issue, subject to the provisions of the Companies Act 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 provisions of Chapter VI A of the SEBI ICDR Regulations.

Appraising entity

None of the Objects of the Fresh Issue for which the Net Proceeds will be utilized have been appraised by any agency.

Other confirmations

Except to the extent of any proceeds received pursuant to the sale of Offered Shares proposed to be sold in the Offer by the Selling Shareholders, no part of the proceeds of the Offer will be paid by our Company to our Promoters, members of the Promoter Group, our Directors, our Key Managerial Personnel or Senior Management. Further, there are no existing or anticipated transactions in relation to the utilisation of the Net Proceeds with our Promoter, members of our Promoter Group, Directors, Key Managerial Personnel, Senior Management and Group Companies. No part of the Net Proceeds will be paid to our Promoter, Directors, our Subsidiaries, our Group Companies or our Key Managerial Personnel or our Senior Management, except in the ordinary course of business. Our Company has not entered into nor has planned to enter into any arrangement/ agreements with our Directors, our Key Managerial Personnel, our Senior Management, our Subsidiaries or our Group Companies in relation to the utilisation of the Net Proceeds.

BASIS FOR THE OFFER PRICE

The Price Band and Offer Price will be determined by our Company and the Promoter Selling Shareholders in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 2 each and the Offer Price is [●] times the Floor Price and [●] times the Cap Price of the Price Band. Investors should also see *"**Our Business**", "**Risk Factors**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**", "**Financial Information**" and "**Summary of Financial Information**"* on pages 151, 28, 285, 221 and 62, respectively, to have an informed view before making an investment decision.

Qualitative Factors

- Market leader of process fired heaters in India with established track record
- Well-positioned to capture industry tailwinds through our demonstrated capabilities over time.
- Diversifying product portfolio to cater to varied industries
- Demonstrated financial performance with a robust Order Book reflecting revenue visibility
- Skilled and experienced Promoters and management team with committed employee base

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Consolidated Financial Information. For details, see "***Financial Information***" and "***Other Financial Information***" on page 221 and 281.

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

I. Basic and Diluted Earnings per Share ("EPS")

Financial Year	Restated Basic EPS (₹)	Restated Diluted EPS (₹)	Weight
Financial Year ended March 31, 2023	9.66	9.51	3
Financial Year ended March 31, 2022	7.50	7.50	2
Financial Year ended March 31, 2021	3.43	3.43	1
Weighted Average	**7.90**	**7.83**	

Notes:

- *Restated basic earnings per share (₹) = Restated profit for the year attributable to equity holders / Weighted average number of equity shares during the year*
- *Restated diluted earnings per share (₹) = Restated profit for the year attributable to equity holders / Weighted average number of equity shares adjusted for effects of dilutions during the year*
- *Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended)*
- *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*
- *The above statement should be read with significant accounting policies and notes on Restated Consolidated Financial Information as appearing in the Restated Consolidated Financial Information*

II. Price/Earning ("P/E") ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share:

Year ended	P/E at the Floor Price (no. of times)*	P/E at the Cap Price (no. of times)*
Based or basic EPS for Financial Year ended March, 31 2023	[●]	[●]
Based or diluted EPS for Financial Year ended March, 31, 2023	[●]	[●]

**To be populated at the Prospectus stage*

Industry P/E ratio

Particulars	P/E ratio
Highest	62.88

Particulars	P/E ratio
Lowest	62.88

Notes: The industry high and low has been considered from the industry peer set provided later in this section

III. Return on Net Worth ("RoNW")

Financial Year	RoNW (%)	Weight
Financial Year ended March 31, 2023	47.71	3
Financial Year ended March 31, 2022	66.03	2
Financial Year ended March 31, 2021	56.96	1
Weighted Average	**55.36**	

Notes:

i) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/total of weights.

ii) Return on Net Worth (%) = restated profit for the year attributable to equity shareholders divided by average Net worth (average of current year and previous year Net worth).

iii) Net worth (total equity) means the aggregate of paid up equity share capital and other equity

IV. Net Asset Value ("NAV") per share

(in ₹)

NAV	Particulars
As on March 31, 2023	25.45
As on March 31, 2022	15.04
As on March 31, 2021	7.67
After the completion of the Offer:	
(i) At Floor Price	[●]
(ii) At Cap Price	[●]
Offer Price	[●]

Notes:

- *Offer Price per Equity Share will be determined on conclusion of the Book Building Process.*
- *Net Asset Value per Equity Share = Restated net worth as per the Restated Consolidated Financial Information / Number of equity shares outstanding as at the end of year/period (after giving effect of split in face value from ₹ 10 to ₹ 2 each approved by Board of Directors on April 12, 2023 and Shareholders on April 14, 2023.*
- *Net worth (total equity) means the aggregate of paid up equity share capital and other equity.*

V. Comparison with listed industry peers

Name of the company	Consolidated/ Standalone	Face value (₹ per share)	Closing price on August 7, 2023 (₹)	Revenue from Operations (in ₹ million)	EPS (₹) Financial Year ended March 31, 2023 Basic	Diluted	NAV (₹ per share)	P/E	RoNW (%)
JNK India Limited*	Consolidated	2.00	NA	4,073.02	9.66	9.51	25.45	NA	47.71
PEER GROUP									
Thermax Limited*	Consolidated	2.00	2,513.80	80,898.10	39.98	39.98	324.62	62.88	12.24

**Financial information for our Company is derived from the Restated Consolidated Financial Information.*

**Source: All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the annual reports / annual results, investor presentations, conference call transcripts as available of the respective company for the year ended March 31, 2023, submitted to stock exchanges and posted on their websites.*

Notes for listed peers:

1. *Basic EPS and Diluted EPS refer to the Basic EPS and Diluted EPS sourced from the financial statements of the respective company.*
2. *P/E Ratio has been computed based on the closing market price of equity shares on August 7, 2023 on BSE divided by the Diluted EPS provided*
3. *Return on net worth ("**RoNW**") is computed as total profit/ (loss) attributable to equity holders of the parent for the year divided by Average net worth attributable to equity shareholders of the parent (excluding non-controlling interest) as at March 31, 2023. Average of the total equity attributable to the equity shareholders of our Company at the beginning and ending of the year*
4. *Net asset value per share is calculated by dividing net worth (excluding non-controlling interest) by number of equity shares outstanding as at March 31, 2023*

Key financial and operational metrics

In evaluating our business, we consider and use certain KPIs as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. We use these KPIs to evaluate our financial and operating performance. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated July 27, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of our Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by Statutory Auditors, by their certificate dated August 22, 2023.

The KPIs of our Company have been disclosed in the sections "***Our Business – Key Performance Indicators***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators***" starting on pages 155 and 287, respectively. We have described and defined the KPIs, as applicable, in the section "***Definitions and Abbreviations***" on page 1.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the section "***Objects of the Offer – Proposed schedule of implementation and deployment of Net Proceeds***" on page 90, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

Set forth below are the KPIs pertaining to the Company that have been used historically by our Company to understand and analyse the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our listed peers, and other relevant and material KPIs of the business of the Company that have a bearing for arriving at the Basis for the Offer Price:

Financial KPIs

(*₹ million unless specified otherwise*)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations (in ₹ million)	4,073.02	2,963.96	1,377.21
EBITDA (in ₹ million) (1)	735.05	545.77	260.15
EBITDA Margin(2) (%)	18.05	18.41	18.89
PAT (in ₹ million)	463.62	359.83	164.76
PAT Margin(3) (%)	11.38	12.14	11.96
RoCE(4) (%)	57.17	83.25	71.90
RoE(5) (%)	47.71	66.03	56.96
Order Book (in ₹ million)	8,682.70	5,434.57	1,435.76

**Financial information for our Company is derived from the Restated Consolidated Financial Information*

Notes for Financial metrics:

(1) EBITDA = Profit for the year (including other income) + tax expense + finance cost + depreciation and amortisation

(2) EBITDA margin = EBITDA / revenue from operation

(3) PAT margin = PAT / revenue from operations

(4) RoCE = EBIT / Average Capital Employed as at the end of the year. Capital Employed is calculated as summation of Total Shareholder's Equity + Long term borrowings + Short term borrowings. Average Capital Employed is calculated as average of capital employed at the beginning and ending of the year.
Where EBIT = Profit for the year (including other income) + tax expense + finance cost

(5) RoE = PAT attributable to equity holders / Average Equity as at the end of the year. Average Equity is calculated as average of the total equity attributable to the equity shareholders of our Company at the beginning and ending of the year

Explanation for the KPI metrics

S.No.	KPI	Explanations
1.	Revenue from operations	Revenue from operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
2.	EBITDA	EBITDA provides information regarding the operational efficiency of the business.
3.	EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of the business.
4.	PAT	PAT refers to profit after tax and provides information regarding the overall profitability of the business.
5.	PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of the business.
6.	Return on Equity (RoE) (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
7.	Return on Capital Employed (RoCE) (%)	Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in the business.
	EBIT	EBIT provides information regarding the operational efficiency of the business after deducting depreciation and amortization cost.
8.	Order Book	Order Book as of a particular date is calculated based on the aggregate contract value of on-going projects as of such date reduced by the value of work executed by us until such date.

Comparison of financial KPIs of our Company and our listed peers

While our listed peers (mentioned below), like us, operate in the same industry and may have similar offerings or end use applications, they derive significant portion of revenue from other services that include Chemicals, Air Pollution Control, Water and waste Solutions amongst other specialized services which is not our focus area. Our business may be different in terms of differing business models, different product verticals serviced or focus areas or different geographical presence.

(*₹ million unless specified otherwise*)

Particulars	JNK India Limited*			Thermax Limited#		
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations (in ₹ million)	4,073.02	2,963.96	1,377.21	80,898.10	61,283.30	47,912.50
EBITDA (in ₹ million) (1)	735.05	545.77	260.15	7,575.10	5,485.10	4,104.00
EBITDA Margin(2) (%)	18.05	18.41	18.89	9.36	8.95	8.57
PAT (in ₹ million)	463.62	359.83	164.76	4,507.00	3,123.10	2,065.80
PAT Margin(3) (%)	11.38	12.14	11.96	5.57	5.10	4.31
ROCE(4) (%)	57.17	83.25	71.90	15.02	11.76	8.71
ROE(5) (%)	47.71	66.03	56.96	12.24	9.26	6.58
Order Book (in ₹ million)	8,682.70	5,434.57	1,435.76	97,520.00	88,120.00	52,270.00

**Financial information for our Company is derived from the Restated Consolidated Financial Information.*

#Source: All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the annual reports / annual results, investor presentations, conference call transcripts as available of the respective company for the year ended March 31, 2023, submitted to stock exchanges and posted on their websites.

As certified by Statutory Auditors, by their certificate dated August 22, 2023.

Notes for Financial metrics:

(1) *EBITDA = Profit for the year (including other income) + tax expense + finance cost + depreciation and amortisation*

(2) *EBITDA margin = EBITDA / revenue from operations*

(3) *PAT margin = PAT (attributable to equity shareholders of the parent) / revenue from operations*

(4) *RoCE = EBIT / Average Capital employed as at the end of the year. Capital Employed is calculated as summation of Total Shareholder's Equity + Long term borrowings + Short term borrowings. Average Capital Employed is calculated as average of capital employed at the beginning and ending of the year.*
Where EBIT = Profit for the year (including other income) + tax expense + finance cost

(5) *RoE = PAT (attributable to equity holders of parent) / Average equity as at the end of the year. Average Equity is calculated as average of the total equity attributable to the equity shareholders of our Company at the beginning and ending of the year.*

Weighted average cost of acquisition

a) *The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities)*

There has been no issuance of Equity Shares or convertible securities, excluding the shares issued under the bonus issuance and exercise of options under the ESOP 2022, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

b) The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities)

There have been no secondary sale / acquisitions of Equity Shares or any convertible securities, where the Promoters, members of the Promoter Group, Selling Shareholders, or Shareholder(s) having the right to nominate director(s) on 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-Offer 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) Price per share based on the last five primary or secondary transactions

Since there are no such transactions to report to under (a) and (b), therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or Selling Shareholders or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction), not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions, is as below:

Primary transactions:

There have been no primary transactions in the last three years preceding the date of this Draft Red Herring Prospectus where Promoters / Promoter Group entities or Selling Shareholders or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction, excluding issuance of bonus shares and equity shares issued under the ESOP 2022.

Secondary transactions:

Disclosed below are the last five secondary transactions by 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 our Company are a party to the transaction, in the last three years preceding the date of this Draft Red Herring Prospectus:

Date of acquirer	Name of acquirer	Number of equity shares acquired	Nature of Transaction	Acquisition price per equity share (₹)
April 17, 2021	Milind Joshi	30,000	Transfer	350
	Acquisition price : ₹ 350 (for face value of ₹10) and ₹ 70 (for face value ₹ 2)			
Total				**350**

As certified by Statutory Auditor, by their certificate dated August 22, 2023.

Weighted average cost of acquisition, floor price and cap price

Past transactions		Weighted average cost of acquisition per Equity Share (in ₹)	Floor Price is ₹ [●]#	Cap Price is ₹ [●]#
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/convertible securities), excluding shares issued under bonus allotment and allotment under ESOP 2022, during the 18 months preceding the date of filing 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 our 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		Nil#	[●] times	[●] times
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares (equity/convertible securities), where Promoter / Promoter Group entities or Selling Shareholders or Shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5 per cent of the fully diluted paid-up share capital of our 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		NA^	[●] times	[●] times
Since there were no primary or secondary transactions of equity shares of the Company during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions where Promoter /Promoter Group entities or Selling Shareholders or Shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Draft Red Herring Prospectus irrespective of the size of the transaction issuance of bonus shares and equity shares issued under the ESOP 2022				
-	Based on primary transactions	Nil	[●] times	[●] times
-	Based on secondary transactions	70 (for face value 2)	[●] times	[●] times

#There were no primary/ new issue of shares (equity / convertible securities) in last 18 months prior to the date of this Draft Red Herring Prospectus where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of 30 days.

^There were no secondary sales / acquisition of shares (equity/ convertible securities) transactions in last 18 months prior to 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 in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Detailed explanation for Offer Price/ Cap Price being [●] price of weighted average cost of acquisition of primary issuance price/ secondary transaction price of Equity Shares (as set out above) along with our Company's key financial and operational metrics and financial ratios for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021.

[●]*

**To be included on finalisation of Price Band*

Explanation for Offer Price/ Cap Price being [●] price of weighted average cost of acquisition of primary issuance price/ secondary transaction price of Equity Shares (as set out above) in view of the external factors which may have influenced the pricing of the Offer.

[●]*

**To be included on finalisation of Price Band*

The Offer price is [●] times of the face value of the Equity Shares

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

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Date: August 17, 2023

To,

The Board of Directors
JNK India Limited
Unit No. 203, 204, 205, 206
Opposite. TMC Office
Centrum IT Park
Near Satkar Hotel
Thane - West
Thane 400 604
Maharashtra, India

IIFL Securities Limited
10th Floor, IIFL Centre,
Kamala City
Senapati Bapat Marg
Lower Parel (West)
Mumbai 400 013
Maharashtra, India

ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Maharashtra, India

(IIFL Securities Limited and ICICI Securities Limited referred to as the "**Book Running Lead Managers**" or "**BRLMs**")

Sub: Proposed initial public offering of equity shares of face value of ₹ 2 each (the "Equity Shares") of JNK India Limited (the "Company" and such offer, the "Offer")

Dear Sir/Madam,

We, **CVK & Associates**, the Statutory Auditors of the Company, hereby confirm that the enclosed **Annexure A**, prepared by the Company and initialed by us for identification purpose ("**Statement**") for the Offer, provides the possible special tax benefits available to the Company and to its shareholders under direct tax and indirect tax laws presently in force in India, including the Income Tax Act, 1961, Customs Act, 1962 and the Customs Tariff Act, 1975 (read with the rules, circulars and notifications issued in connection thereto). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

Further, the Company has two subsidiaries, which are not material in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of signing of this report. Accordingly, possible special direct tax benefits have not been provided for the subsidiaries.

This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"). While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company and its shareholders, the same would include those benefits as enumerated in the **Annexure A**. Any benefits under the taxation laws other than those specified in the **Annexure A** are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those mentioned in the **Annexure A** have not been examined and covered by this statement.

The preparation of the accompanying statement is accurate, complete, and free from misstatement is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and presentation of the statement, applying an appropriate basis of preparations that is reasonable in the circumstances.

The benefits discussed in the enclosed Statement are not exhaustive. The 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 and 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 Offer.

In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

We do not express any opinion or provide any assurance as to whether:

- the Company or its shareholders will continue to obtain these benefits in the future; or
- the conditions prescribed for availing of the benefits, where applicable have been/would be met with

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.

We have conducted our review in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("**ICAI**") which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this statement we have complied with the Code of Ethics issued by the ICAI.

We hereby consent to be named an "expert" under the Companies Act, 2013, as amended, and our name may be disclosed as an expert to any applicable legal or regulatory authority insofar as may be required, in relation to the statements contained therein. We further confirm that we are not and have not been engaged or interested in the formation or promotion or management of the Company. We also consent to the inclusion of this letter as a part of "***Material Contracts and Documents for Inspection***" in connection with the Offer, which will be available for inspection from date of the filing of the RHP until the Bid/Offer Closing Date.

We have carried out our work based on Restated Consolidated Financial Information, other documents, information available in public domain and information provided to us by the Company, which has formed a substantial basis for this Statement. While we use reasonable efforts to furnish accurate and up-to-date information, we do not warrant that any information contained in or made available through company and its subsidiaries or public domain is accurate, complete, reliable, current or error-free.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

This Statement is for information and for inclusion in the Offer Documents or any other Offer-related material, and may be relied upon by the Company, the Book Running Lead Managers and the legal advisors appointed by the Company and the Book Running Lead Managers in sole relation to the Offer. We hereby consent to (i) the submission of this certificate as may be necessary to the SEBI, the RoC, the relevant stock exchanges and any other regulatory authority and/or for the records to be maintained by the Book Running Lead Managers and in accordance with applicable law; and (ii) the disclosure of this certificate if required by reason of any law, regulation or order of a court or by any governmental or competent regulatory authority; or in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We confirm that on obtaining or gaining of any relevant and material information in the abovementioned position from the Company, we will immediately update you in writing of any changes in the abovementioned position, immediately upon us becoming aware until the date the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges.

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

Yours faithfully
For CVK & Associates
Chartered Accountants
ICAI Firm Registration Number: 101745W

CA K. P. Chaudhari
Partner
Membership No.: 031661

Place: Mumbai
UDIN: 23031661BGYWHU8643

Annexure A

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL DIRECT AND INDIRECT TAX BENEFITS AVAILABLE TO JNK INDIA LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS

The information provided below sets out the possible special tax benefits available to the Company and the Shareholders under the Direct Act namely, Income Tax Act, 1961 ("**Direct Act**") and Indirect Act namely, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975, ("**Indirect Act**" and together "**Acts**") presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

A. SPECIAL TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the above mentioned Acts.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

The Shareholders of the Company are not entitled to any special tax benefits under the above mentioned Acts.

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

2. The above statement covers only certain relevant direct tax law and indirect tax law benefits and does not cover benefit under any other law.

3. This Annexure 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 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 IPO.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the DRHP.

SECTION IV ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from the report "Opportunities in Heating Equipment, Waste Gas Handling/Emission, Control Systems, and Renewable Energy Systems" dated, August 14, 2023 (the "**F&S Report**") prepared by Frost & Sullivan (India) Private Limited ("**Frost and Sullivan**"), appointed by our Company pursuant to the proposal dated February 28, 2023 and the engagement letter dated March 2, 2023, and such F&S Report has been commissioned by and paid for by our Company, exclusively in connection with the Offer. A copy of the F&S Report is available on the website of our Company at www.jnkindia.com/industry-report.html. The data included herein includes excerpts from the F&S Report and may have been re-classified by us for the purposes of presentation. 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, 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. Financial information used herein is based solely on the audited financials of the Company and other peers. 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. See also, "**Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the industry report which has been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risk.**" on page 41. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.*

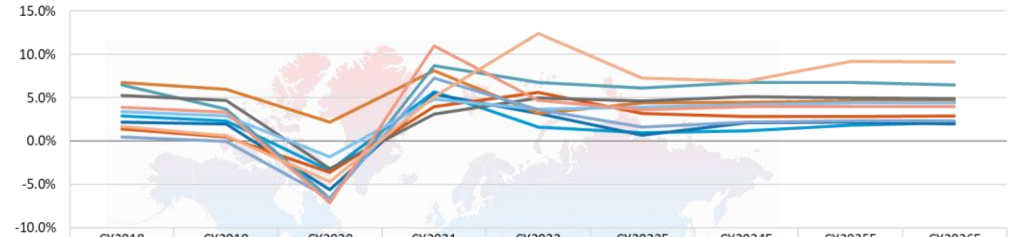
F&S has prepared the F&S Report through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts and compiling inputs from publicly available sources, including official publications and research reports. The estimates provided by F&S and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain, however, financial information relating to our Company presented in other sections of this Draft Red Herring Prospectus has been prepared in accordance with Ind AS and restated in accordance with the SEBI ICDR Regulations. Accordingly, the financial information of our Company in this section is not comparable with Ind AS financial information presented elsewhere in this Draft Red Herring Prospectus.

GLOBAL MACRO-ECONOMIC REVIEW

World Macro-economic Overview

Real gross domestic product ("GDP") Review and Outlook

The global real GDP Outlook for calendar year 2023 is positive with International Monetary Fund ("**IMF**") increasing its growth outlook for calendar year 2023 to 2.9% in February 2023 from the earlier 2.7% in October 2022, backed by the resilient demand from the United States of America ("**USA**") and Europe. Easing energy costs and increasing economic participation from China because of relaxation in COVID related restrictions also are expected to contribute to the growth in calendar year 2023.



	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023E	CY2024E	CY2025E	CY2026E
USA (%)	2.9%	2.3%	-3.4%	5.7%	1.6%	1.0%	1.2%	1.8%	2.1%
Europe (%)	2.2%	2.0%	-5.6%	5.4%	3.2%	0.7%	2.1%	2.2%	2.0%
Middle East (%)	1.4%	0.5%	-3.6%	4.0%	5.6%	3.2%	2.8%	2.8%	2.9%
China (%)	6.8%	6.0%	2.2%	8.1%	3.2%	4.4%	4.5%	4.6%	4.6%
India (%)	6.5%	3.7%	-6.6%	8.7%	6.8%	6.1%	6.8%	6.8%	6.5%
SEA (%)	5.3%	4.7%	-3.2%	3.1%	5.0%	4.6%	5.1%	5.0%	4.9%
Africa (%)	3.4%	2.9%	-1.8%	4.8%	3.7%	3.9%	4.2%	4.4%	4.4%
South America (%)	0.5%	0.0%	-6.6%	7.3%	3.6%	1.6%	2.2%	2.3%	2.3%
Central America (%)	3.9%	3.3%	-7.1%	11.0%	4.7%	3.6%	4.0%	4.0%	4.0%
Carribbean (%)	1.7%	0.6%	-4.7%	5.1%	12.4%	7.3%	6.9%	9.2%	9.1%

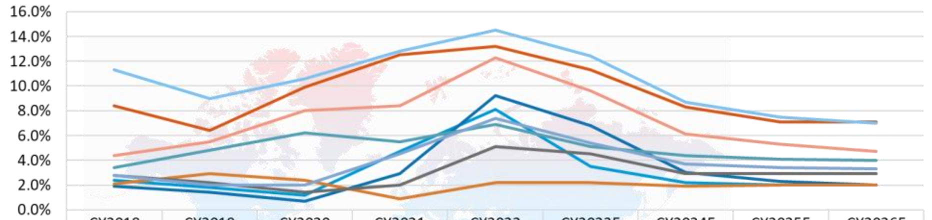
Note: E refers to Estimate   Source: IMF, World Economic Outlook, October 2022; World Bank; Frost & Sullivan Analysis

Note: Real GDP Growth by Select Regions & Countries – Historic and Forecast, World, calendar year 2018 – calendar year 2026E

India is among the fastest growing economies, expected to grow at 6.1% in calendar year 2023, after recording a growth of 6.8% in calendar year 2022. India is expected to boost its capital spending in Fiscal 2024 by 33% to about USD 122.3 billion, which is expected to create jobs and economic growth in the long-term. The USA's GDP is expected to grow by 1.0% in calendar year 2023 backed by stronger-than-expected consumption and investments in the third quarter of calendar year 2022, a strong labour market and consumer balance sheets. Europe is expected to grow at 0.7% in calendar year 2023 as the region is adopting to higher energy costs quicker than expected. China's outlook too remains positive and forecast to grow at 4.4% in calendar year 2023, driven by removal of COVID restrictions.

Inflation

Increase in central bank rates to control inflation and Russia's war in Ukraine continued to weigh on economic activity across the world. Global inflation rate is expected to drop to 6.6% in calendar year 2023 from 8.8% in calendar year 2022, still above the pre-pandemic levels of 3.5%.



	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023E	CY2024E	CY2025E	CY2026E
USA (%)	2.4%	1.8%	1.2%	4.7%	8.1%	3.5%	2.2%	2.0%	2.0%
Europe (%)	1.9%	1.4%	0.7%	2.9%	9.2%	6.8%	3.0%	2.3%	2.0%
Middle East (%)	8.4%	6.4%	9.9%	12.5%	13.2%	11.3%	8.3%	7.1%	7.1%
China (%)	2.1%	2.9%	2.4%	0.9%	2.2%	2.2%	1.9%	2.0%	2.0%
India (%)	3.4%	4.8%	6.2%	5.5%	6.9%	5.1%	4.4%	4.1%	4.0%
South East Asia (%)	2.8%	2.2%	1.4%	2.0%	5.1%	4.5%	2.9%	2.9%	2.9%
Africa (%)	11.3%	9.0%	10.6%	12.8%	14.5%	12.4%	8.7%	7.5%	7.0%
Central America (%)	2.8%	2.0%	2.0%	4.5%	7.4%	5.4%	3.7%	3.4%	3.3%
Carribbean (%)	4.4%	5.5%	8.0%	8.4%	12.3%	9.6%	6.1%	5.3%	4.7%

Note: E refers to Estimate   Source: IMF, World Economic Outlook, October 2022; World Bank; Frost & Sullivan Analysis

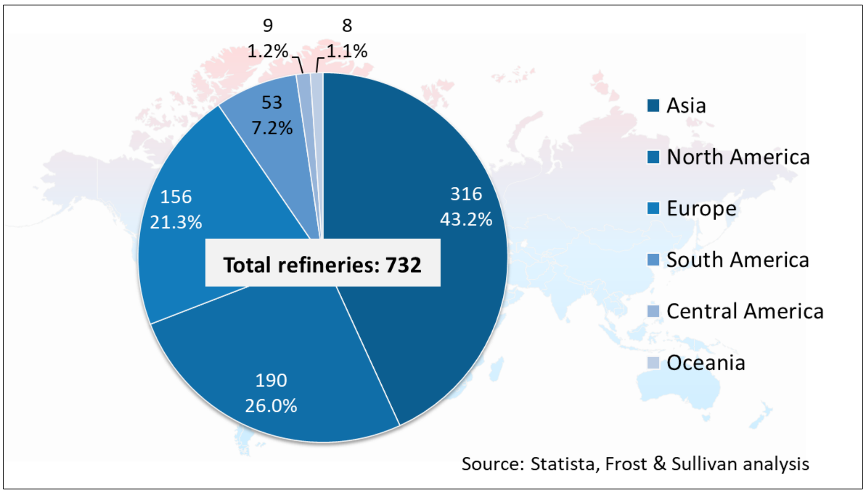
Note: Inflation Rate by Select Regions & Countries – Historic and Forecast, World, calendar year 2018 – calendar year 2026E

In most economies, amid the cost-of-living crisis, the priority remains achieving sustained disinflation. With tighter monetary conditions and lower growth potentially affecting financial and debt stability, it is necessary to deploy macroprudential tools and strengthen debt restructuring frameworks. Accelerating COVID-19 vaccinations in China would safeguard the recovery, with positive cross-border spill overs. Fiscal support should be better targeted at those most affected by elevated food and energy prices, and broad-based fiscal relief measures should be withdrawn. Stronger multilateral cooperation is essential to preserve the gains from the rules-based multilateral system and to mitigate climate change by limiting emissions and raising green investment.

Global end-user segment analysis

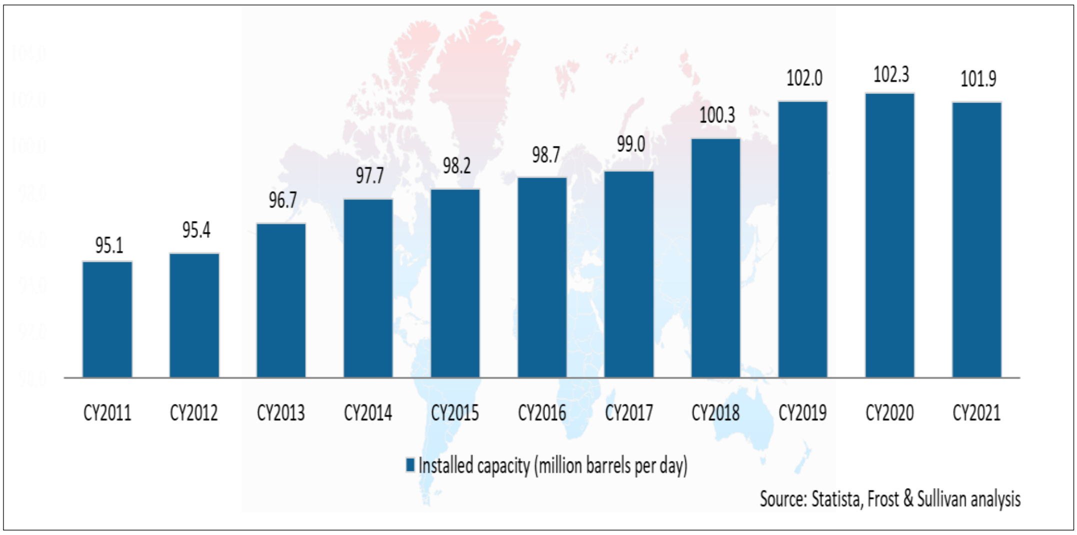
Sectoral Analysis – Refinery

The global demand for oil refining is driven by increasing investment in refinery capex and construction sector. The demand for petroleum products is driven by positive outlook towards aviation and road transportation segments. Further, rapid industrialization and urbanization, along with increase in population among developing countries, such as China and India, ae expected to create demand for automobiles, which would in turn drive the demand for refined petroleum products.

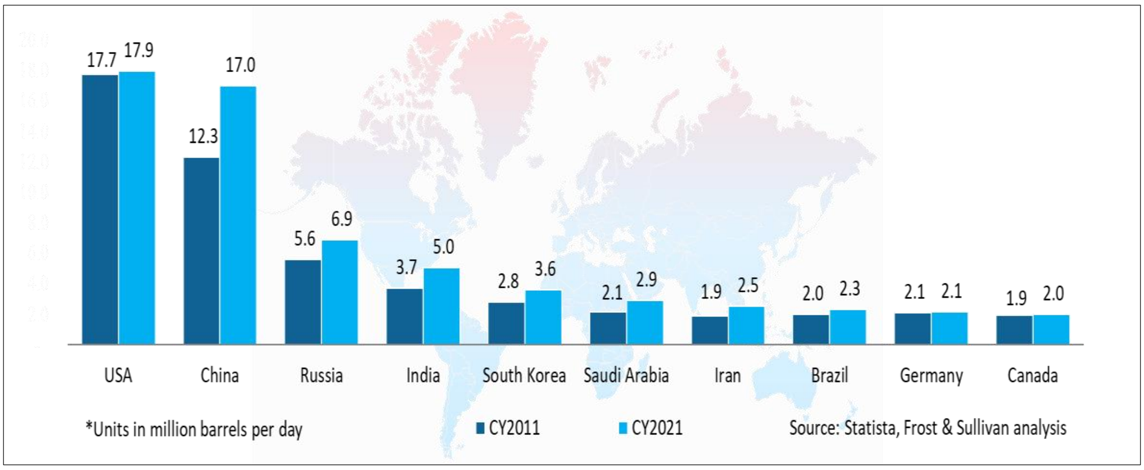


Note: Count of operational refineries, World, calendar year 2021. Source: F&S Report

There are about 732 refineries in the world at the end of calendar year 2021 and about 43% of them are in Asia, followed by 26% in North America and 21% in Europe. The total refinery capacity in calendar year 2021 was 101.9 million barrels per day. Installed capacity grew by a Compounded Annual Growth Rate ("**CAGR**") of 0.7% from calendar year 2011 to calendar year 2021. The USA, China, Russia, India, and South Korea are the top five countries in terms of refining capacities and account for 50.4 million barrels per day cumulatively in calendar year 2021. In terms of market share, these five countries account for 49.4% of the total installed capacity calendar year 2021.



Note: Crude Oil Refinery Installed Capacity, World, calendar year 2011 – calendar year 2021

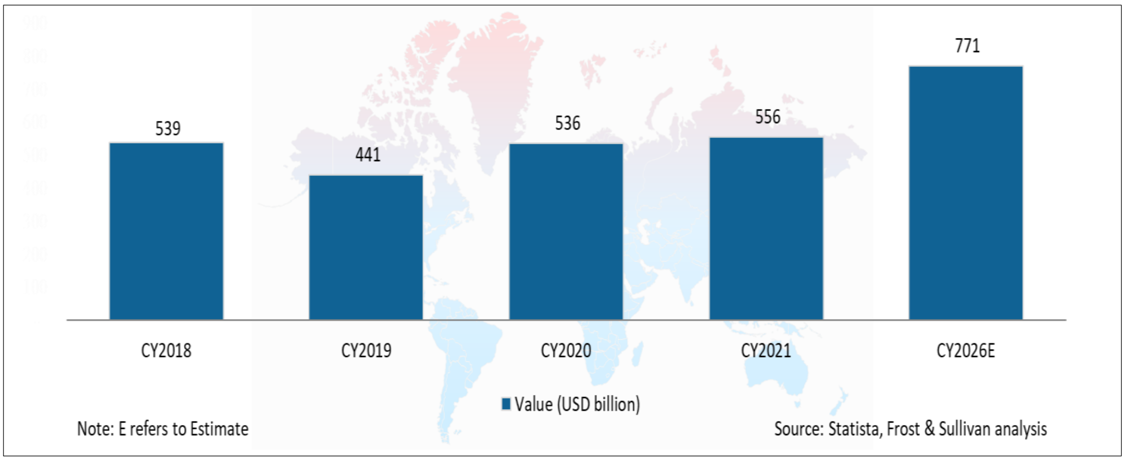


Note: Crude Oil Refinery Installed Capacity – Top 10 Countries, World, calendar year 2011 & calendar year 2021

To meet the growing demand for refined petroleum products, governments of developing countries are planning to expand the country's refining capacity. Indian government is aiming to double the country's refining capacity to around 450-500 million metric tons ("**MMT**") by calendar year 2030. Other key driver for capacity addition is the government initiative to reduce import dependency, for example, the KSA, Iraq, and Iran.

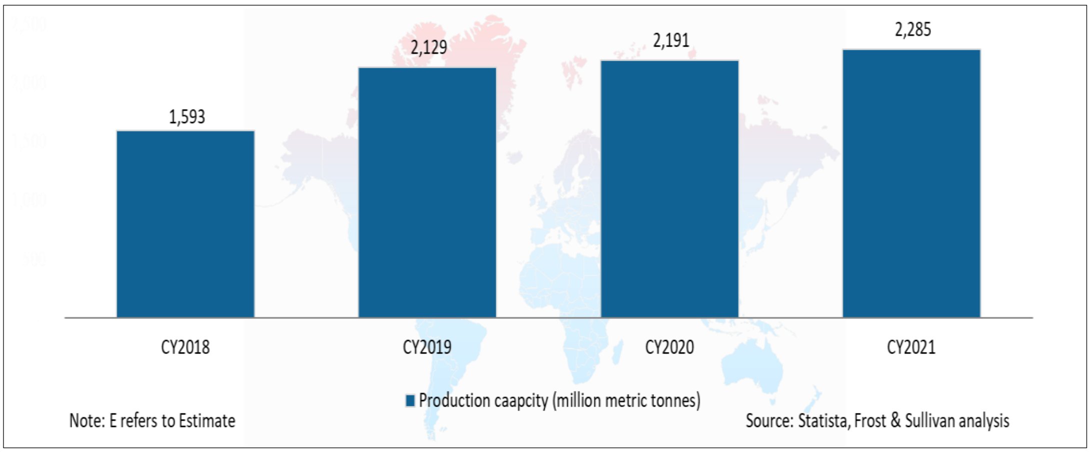
Sectoral Analysis – Petrochemicals

The petrochemical sector is a major global industry with substantial economic and environmental impacts. This industry evolved from oil & gas processing by adding value to by-products that have limited applications in the fuels segment. The output from the petrochemical plants is used as raw materials for manufacturing a wide range of industrial and consumer products such as plastics, fertilizers, synthetic fibers, solvents, additives, adhesives, and pharmaceuticals.



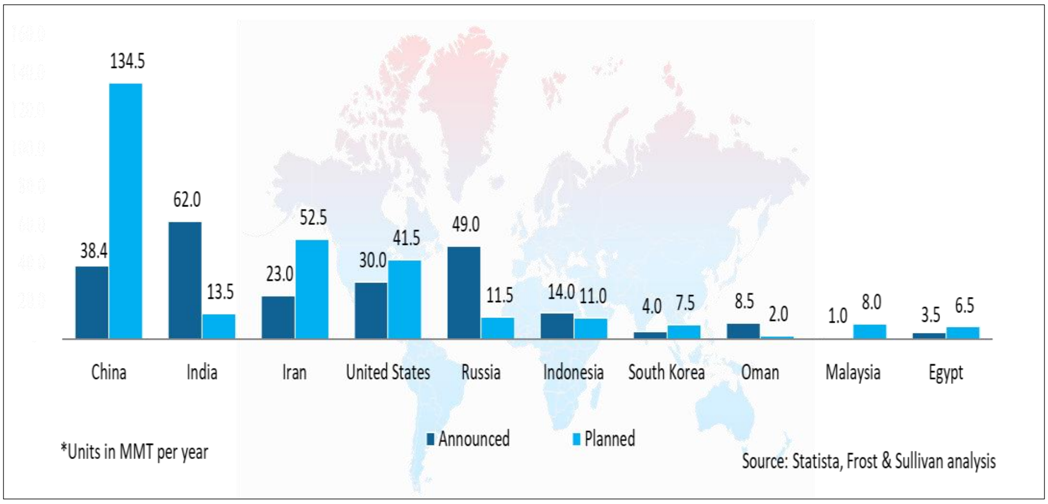
Note: Petrochemical industry market size, World, calendar year 2018 – calendar year 2026E

The global petrochemical industry is valued at USD 556 billion in calendar year 2021, registering a CAGR of 1.0% between calendar year 2018 and calendar year 2021. Continued growth in key end user segments such as packaging and construction, driven by economic development in China, India and Southeast Asian countries would drive the demand for petrochemicals in the long-term. The global market is expected to reach USD 771 billion by calendar year 2026, recording a CAGR of 6.8% between calendar year 2021 and calendar year 2026. Middle East and Asia has seen significant capacity additions in the last few decades. The current petrochemical production capacity is 2,285 MMT and has recorded a CAGR of 12.8% from calendar year 2018 – calendar year 2021.



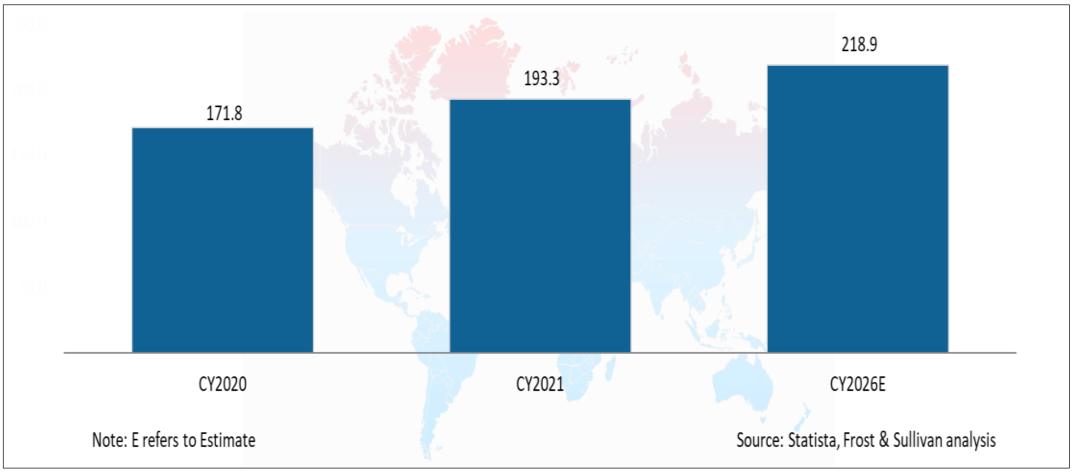
Note: Petrochemical production capacity, World, calendar year 2018 – calendar year 2021

Asia Pacific is the largest region in terms of consumption. Increased government spending and manufacturing capacity are expected to impact demand in this region. The USA is another key market, backed by shale gas exploration. Driven by this growth, the total production capacity is expected to reach a little over 3,100 MMT by calendar year 2030. China, India, and Iran would be the key countries contributing to these capacity additions.



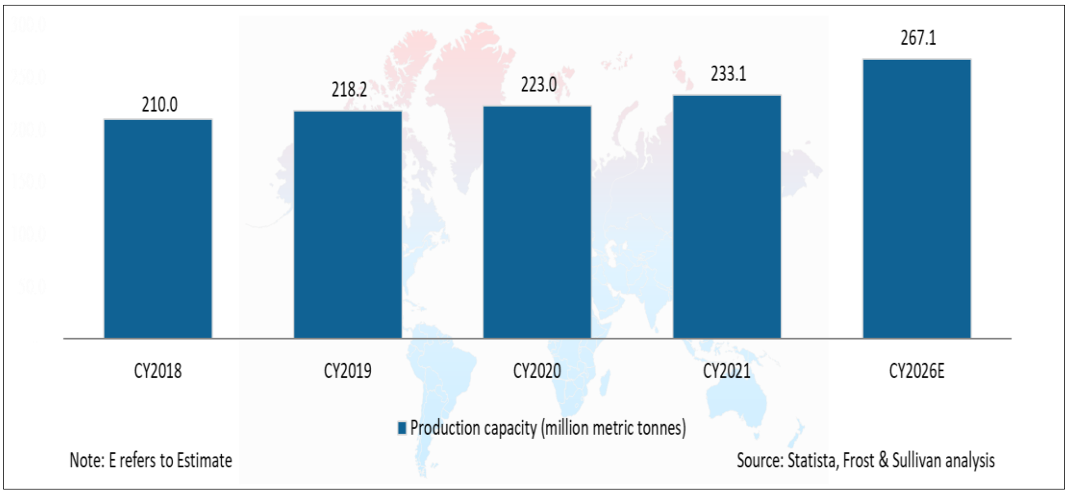
Note: Petrochemical capacity additions – planned and announced, World, calendar year 2019 - calendar year 2030

Sectoral Analysis – Fertilizers



Note: Fertilizer industry market size (USD billion), World, calendar year 2020 – calendar year 2030E

Asia-Pacific is the largest fertilizer market and is expected to remain the dominant region during the forecast period. The growing agricultural practices and demand for high-quality agricultural produce are expected to drive the growth of the fertilizers market in Asia-Pacific. Rice, sugarcane, fruits, vegetables, cereals, and grains are among the major crops grown in Asia. China is the largest producer and exporter of fertilizers in the world and accounts for around 25% of the production in calendar year 2021 as per United States Department of Agriculture ("**USDA**"). Urea, one of the major fertilizer types has a global capacity of 233.1 MMT in calendar year 2021 and is expected to reach 267.1 MT by calendar year 2026, recording a CAGR of 2.8%.



Note: Urea production capacity, World, calendar year 2018 – calendar year 2026E

India is the third largest producer and second largest consumer of fertilizers in the world. India is still import-dependent for their fertilizer demand and therefore has significant potential for capacity additions in the coming years.

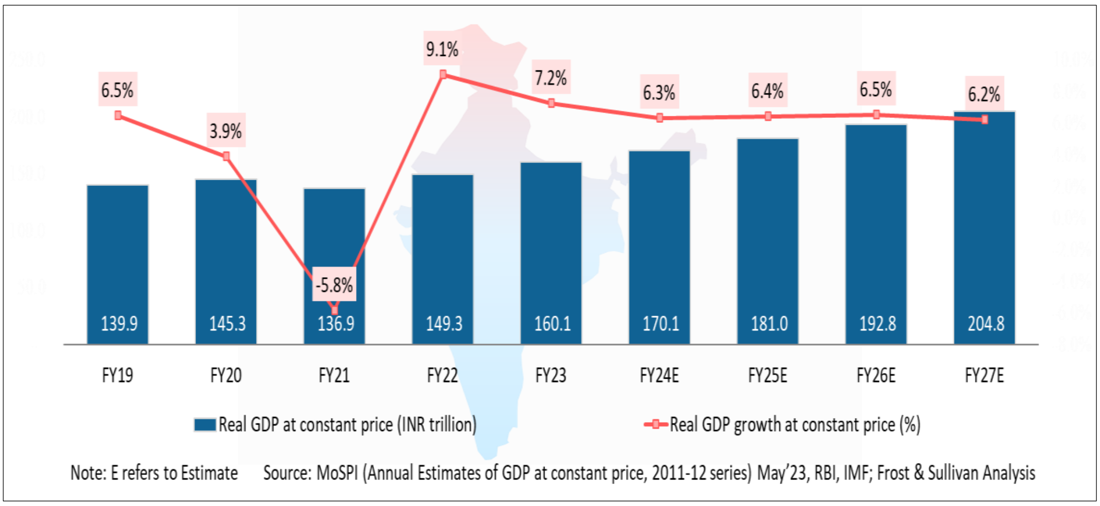
INDIA MACRO-ECONOMIC OVERVIEW

India Macro-economic Overview

Indian economic growth ended on a positive note in Fiscal 2022, outperforming many other major economies, as the pandemic faded. The government has been promoting structural reforms (as part of the Fiscal 2022 budget), such as a focus on disinvestment and higher FDI limits, while also working on a national logistics policy. These reforms are critical for accelerating the post-pandemic economic recovery. The Fiscal 2024 budget has proposed a total capex outlay of ₹ 10 trillion, which is a 33% increase y-o-y and 3.3% of the total GDP. In addition, the government has announced seven priorities for the budget, 'Saptarishi' which include inclusive development, reaching the last mile, infrastructure, and investment, unleashing the potential, green growth, youth power, and the financial sector. In calendar year 2019, the Indian government set a target of becoming a USD 5 trillion economy and a global powerhouse by Fiscal 2025. As a result of the COVID pandemic, the government revised the original timeline by 18–24 months. In a realistic scenario, the target is achievable with a GDP of 8 - 8.5%.

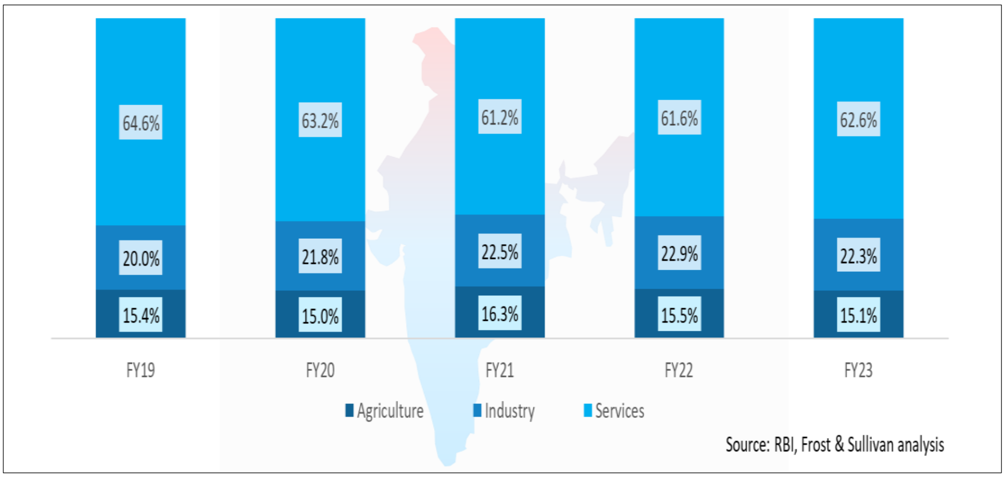
Review and outlook of real GDP growth in India

The Indian economy is the fifth largest in the world, with a GDP of USD 3.75 trillion in Fiscal 2023 (MoSPI estimates). The last decade was a mixed bag for the Indian economy with a see-saw movement in the GDP growth between Fiscal 2011 and Fiscal 2021. The economy, which was already slowing down since Fiscal 2018, received a massive jolt in Fiscal 2021 due to Covid 19 pandemic and shrunk by 5.8% in Fiscal 2021. However, the Indian economy showed tremendous resilience and bounced back from Q3 Fiscal 2021 on the back of corrective measures taken by the government along with huge pent-up demand and the festive season. Fiscal 2022 and Fiscal 2023 were strong, and the Indian economy registered 9.1% and 7.2% growth respectively, outperforming many other major economies.



Note: Real GDP and real GDP growth (annual percentage change), India, Fiscal 2019-Fiscal 2027E

The outlook for Fiscal 2024 looks positive, with a 6.3% growth in real GDP. The government has implemented a slew of measures to get the economy back on track. Through various policy initiatives such as Atmanirbhar Bharat, PLI schemes and so on, there is a strong emphasis on the growth of the domestic manufacturing sector. These initiatives will assist the economy in achieving medium-term stable growth of 6.3% between Fiscal 2023 and Fiscal 2027.



Note: Percentage Contribution of Gross Value Add by Sectors, India, Fiscal 2019 - Fiscal 2023

The privatisation of a few public sector undertakings is expected to boost private sector participation in the industry. Favourable business environment, liberal FDI norms, constantly improving 'Ease of Doing Business' rankings, enormous consumer base and rapidly improving digital infrastructure are some of the key factors that will drive investment in India in the coming years.

Key government policies and schemes driving manufacturing in India

The Government of India is encouraging domestic manufacturing through supporting policies and initiatives that are likely to lead to overall development in the ecosystem and will open up gates of opportunities for companies, vendors, and distributors in the market. Incentives for local manufacturing, demand side support through Government procurement, import barriers via duties and favourable steps like GST that reduced complexity of operations, are pull factors for both MNCs as well as domestic manufacturers to invest in India. Some of the key initiatives/ schemes/ programs introduced by the government in boosting the electronics industry in India include:

Atmanirbhar Bharat (Make in India initiative): In calendar year 2014, the government of India announced this initiative to make India a global manufacturing hub, by facilitating both domestic as well as international companies to set-up manufacturing bases in India. India has the potential to be one of the most attractive manufacturing destinations and support the objective of 'Make in India for the World'. As per the scheme, the government released special funds to boost the local manufacturing. The scheme has also introduced multiple new initiatives, including promoting foreign direct investment, implementing intellectual property rights, and developing the manufacturing sector.

Atmanirbhar Bharat Abhiyaan, or Self-reliant India campaign, launched in May 2020, is the government's vision of New India following the announcement of a special economic and comprehensive package worth ₹ 20 trillion, or 10% of India's GDP, to combat the COVID-19 pandemic in India. This scheme entails a variety of measures across sectors, with larger focus on the CAPEX and R&D. The Make in India initiative, a part of the 'Atmanirbhar Bharat Abhiyan', would provide an additional boost to country's business operations by encouraging substitution of imports of low-technology products from other countries and generating demand for local manufacturing.

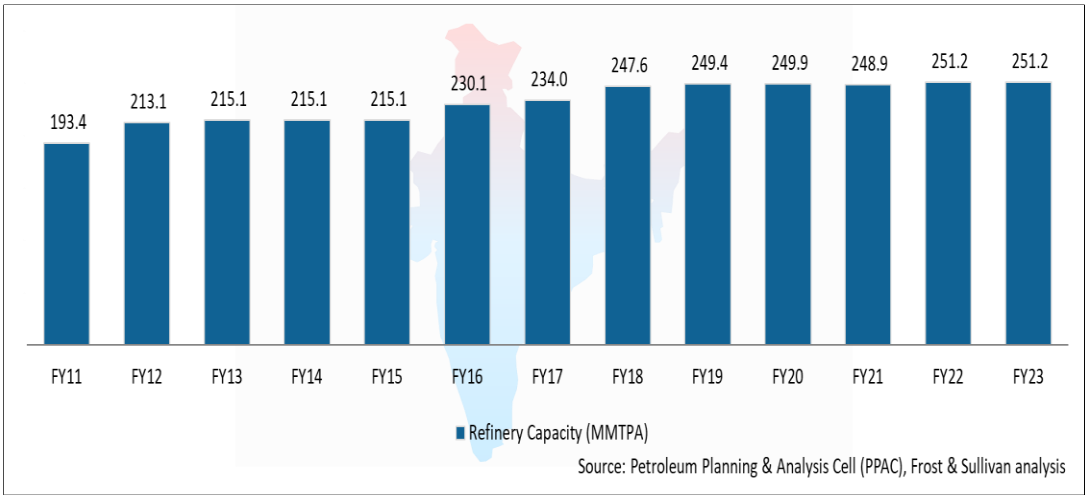
Atmanirbhar Bharat Abhiyan is planned to get carried out in two phases:

Phase 1: The emphasis will be on segments like medical, textiles, electronics, plastics and toys.

Phase 2: For products like gems and jewellery, pharmaceutical and steel, etc.

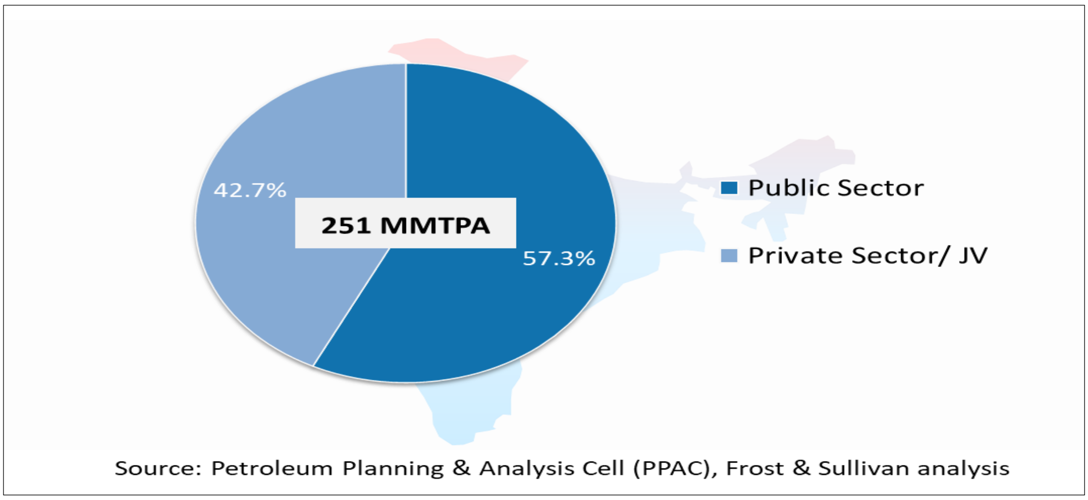
Sectoral Analysis – Refinery:

India has witnessed solid growth in the refining industry in the past decade. The country has achieved self-sufficiency in refining demand and today is a key exported of quality refined petroleum products. The current installed capacity is at 251 million metric tons per annum ("**MMTPA**") and is the fourth largest in the world after the USA, China, and Russia. The installed capacity grew by a CAGR of 2.4% between Fiscal 2011 and Fiscal 2023.



Note: Installed Refinery Capacity, India, Fiscal 2011 - Fiscal 2023

The capacity utilization stood at about 96% of the installed capacity in Fiscal 2023. Crude oil processing in Indian refineries increased by 6% from 241.7 MMT in Fiscal 2022 to 255.2 MMT in Fiscal 2023. There are a total 23 refineries in the country, 18 in the public sector, 2 in the joint venture and 3 in the private sector. Oil demand in India is expected to grow 2X to reach 11 million barrels per day by calendar year 2045. Diesel demand in India is projected to reach 163 MT by Fiscal 2030; diesel and gasoline are expected to account for 58% of India's oil demand by calendar year 2045. To launch Make in India campaign in oil & gas sector, the government approved a policy to provide "Purchase Preference linked with Local Content ("**PP-LC**")" in all public sector plants under Ministry of Petroleum & Natural Gas in calendar year 2017. The objective of the policy is to incentivize the growth in local content in by implementing oil and gas projects in India and providing purchase preference to the manufacturers/ consumers who meet the local content targets in oil and gas business activities.

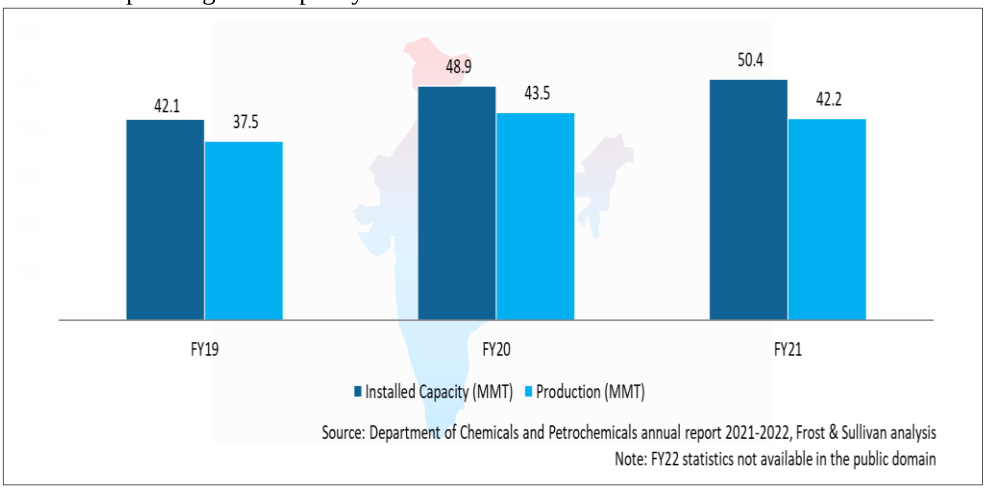


Note: Installed Refinery Capacity by Sector, India, Fiscal 2023

The Government has adopted several policies to fulfil the increasing oil and refining demand. It has allowed 100% foreign direct investment ("**FDI**") in many segments of the sector, including natural gas, petroleum products and refineries, among others. The FDI limit for public sector refining projects has been raised to 49% without any disinvestment or dilution of domestic equity in existing PSUs. Today, it attracts both domestic and foreign investment, as attested by the presence of companies such as Reliance Industries Ltd ("**RIL**") and Cairn India. Rapid economic growth is leading to greater demand for oil production, refining, and transportation. Crude oil processing reached a peak – 5.39 million barrels per day in January 2023 since calendar year 2009 due to the increased exports to western countries, that were previously sourcing from Russia. In terms of barrels, India's oil consumption is forecasted to rise to 7.2 MBPD (360 MMTPA) by 2030 and 9.2 MBPD in (460 MMTPA) by calendar year 2050. Based on the growing demand, India is planning to double its oil refining capacity to 450-500 MMTPA by calendar year 2030.

Sectoral Analysis - Petrochemicals:

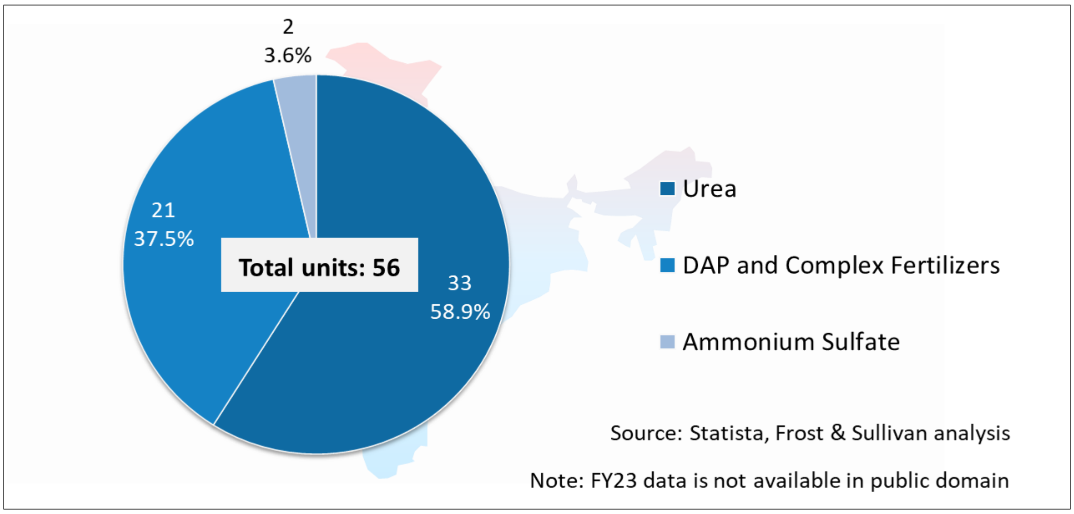
Petrochemical market in India is currently valued at USD 190 billion and has a high growth potential backed by the lower per capita consumption when compared to the developed economies. The production in Fiscal 2021 was 42.2 MMTPA and is expected to reach 53.8 MMPTA, registering a growth of around 4% CAGR from Fiscal 2021-Fiscal 2027, backed by a large population base and increasing penetration of petrochemical products in India. India is expected to add about 158 MMTPA of petrochemical capacity by calendar year 2030, which would be about 20% of the expected global capacity additions.



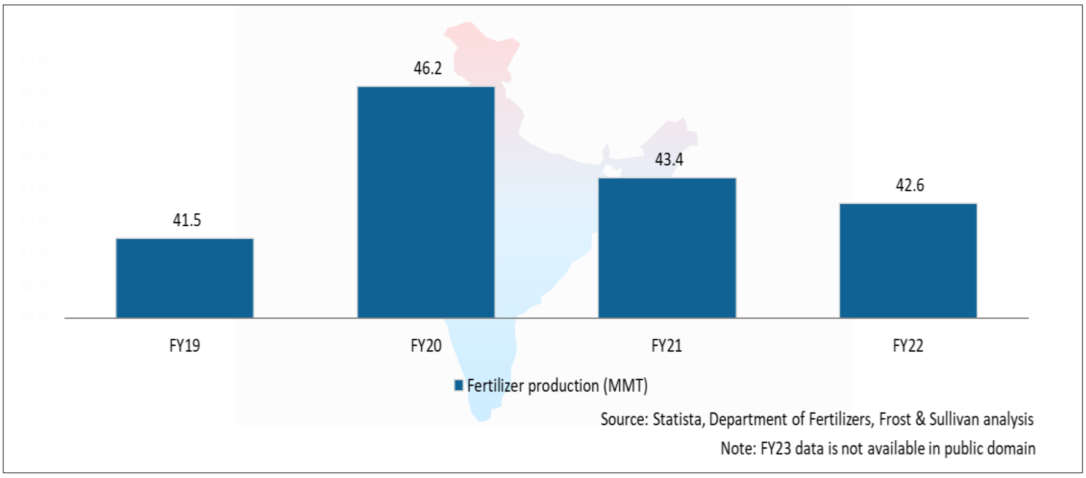
Note: Installed capacity and production of petrochemical products, India, Fiscal 2019-Fiscal 2021

Sectoral Analysis - Fertilizers:

Fertilizers have played a key role in India's green revolution and subsequent self-reliance in food-grain production. This led to a significant growth in the fertilizers industry in India. Despite the growth, India remains one among the lower consumers of fertilizers when compared with other emerging and developed countries. Driven by the growing population, urbanization levels and decreasing arable land, the demand for fertilizers is expected to increase in the long-term in India. There are about 56 fertilizer manufacturing units in India and 33 of them produce urea.

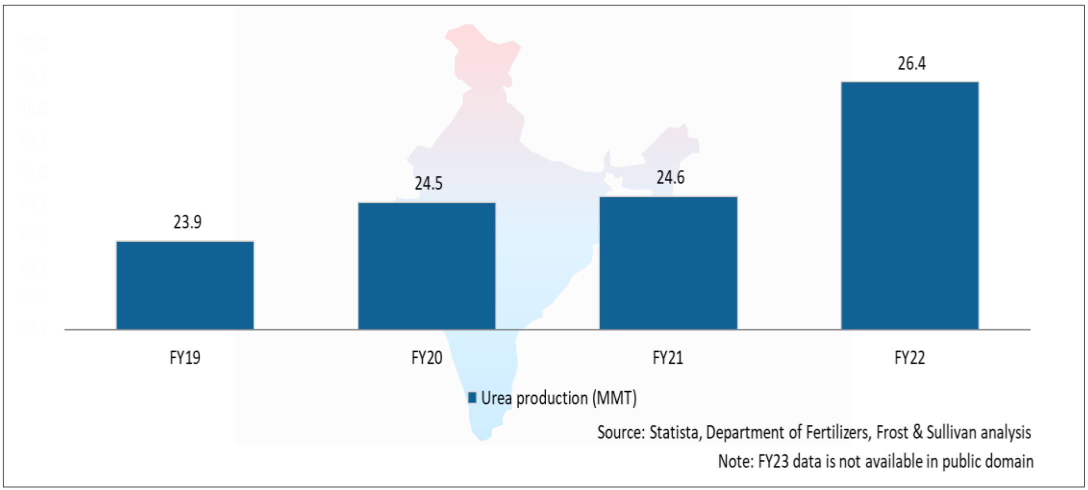


Note: Fertilizer Manufacturing Units by Types, India, Fiscal 2022



Note: Fertilizer production, India, Fiscal 2019 - Fiscal 2022

Total fertilizer production stood at 42.6 MMT in Fiscal 2022, growing at a CAGR of 0.7% from Fiscal 2018 – Fiscal 2022. Marketing and promotional activities are key for the penetration of fertilizers; several governmental and non-governmental awareness campaigns are being conducted to educate farmers on the benefits of fertilizers. Multi modal approach through television, radio and customized rural workshops are expected to increase the consumption of fertilizers in the coming years. Increasing rural incomes and easy availability of loans are also expected to have a positive impact on fertilizer demand in the long-term. One of the key fertilizer type, urea, recorded a manufacturing of 26.4 MMT in Fiscal 2022, growing at a CAGR of 2.4% from Fiscal 2018 – Fiscal 2022.



Note: Urea production, India, Fiscal 2019 - Fiscal 2022

Several government initiatives such as the Urea Subsidy Scheme, Nutrient Based Subsidy Scheme ("**NBS**") and Direct Benefit Transfer ("**DBT**") projects for fertilizer subsidy payments implemented on a PAN India basis are expected to drive the industry demand in India and create further capacity additions in the long-term.

USAGE AND APPLICATIONS OF PRODUCTS OF INTEREST

Products / Services under assessment

This report includes the following product / services groups for opportunity assessment. These are as follows:

1. Heating equipment
   a. Process fired heaters
   b. Steam/ hydrogen reformers
   c. Cracking furnaces

2. Waste gas handling systems
   a. Flare systems
   b. Incinerators

3. Renewable energy systems
   a. EPC of Hydrogen Fuelling Stations
   b. EPC of Solar PV plants

Heating equipment

Product overview

Process fired heaters

A process fired heater (also called direct heaters) is a type of industrial heater used to heat fluids or gases directly by burning a fuel source such as natural gas or propane. In a direct fired heater, the fuel is burned in a combustion chamber, and the heat is transferred to the fluid or gas being heated through direct contact. The heated fluid or gas is then circulated through a system to provide heat to a process or space. Direct fired heaters come in a variety of designs, including vertical and horizontal configurations, and can be customized to meet specific heating requirements. They are generally more efficient than indirect fired heaters, which require a heat transfer medium such as thermal oil or steam to heat the fluid or gas. Direct fired heaters are an effective and efficient heating solution for a wide range of industrial applications, but proper design, installation, and operation are critical to ensure safe and reliable performance.

Steam/ hydrogen reformers

In industrial processes, Reformers are devices used to convert hydrocarbons, such as natural gas or naphtha, into synthesis gas or syngas, which is a mixture of hydrogen and carbon monoxide. Syngas is a key building block to produce a wide range of chemicals, including methanol, ammonia, and synthetic fuels. Reformers typically operate at high temperatures and use a catalyst to promote the conversion of hydrocarbons into syngas. There are two main types of reformers:

Steam reformers: These use steam and a catalyst to react with hydrocarbons to produce syngas. Steam reforming is the most common method for producing syngas, as it is highly efficient and can handle a wide range of feedstocks.

Autothermal reformers: These use a combination of steam and oxygen to promote the reaction between hydrocarbons and water. Autothermal reforming can produce syngas at a higher temperature and pressure than steam reforming and can be more efficient for certain feedstocks.

Cracking furnaces

Cracking furnaces are used to break down large hydrocarbon molecules into smaller ones, which can then be used to produce a variety of products, including fuels, chemicals, and plastics. The process of breaking down hydrocarbons is known as cracking, and it typically involves heating the hydrocarbon feedstock in the presence of a catalyst. Cracking furnaces operate at high temperatures and pressures and are typically fuelled by natural gas or fuel oil. They can be either fired or electrically heated and can be configured in a variety of ways, including vertical and horizontal designs. The most common type of cracking furnace is the steam cracking furnace, which uses steam as a diluent to prevent thermal cracking and promote the formation of smaller hydrocarbons.

Product applications:

These products are being used primarily / inter alia in refineries, petrochemicals, and fertilizer plants. The product versus application mapping is presented below.

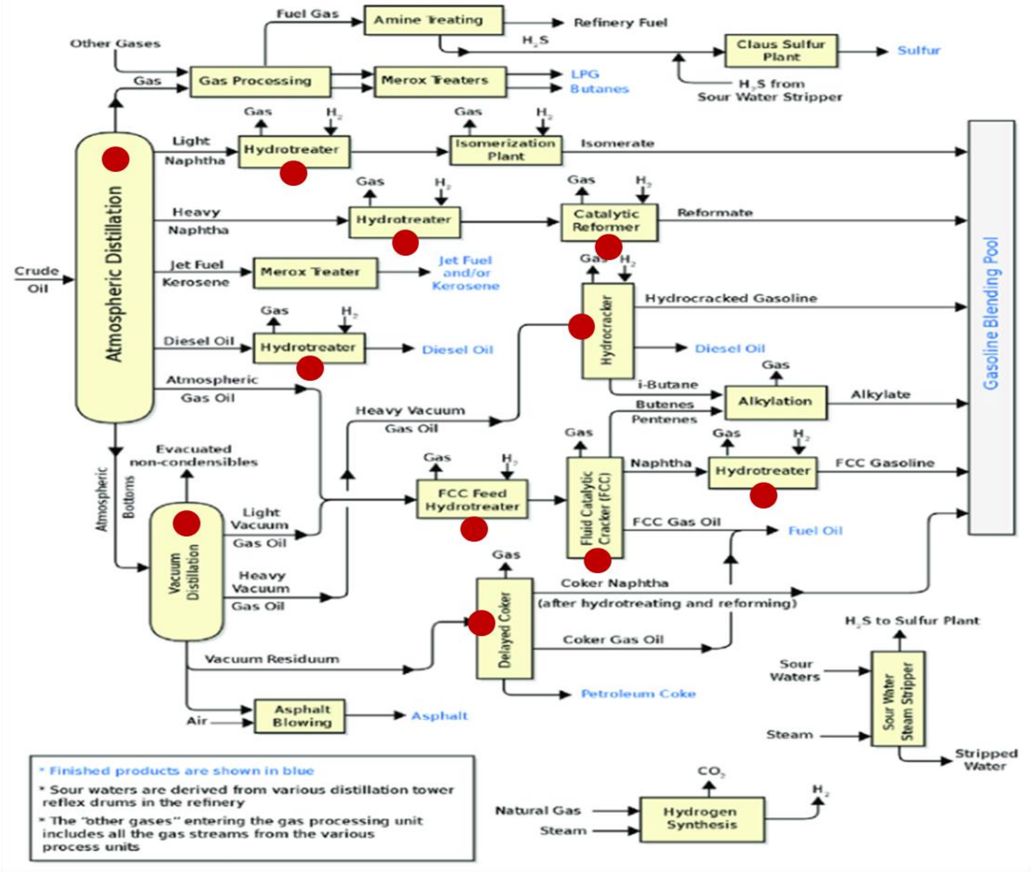
Segments	Process Fired Heaters	Reformers	Cracking Furnaces
Refinery	✓	✓	
Petrochemicals	✓	✓	✓
Fertilizers	✓	✓	

Source: Frost & Sullivan research

Source: F&S Report
Note: Usage of heating equipment in the segments of interest

Applications of heating equipment in a refinery:

Process fired heaters and reformers are used in a typical refinery. Process fired heaters are the critical equipment in a refinery. Around 10 – 20 process fired heaters are used in any typical refinery. Of all the process fired heaters, four applications such as the crude distillation unit ("**CDU**"), vacuum distillation unit ("**VDU**"), delayed coker unit and catalytic reforming units are the most critical and the capex for these heaters is also high when compared with the other heater application areas in the refinery. Other applications for process fired heaters are hydrotreaters, hydrocrackers, fluid catalytic cracker ("**FCC**"), etc.



This indicates the various units in a refinery where heating equipment are used

Source: https://www.researchgate.net/figure/Process-flow-diagram-of-a-typical-refinery_fig3_355678568, Frost & Sullivan

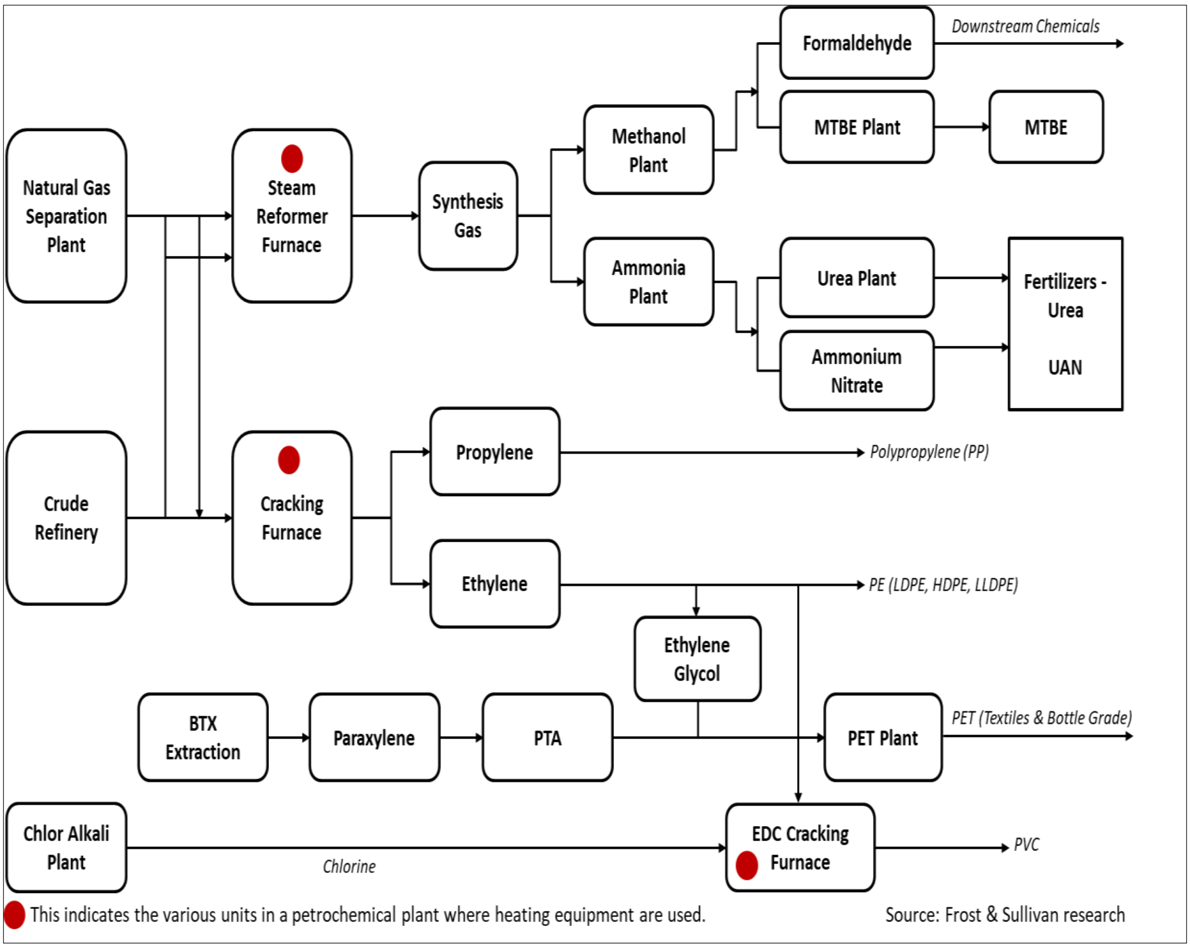
Note: Process flow diagram of a typical refinery

Key processes where process fired heaters are used in a refinery are:

1. Crude Distillation Unit ("**CDU**")
2. Vacuum Distillation Unit ("**VDU**")
3. Fluid Catalytic Cracker Unit ("**FCCU**")
4. Hydrocracker Unit
5. Visbreaker Unit
6. Delayed Coker Unit
7. Catalytic Reforming Unit
8. Hydrotreating Unit
9. Bitumen Blowing Unit

Applications of heating equipment in a petrochemical plant:

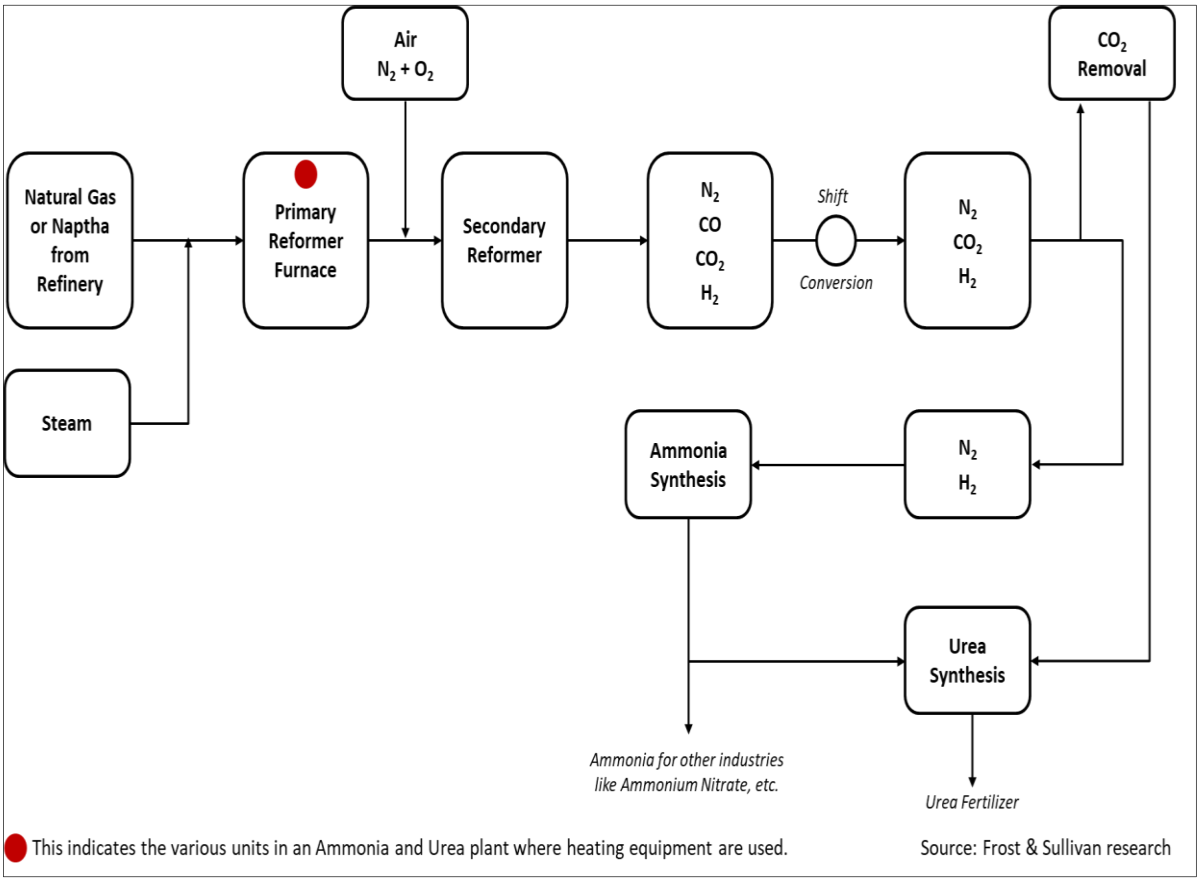
Various heating equipment such as process fired heaters, reformers and cracking furnaces are used in a petrochemical plant. Reformers and cracking furnaces are the most critical equipment in a petrochemical plant. The feedstock (primarily naphtha and natural gas) is fed into the cracking furnace where it is cracked under high-severity conditions, producing ethylene, propylene, and other by-products. This process is called pyrolysis or steam cracking.



Note: Process flow diagram of a typical petrochemical plant

Applications of heating equipment in a fertilizer (Urea) plant

Process fired heaters and reformers are used primarily in the ammonia plant of an integrated urea plant. Reformers are the most critical equipment in an ammonia plant. Reformers are used in ammonia production, which is later converted into urea. The process begins with a primary reformer to create hydrogen from a natural gas feedstock at temperatures over 1800°F. The hydrogen is then fed by a hydrogen transfer line into a secondary reforming vessel. In the secondary reformer, hydrogen in the presence of nitrogen reacts with a catalyst to form ammonia.



Note: Process flow diagram of a typical ammonia plant

Capital Expenditure

Refinery: Refinery capacities vary from 3 MMTPA to 30 MMTPA. For capex estimation purpose, a mid sized refinery of 15 MMTPA capacity has been considered. In a 15 MMTPA refinery, at an overall level, approx. 16 process fired heaters and one reformer are used with a combined capex of approximately ₹ 19,000 million.

Petrochemical: Capacity of a petrochemical plants vary from as low as 0.3 MMTPA to as high as 7.5 MMTPA. However, since most of the plants are in 1-1.5 MMTPA range, the same capacity range has been considered for estimating the capex. In a 1-1.5 MMTPA petrochemical plant, approx. 4 process fired heaters, 1 reformer and 6 cracking furnaces are used with a combined capex of approximately ₹ 26,500 million.

Fertilizer (Urea): Capacity of a fertilizer (Urea) plant vary from 0.5 MMTPA – 1.3 MMTPA. For capex estimation purpose, a mid sized Urea plant of 1 MMTPA capacity has been considered. In a 1 MMTPA Urea plant, 2 low capex process fired heaters and a reformer are used with a combined capex of approximately ₹ 3,000 million.

Segments	Process Fired Heaters				Reformers		Cracking Furnaces	
	High Capex Heaters*		Low Capex Heaters					
	Nos.	Price per unit (INR million)	Nos.	Price per unit (INR million)	Nos.	Price per unit (INR million)	Nos.	Price per unit (INR million)
Refinery (15 MMTPA)	4	2,000	12	750	1	2,000	0	0
Petrochemicals (1 – 1.5 MMTPA)	0	0	4	500	1	3,500	6	3,500
Fertilizers (1 MMTPA)	0	0	2	500	1	2,000	0	0

*CDU, VDU, Delayed coker unit, Catalytic reforming
Source: Frost & Sullivan research

Note: Summary of heating equipment usage in the segments of interest and corresponding capital expenditure

Waste gas handling systems

Flare systems:

Flare system is a gas combustion device used in industrial plants such as petroleum refineries, chemical plants, natural gas processing plants, at oil or gas production sites with oil wells, gas wells, offshore oil and gas rigs, and landfills. Flare systems provide for the safe disposal of gaseous wastes. Flaring of gasses is intermittent in nature and is required whenever there is excess pressure in the system. For example, a failure in the water-cooling system of the furnaces may result in the shutdown of the furnaces. This in turn may result in increase in pressure of the system, hence, flaring is done. Thus, the flaring system is not used continuously. There are two types of flaring systems:

Vertical flare systems: The vertical flaring system is preferred to flare high pressure gas. Vertical flare has a safety diameter of 90 meters to prevent harm to other equipment. Thus, the vertical flare has large area requirement.

Ground flare systems: In ground flaring, the combustion of gas is done very close to the ground and the flaring region is surrounded by high walls to prevent access of wildlife and nearby inhabitants. Due to the surrounding wall, the lightning from the flare is not visible and the safety perimeter is reduced. The ground flaring system, thus, requires less area and does not cause harm to nearby farms. The ground flaring system can be used to flare both high pressure and low-pressure gas.

Incinerator systems:

All sulphur recovery units ("**SRUs**") in have thermal incinerators to treat the tail gas effluent from the SRUs prior to emitting the waste gas to the atmosphere. The purpose of the thermal incinerator is to facilitate the oxidation of all the common reduced sulphur compounds (H2S, COS, CS2 and sulphur vapour) to SO2 prior to release to the atmosphere. The thermal incinerator also provides significant thermal energy to the SRU tail gas to raise the waste gas temperature sufficiently to ensure that the stack plume rises in the atmosphere. This facilitates the effective dispersion of the plume and ensures that the ground level concentration of the SO2 from the plume does not exceed the standards for this pollutant.

Product applications

While flaring systems are used across the segments of interest i.e., refinery, petrochemical and fertilizer plants, incinerators are primarily used in the refinery in the SRU for tail gas incineration.

Segments	Flaring Systems	Incinerators
Refinery	✓	✓
Petrochemicals	✓	
Fertilizers	✓	

Source: Frost & Sullivan research

Source: F & S Report
Note: Usage of waste gas handling systems in the segments of interest

Segments	Flaring Systems		Incinerators	
	Nos.	Price per unit (INR million)	Nos.	Price per unit (INR million)
Refinery (15 MMTPA)	1	2,000	1	500
Petrochemicals (1 – 15 MMTPA)	1	1,000	0	0
Fertilizers (1 MMTPA)	1	500	0	0

Source: Frost & Sullivan research

Source: F & S Report
Note: Summary of waste gas handling systems usage in the segments of interest and corresponding Capex

Renewable energy systems

Product overview and application:

EPC of Hydrogen Fuelling Stations

Setting up of Hydrogen Refuelling Stations consists of design, procurement, and construction work. A regular Hydrogen Refuelling Stations consists of hydrogen storage tanks, hydrogen gas compressors, a pre-cooling system and a hydrogen dispenser, which dispenses hydrogen to pressures of 350 bar, 700 bar or dual pressure dispensing, depending on the type of vehicle being refuelled. Based on data published by Department of Energy, U.S.A, across all the 111 planned new hydrogen fuelling stations, an average hydrogen station has capacity of 1,240 kg/day (median capacity of 1,500 kg/day) and requires approximately USD 1.9 million in capital (median capital cost of USD 1.9 million). As per Ministry of Renewable Energy, India, so far, two Hydrogen refuelling stations have been established in India. One at Indian Oil R&D Centre, Faridabad and the other one at National Institute of Solar Energy, Gurugram.

EPC of Solar PV Plants

The solar Engineering, Procurement and Construction ("**EPC**") refers to design, procurement, and construction of solar power plants. EPC companies are responsible for the end- to-end execution of solar projects, including feasibility studies, site assessment, engineering and design, equipment procurement, construction, and commissioning.

Projects for EPC providers

Full turn-key EPC projects, where the EPC provider fully manages plant construction and typically provides operations and maintenance ("**O&M**") services for the plant for two to five years, making a margin on the procurement of components and on the services provided. Partial EPC projects, where the EPC provider is hired only for the engineering and construction of the plant. In-house EPC projects, where the EPC provider only takes on specific sub-contracted tasks from an in-house EPC team. Some EPC solution providers have also found opportunities in project development. The project is often sold immediately before construction, and an EPC contract is signed. Utility-scale solar projects, typically grid-connected solar power plants, have been the dominant segment in the Indian solar EPC market. These projects are usually developed by independent power producers ("**IPPs**") or state-owned utilities. They contribute significantly to India's renewable energy capacity. Technological advancements in solar PV modules, inverters, energy storage, and monitoring systems have contributed to the growth of the solar EPC market. Improvements in solar panel efficiency, reduction in costs, and advancements in storage technologies have made solar power more viable and attractive for both large-scale and distributed solar projects.

DEMAND FOR PRODUCTS OF INTEREST IN INDIA

End user sector outlook

Refinery sector: Growth drivers and outlook

India is the third largest oil consumer in the world and the oil demand is expected to reach 11 million barrels per day by calendar year 2045, recording 2X growth between calendar year 2022 and calendar year 2045. Growing demand for transportation fuels and petrochemical feedstock are the primary growth enablers of the Indian refinery industry. India is expected to be one of the largest contributors to non-OECD petroleum consumption globally. As per Ministry of Petroleum and Natural Gas ("**MoPNG**"), the country's consumption of petroleum products during Fiscal 2023 increased by 10% compared to Fiscal 2022, reaching a volume of nearly 223 million metric tonnes. There are 18 refinery projects expected to be commissioned by Fiscal 2031 with a cumulative capacity of 124.0 MMTPA.

S. No.	Project Owner	Location	Project	Target Completion Year	Installed Capacity (MMTPA)	Capex (INR million)
1	Nayara Energy	Vadinar	Expansion phase 3 project	FY24	26.0	1,500,000
2	HPCL	Visakhapatnam	Expansion project	FY24	6.7	262,640
3	HPCL	Rajathan	Greenfield project	FY25	9.0	720,000
4	IOCL	Barauni	Expansion project	FY25	3.0	148,100
5	IOCL*	Guwahati	Expansion project	FY25	0.2	7,700
6	IOCL	Mathura	Expansion project	FY25	3.0	86,680
7	IOCL	Koyali	Expansion project	FY26	4.3	240,000
8	IOCL	Digboi	Expansion project	FY26	0.4	7,680
9	NRL	Numaligarh	Expansion project	FY26	6.0	280,260
10	RIL*	DTA Jamnagar	Expansion project	FY26	7.5	288,900
11	CPCL	Nagapattinam	Expansion project	FY27	9.0	315,800
12	IOCL*	Bongaigain	Expansion project	FY27	2.3	88,600
13	IOCL	Panipat	Expansion II project	FY27	10.0	329,460
14	BPCL*	Bina	Phase 3 expansion project	FY29	6.0	231,120
15	MRPL	Kuthethur	Phase 4 expansion project	FY29	6.3	241,550
16	HPL*	Kakinada	Greenfield project	FY31	1.7	65,480
17	IOCL	Paradip	Expansion project	FY31	10.0	520,000
18	Al-Quebla Al-Watya	Thoothukkudi	Greenfield project	FY31	12.7	490,000
				Total	**124.0**	**5,823,980**

Source: Petroleum Planning & Analysis Cell, CMIE Capex database, Frost & Sullivan analysis

Note: List of upcoming refinery projects, India, Fiscal 2024-Fiscal 2031
** For projects where the capex information were not available, an average capex cost of ₹ 38,520 million per MMTPA is considered. Average capex has been derived from the capex of a long list of past, ongoing and future projects and the norm has been validated through discussions with the industry experts.*

Petrochemicals sector: Growth drivers and outlook

Petrochemicals are key elements in the Indian industrial segment and a major driver for economic growth. In calendar year 2020, the per capita consumption of polymers in India was around 12 kilograms, while the global average was 37 kilograms. With the progressive GDP growth, demand for the petrochemical products demand is expected to grow significantly in the over medium to long- term. Driven by increased domestic consumption and global demand, the Indian petrochemical sector has invested in capacity additions is seeing investments to benefit from the market opportunities. The acceptance of petrochemicals in diverse industries such as healthcare, construction, agriculture, textiles, automotive, etc. is expected to accelerate the demand for petrochemical production in India.

S. No.	Project Owner	Location	Project	Target Completion Year	Installed Capacity (MMTPA)	Capex (INR million)
1	Reliance	Dahej	Debottlenecking cum expansion 2 project	FY24	1.2	132,500
2	Reliance	Jamnagar	Crude-to-Chemical unit project	FY24	6.6	700,000
3	Reliance	Dahej	Petrochemical complex project – new unit	FY24	1.3	142,000
4	HMEL	Bhatinda	Bhatinda petrochemical complex (Guru Gobind Singh polymer additions complex) unit project	FY24	1.3	229,000
5	RIICO*	Barmer	Ramnagar PCPIR Project	FY24	2.4	258,190
6	Kinfra	Kochi	Ambalamugal petrochemical park project	FY25	0.1	12,000
7	Reliance	Vadodara	Debottlenecking of petrochemical plant & expansion plant project	FY26	0.7	22,700
8	BCPL	Lepetkata	Petrochemical complex plant expansion project	FY27	0.1	3,870
9	HPL*	Cuddalore	Cuddalore petrochemical complex project	FY27	1.8	191,810
10	HPL*	Balasore	Balasore petrochemical complex project	FY28	4.0	426,230
11	Reliance	Hazira	Petrochemical complex debottlenecking and expansion plant project	FY28	0.5	100,000
12	IOCL	Panipat	Naptha cracker unit (Phase II) and HDPE manufacturing plant project	FY29	0.6	55,950
13	GAIL + HPCL	Kakinada	Kakinada SEZ cracker unit (greenfield petrochemical complex) project	FY31	1.5	320,000
14	Groupe Veritas (GV)	Dighi Port	Nanavali petrochemical complex project	FY31	0.6	22,740
15	IOCL	Paradip	Paradip petrochemical PCPIR project	FY31	0.3	35,110
				Total	**23.0**	**2,652,090**

Source: CMIE Capex Database, Company Websites/ News Articles, www.offshore-technology.com, Frost & Sullivan analysis

**For projects where the capex information were not available, an average capex cost of INR 110,000 million per MMTPA is considered. Average capex has been derived from the capex of a long list of past, ongoing and future projects and the norm has been validated through discussions with the industry experts.*
Note: List of upcoming petrochemical projects, India, Fiscal 2024 - Fiscal 2031

The government's ongoing efforts to promote economic development in India is one of the main factors influencing the growth of the petrochemical industry. The Department of Chemicals and Petrochemicals ("**DCPC**") of the Government of India ("**GoI**") has implemented several initiatives to improve the industry's overall competitiveness, quality, and output. Initiatives such as Make in India, Aatmanirbhar Bharat Abhiyan, and the Production-Linked Incentive ("**PLI**") Scheme are implemented to attract domestic manufacturing and facilitate exports. The acceptance of petrochemicals in diverse industries such as healthcare, construction, agriculture, textiles, automotive, etc. is expected to accelerate the demand for petrochemical production in India. A few of the notable measures for promoting the growth of the petrochemical industry are the mandatory standards set by the Bureau of Indian Standards ("**BIS**"), public procurement policies for chemicals and petrochemicals, schemes for setting up plastic parks, and adequate support for research and innovation by setting up canters of excellence. Policy incentives, low cost of manufacturing and manpower, and overall demand scenario are boosting business confidence to plan larger petrochemical complexes in India. To promote investment in the petrochemicals sector, active steps are being taken in amending the PCPIR ("**Petroleum, Chemicals and Petrochemicals Investment Region**") policy. The proposed new PCPIR policy will be implemented between calendar year 2020 – calendar year 2035 and is expected to attract an approximate combined investment of over ₹ 34,000 billion (USD 420 billion) for the sector. There are 15 petrochemical projects expected to be commissioned by Fiscal 2031 with a cumulative capacity of 23.0 MMTPA.

Fertilizer sector: Growth drivers and outlook

India is an agricultural economy and about 80% of the people depend on agriculture. India surpassed China to become the most populous country in calendar year 2023. With the growing population, there is a need to increase agricultural production and diversify agricultural base. The government is focussing on irrigation, adoption of new agricultural technologies, credit facilities to farmers and the use of various agriculture input like better quality seeds, efficient and balanced use of fertilizers and insecticides to improve the yield. Fertiliser is one of the main agriculture inputs for increasing food grain production. It strengthens the soil and enhances its fertility. Chemical fertilizers are the most used types in India and they are classified into Urea, Diammonium Phosphate ("**DAP**"), Single Super Phosphate ("**SSP**"), Muriate of Potash ("**MOP**") and other Complex fertilizers like Calcium Ammonium Nitrate ("**CAN**") and various grades of NPK Fertilizers (Fertilizers having different grades of Nitrogen (N), Phosphorus (P), and Potassium (K)). Urea is the major fertilizer used in India and accounts for about 60% of the total fertilizer consumption in India. Local production of urea is not able to meet the domestic demand and about 30% of the demand is met through imports. India is planning capacity additions in this segment to reduce its import dependency and has a target to become self-reliant by calendar year 2025. There are about four urea projects expected to be commissioned by Fiscal 2026.

S. No.	Project Owner	Location	Project	Target Completion Year#	Installed Capacity (MMTPA)	Capex (INR million)
1	IFFCO	Kalol	Fertilizer plant modernization/expansion project	FY24	0.07	1,670
2	Talcher Fertilizer	Talcher	Odisha Ammonia Urea manufacturing plant project	FY25	1.04	50,000
3	BVFCL	Namrup	New brownfield Ammonia-Urea complex project	FY26	0.86	49,330
4	FACT	Udyogamandal	New Urea project*	FY26	0.50	24,020
				Total	**2.48**	**125,020**

Source: CMIE Capex Database, Frost & Sullivan analysis

Note: List of upcoming fertilizer (Urea) projects, India, Fiscal 2024-Fiscal 2031
** For projects where the capex information were not available, an average capex cost of ₹ 4,805 per MMTPA is considered. Average capex has been derived from the capex of a long list of past, ongoing and future projects and the norm has been validated through discussions with the industry experts.*
#All the announced/ongoing urea projects will be commissioned by Fiscal 2026 - no visibility of projects that will be commissioned post Fiscal 2026.

Methodology used for estimation of market size across all segments

The demand potential for the heating equipment i.e., process fired heaters, reformers, and cracking furnaces have been estimated for Oil & Gas downstream segments only. The methodology used to estimate the demand potential is as below:

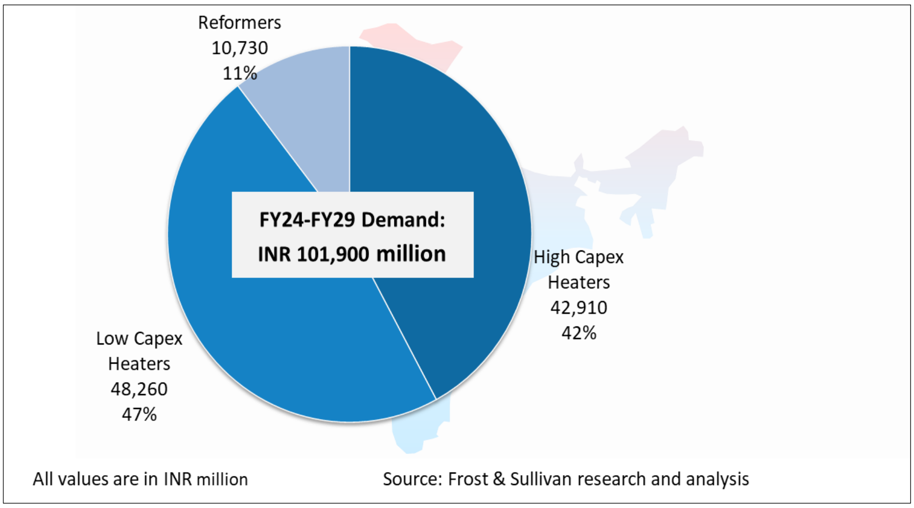
- **Step 1:** Derivation of capex norm for the segments of interest. A long list of projects (historical, ongoing, and upcoming) and their capex have been considered to derive the norm.
- **Step 2:** Derivation of capex norm for the products of interest in the segments of interest. This has been derived through discussions with the industry stakeholders and mapping the usage of products (in Nos.) across the segments of interest and average capex for each product.
- **Step 3:** Estimation of the total capacity additions in the segments of interest till Fiscal 2031 – project that are ongoing / in the initial stage / announced and likely to come on stream by Fiscal 2031.
- **Step 4:** Estimation of the total capex for the projects that will come online till Fiscal 2031. Considering a 2-year lag between equipment ordering and project commissioning, projects that would be commissioned between Fiscal 2026 and Fiscal 2031, have been considered for demand estimation.

- **Step 5:** Application of the equipment capex norm on the project capex in the segments of interest to derive the demand for equipment –by type of equipment and by segments of interest.

Heating equipment

Demand potential from Indian refinery segment

- The refinery projects are likely to be commissioned between Fiscal 2026 and Fiscal 2031. Total installed capacity of these projects are 76.2 MMTPA with total capex of ₹ 3,098,850 million.
- Considering a 2-year lag between equipment ordering and project commissioning, these projects will generate demand for heating equipment between Fiscal 2024 and Fiscal 2029.
- Heating equipment account for 3.3% of the total capex of a refinery project.
- Hence, demand for heating equipment from Indian refineries between Fiscal 2024 and Fiscal 2029 would be ₹ 101,900 million i.e., approx. ₹ 17,000 million on annualized basis.
- This potential is based on the projects announced till date and may go up if more projects are commissioned during the forecast period.



Note: Demand for heating equipment from refineries, India, Fiscal 2024-Fiscal 2029

- Demand potential from Indian petrochemical segment

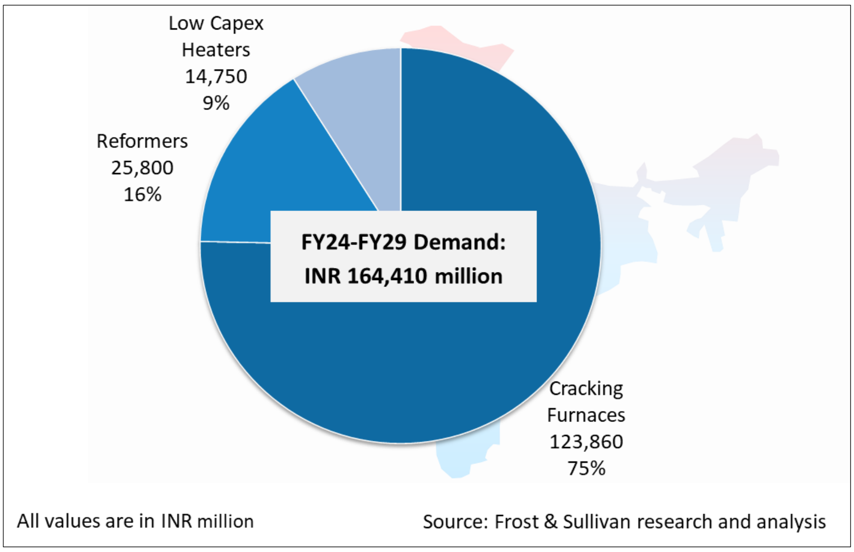
- 9 petrochemical projects are likely to be commissioned between Fiscal 2026 and Fiscal 2031. Total installed capacity of these projects are 10.1 MMTPA with total capex of ₹ 1,178,400 million.

- Considering a 2-year lag between equipment ordering and project commissioning, these projects will generate demand for heating equipment between Fiscal 2024 and Fiscal 2029.

- Heating equipment account for 16.6% of the total capex of a petrochemical project. However, since cracking furnaces are used in approx. 80% of the petrochemical plants, the above norm has been adjusted to 14.0% of the total capex for estimating the demand potential.

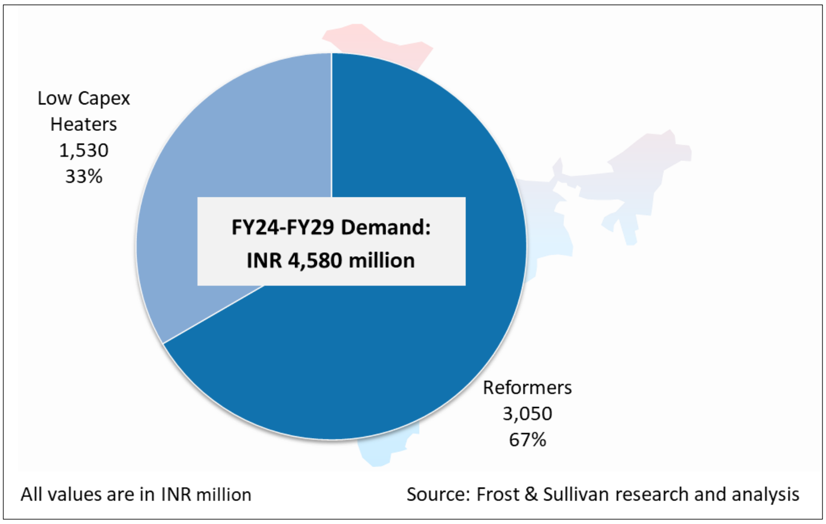
- Hence, demand for heating equipment from Indian petrochemical segments between Fiscal 2024 and Fiscal 2029 would be ₹ 164,410 million i.e., approx. ₹ 27,500 million on annualized basis.

- This potential is based on the projects announced till date and may go up if more projects are commissioned during the forecast period.



Note: Demand for heating equipment from petrochemical segments, India, Fiscal 2024-Fiscal 2029

Demand potential from fertilizer (Urea) segment:



Note: Demand for heating equipment from fertilizer (Urea) segments, India, Fiscal 2024 - Fiscal 2029

- 2 fertilizer (Urea) projects are likely to be commissioned between Fiscal 2026 and Fiscal 2031. Total installed capacity of these projects are 1.4 MMTPA with total capex of ₹ 73,350 million.

- Considering a 2-year lag between equipment ordering and project commissioning, these projects will generate demand for heating equipment between Fiscal 2024 and Fiscal 2029.

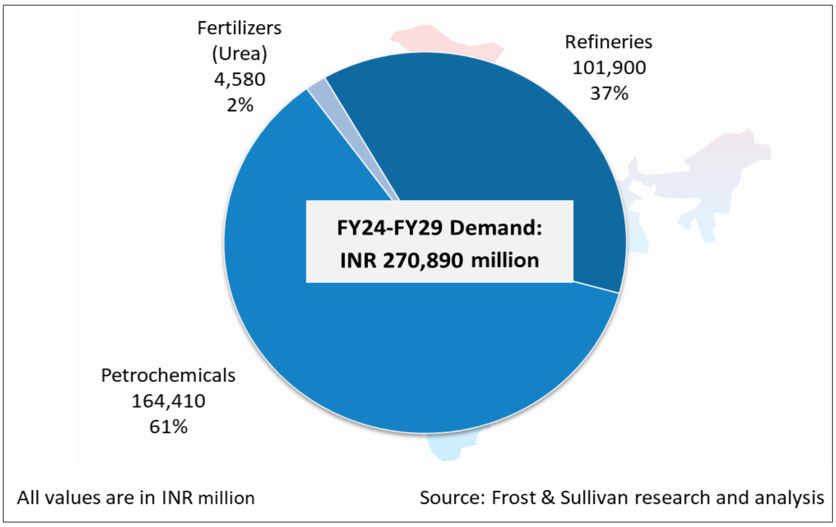
- Heating equipment account for 6.2% of the total capex of a fertilizer (Urea) project.

- Hence, demand for heating equipment from Indian fertilizer (Urea) segments between Fiscal 2024 and Fiscal 2029 would be ₹ 4,580 million i.e., approx. ₹ 750 million annualized basis. This potential is based on the projects announced till date and may go up if more projects are commissioned during the forecast period.

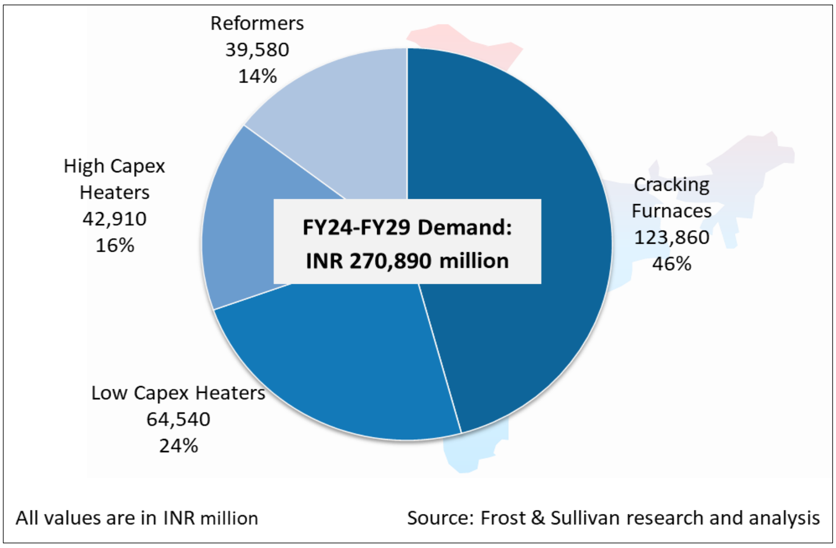
Overall demand potential by segment and by type of heating equipment

- Overall demand for heating equipment from Indian refineries, petrochemicals and fertilizer (Urea) segments between Fiscal 2024 and Fiscal 2029 is estimated at ₹ 270,890 million i.e., approx. ₹ 45,000 million on an annualized basis. 61% of this demand would come from petrochemicals followed by 37% from refineries and 2% from fetilizers (Urea).

- 46% of this demand would come from cracking furnaces followed by 24% from low capex heaters, 16% from high capex heaters, and 14% from reformers.



Note: Overall demand of heating equipment by segments, India, Fiscal 2024-Fiscal 2029



Note: Overall demand by type of heating equipment, India, Fiscal 2024-Fiscal 2029

- Potential estimated is based on the projects announced till date and may go up if more projects commissioned during the forecast period.

- Heating equipment suppliers indicated that order booking has grown by 25% in the last 2 years and the market is showing an upward trend – cumulative order booking for heating equipment in the last 6 years was approximately ₹ 150,000 million i.e., ₹ 25,000 million on annualized basis.

- Considering the same, cumulative order booking in the next 6 years (Fiscal 2024-Fiscal 2029) may see an approximate 80% jump from the cumulative order booking in the last 6 years.

Brief competitive landscape

The process fired heaters market has high barriers to entry and there are only a handful of suppliers, despite surge in demand. The market has high entry barriers as the engineering of industrial process fired heaters requires a complex understanding of various oil products. If the operation of a process fired heater is interrupted for even one day, users could incur significant losses, which is why suppliers undergo a thorough selection process. Since energy efficiency is one of the key performance indicators of any refinery, petrochemicals and, fertilizer plants and is determined by the efficiency of the process fired heaters, the process fired heaters become a critical aspect for customers and hence selection of suppliers for process fired heater requires strong credentials and references. Besides, there are certain regulatory standards to be mandatorily adhered to in the industry. Therefore, there are limited suppliers who can supply these critical equipment. Further, 7 out of the 12 oil refining companies in India are customers of JNK India, and the company has supplied or are in the process of supplying heating equipment to 11 of the 24 operating oil refineries across India. The Indian heating equipment market is closely competed among seven companies with JNK India and Thermax Limited being the most prominent and comparable players. Bharat Heavy Electricals Limited is also a participant however, its revenue from heating equipment is comparatively lower compared to its other flagship businesses. Other participants in the Indian heating equipment market are, Esteem Projects Private Limited, Heurtey Petrochem Solutions, TR Engineering, and ITT Engineering India.

S. No.	Company Name	Origin	Process Fired Heaters	Reformers	Cracking Furnace
1	JNK India	India	✓	✓	✓
2	Thermax	India	✓		
3	Bharat Heavy Electricals Ltd	India	✓		
4	Esteem Projects	India	✓		
5	Heurtey Petrochem Solutions	France	✓	✓	✓
6	TR Engineering	Spain	✓		
7	ITT Engineering India	Italy	✓	✓	✓

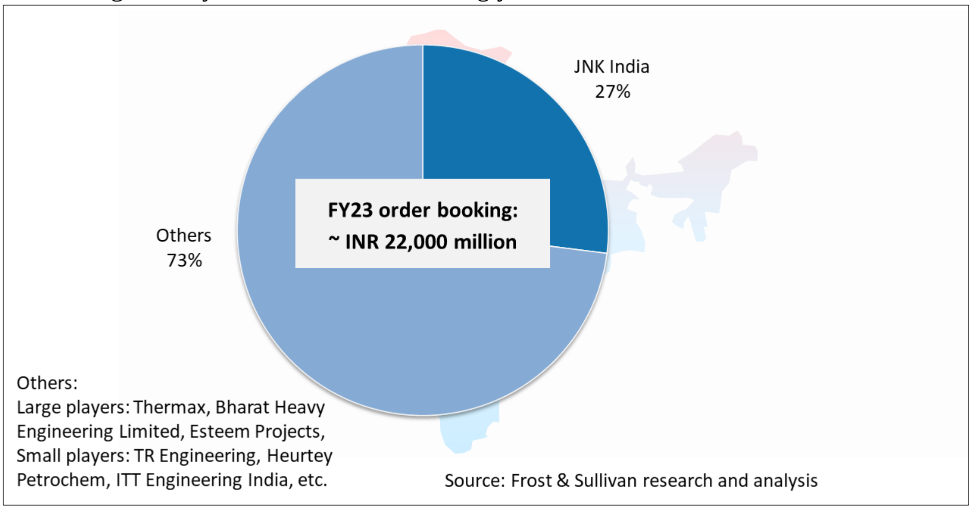
Source: Frost & Sullivan Analysis

Source: F & S Report
Note: Competition mapping, India, Fiscal 2023

Since its inception, JNK India has been working closely with JNK Heaters, a KOSDAQ listed company. JNK Heaters was established in 1998 and has been engaged in the design, manufacturing, installation, and maintenance of industrial furnaces. JNK India is the youngest and one of the leading heating equipment companies in India in terms of new order booking between Fiscal 2021 to Fiscal 2023, having a market share of approximately 27% in terms of new order booking in Fiscal 2023. In terms of revenue from heating equipment, JNK India is the largest company in India with a revenue of more than ₹ 4,000 million in Fiscal 2023. In terms of volume, the company is currently installing 25 units, which is higher than any of its competitors currently executing in the Indian market. JNK India is a well-recognized process fired heater company among the Oil & Gas downstream companies, and has capabilities in thermal designing, engineering, manufacturing, supplying, installing and commissioning process fired heaters, reformers, and cracking furnaces to companies forming part of some highly regulated industries, acts as a significant entry barrier to new entrants. JNK India has one of the largest workforces among its competitors in India. The company has 190 design, execution, and R&D engineers for process fired heaters in India with capabilities of detailed engineering in process, mechanical, structural, electrical, instrumentation, piping, and civil engineering. (*Source: F&S Report*)

Market size and market share analysis

Based on discussion held with the leading heating equipment suppliers, approximately ₹ 22,000 million of heating equipment have been ordered in Fiscal 2023. There is a boost in the order booking in the last few years with most of the suppliers reported their order booking has significantly increased in the last 2-3 years. Majority of these orders have come from PSU refineries. With strong pipeline of Oil & Gas downstream projects till calendar year 2030, the order booking is likely to increase in the coming years.

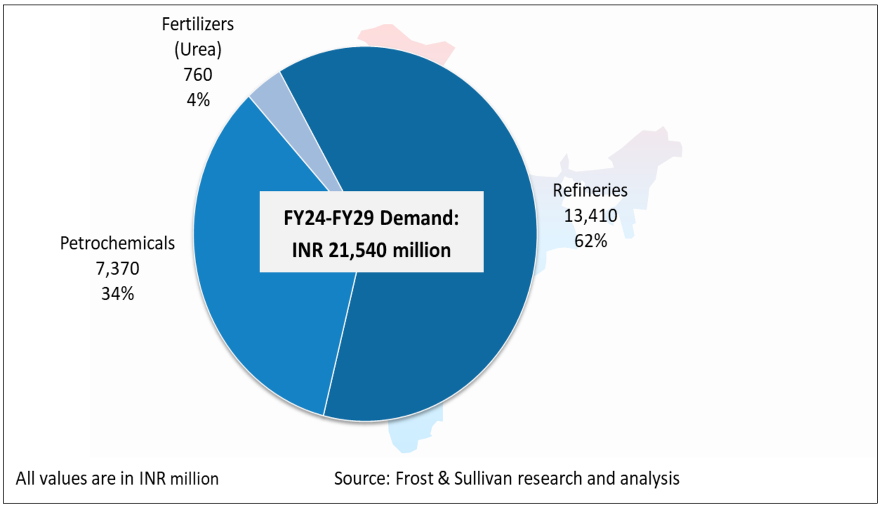


Note: Market share (new orders) of heating equipment suppliers, India, Fiscal 2023

JNK India is one of the market leaders in the Indian heating equipment market with approximately 27% market share in terms of new order booking in Fiscal 2023. JNK India's long-standing experience with its customers and its capability to provide customized solutions with a proven track record in product development and execution catering to the diverse needs of its customer base, gives JNK India has a competitive advantage, since there are very few competitors with similar capabilities.

Waste gas handling systems

Overall demand potential by segment and by type of waste gas handling systems

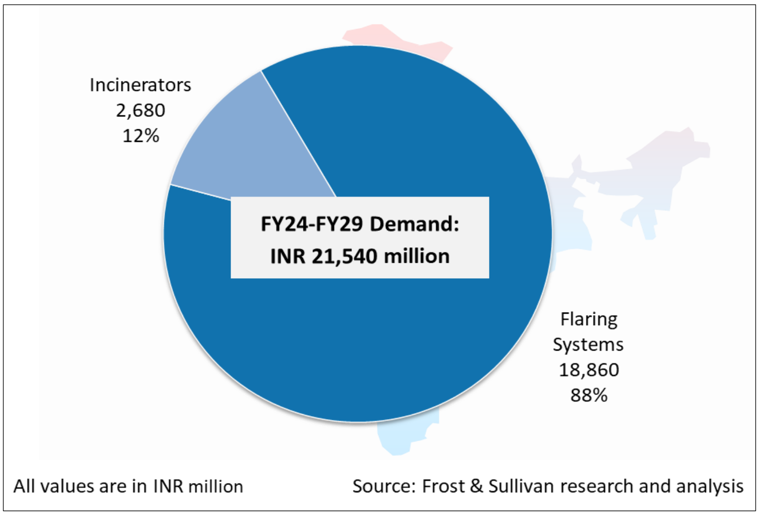


Note: Overall demand of waste gas handling systems by segments, India, Fiscal 2024 - Fiscal 2029

- Overall demand for waste gas handling systems from Indian refineries, petrochemicals and fertilizer (Urea) segments between Fiscal 2024 and Fiscal 2029 is estimated at ₹ 21, 540 million i.e., approx. ₹ 3,600 million on annualized basis.

- 62% of this demand would come from refineries followed by 34% from petrochemicals and 4% from fetilizers (Urea).

- 88% of this demand would come from flaring systems and the remaining from incinerators. Demand for incinerators would come from refineries only.



Note: Overall demand by type of waste gas handling systems, India, Fiscal 2024-Fiscal 2029

- Waste gas handling system suppliers indicated that order booking has been stable in the last 2 years and is expected to remain the same in the coming few years – cumulative order booking for waste gas handling systems in the last 6 years was approximately ₹ 16,000 million i.e., approx. ₹ 2,650 million on annulaized basis.

- Considering the same, cumulative order booking in the next 6 years (Fiscal 2024-Fiscal 2029) may see approx. 35% jump from the cumulative order booking in the last 6 years.

Brief competitive landscape

The market for waste gas handling systems is closely competed in India, with about 5-8 companies in total. JNK India, Zeeco and Airoil Flaregas are some of the prominent companies in this space.

S. No.	Company Name	Origin	Flare Systems	Incinerators
1	JNK India	India	✓	✓
2	Zeeco	USA	✓	✓
3	John Zink Hamworthy	USA	✓	✓
4	Airoil Flaregas	India	✓	
5	Ador Welding	India	✓	

Source: Frost & Sullivan research

Note: Competition mapping, India, Fiscal 2023

Renewable energy systems:

EPC of Hydrogen Fuelling Stations

Green Hydrogen – introduction from Indian perspective

Addressing the nation on the 75th Independence Day, the Indian Prime Minister announced the National Hydrogen Mission with an aim of making India a hub for the production and export of green hydrogen. India is at a crucial juncture in terms of its energy landscape and green hydrogen has a critical role to play to make the nation self-reliant and energy-independent. On January 4, 2022, the National Green Hydrogen Mission was approved by the Union Cabinet. Currently, India spends over $160 billion of foreign exchange every year for energy imports. These imports are likely to double in the next 15 years without remedial action. With this approval, the stage is set for India to become a global champion in green hydrogen. The initial outlay for the Mission will be ₹. 197,440 million, including an outlay of ₹. 174,900 million for the Strategic Interventions for Green Hydrogen Transition ("**SIGHT**") programme, ₹ 14,660 million for Pilot Projects, ₹ 4,000 million for Research & Development, and ₹ 3,880 million towards other Mission components. Ministry of New and Renewable Energy ("**MNRE**") will formulate the scheme guidelines for implementation of the respective components.

Mission Outcomes

The Mission will result in the following likely outcomes by calendar year 2030:

- Development of green hydrogen production capacity of at least 5 MMT ("**Million Metric Tonne**") per annum with an associated renewable energy capacity addition of about 125 GW in the country

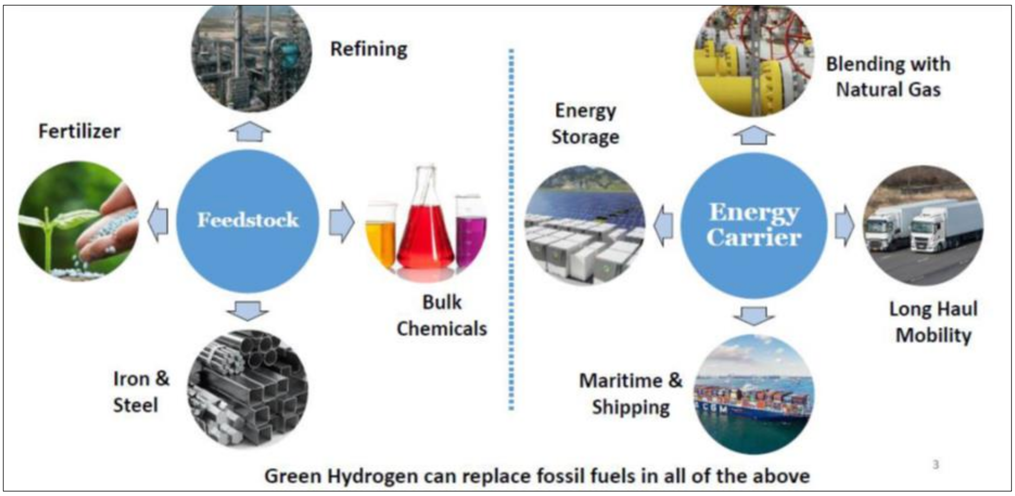
- Over ₹ 8.0 trillion in total investments

- Creation of over Six lakh jobs

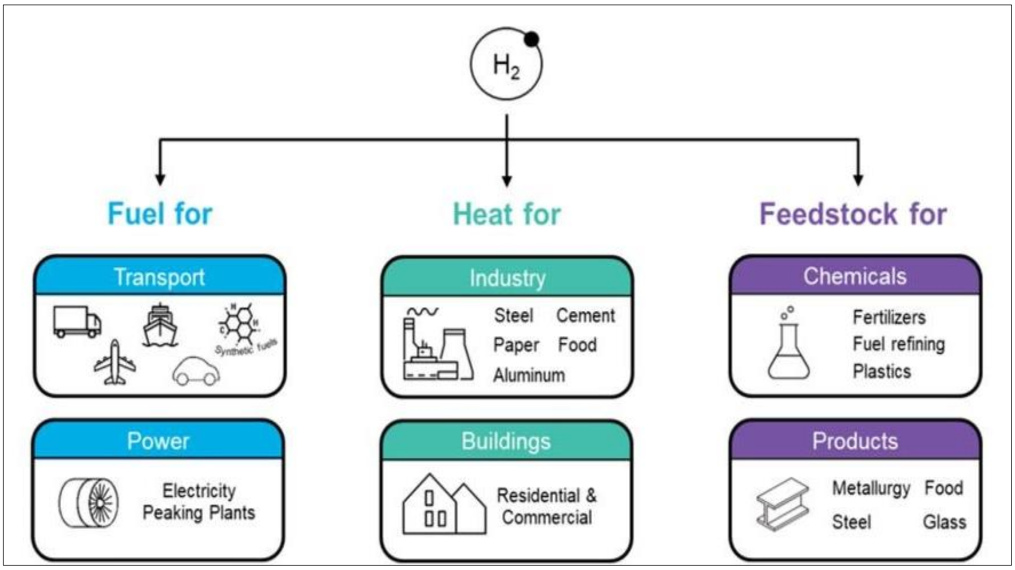
- Cumulative reduction in fossil fuel imports over ₹ 1 trillion

- Abatement of nearly 50 MMT of annual greenhouse gas emissions

The Mission will support pilot projects in other hard-to-abate sectors like steel, long-range heavy-duty mobility, shipping, energy storage etc. for replacing fossil fuels and fossil fuel-based feedstocks with Green Hydrogen and its derivatives.



Note: Application of Green Hydrogen



Source: F & S Report
Note: Bloomberg NEF, Frost & Sullivan analysis

Green Hydrogen

Hydrogen is the lightest and most abundant element in the universe. It is rarely found in nature in its elemental form and must always be extracted from other hydrogen-containing compounds. Depending on the nature of the method of its extraction, hydrogen is categorised into three categories, namely, Grey, Blue and Green. Green Hydrogen is produced using electrolysis of water with electricity generated by renewable energy. The carbon intensity ultimately depends on the carbon neutrality of the source of electricity (i.e., the more renewable energy there is in the electricity fuel mix, the "greener" the hydrogen produced).

Applications of Green Hydrogen

Hydrogen and Ammonia are envisaged to be the future fuels to replace fossil fuels6. Production of these fuels by using power from renewable energy, termed as green hydrogen and green ammonia, is one of the major requirements towards environmentally sustainable energy security of the nation. Government of India is taking various measures to facilitate the transition from fossil fuel / fossil fuel-based feed stocks to green hydrogen / green ammonia.

Hydrogen in Indian Context: Hydrogen can be utilized for long-duration storage of renewable energy, replacement of fossil fuels in industry, clean transportation, and potentially also for decentralized power generation, aviation, and marine transport.

Hydrogen for integrating renewable energy: Hydrogen provides a means for storage of variable renewable energy for stabilizing its output.

Hydrogen in Industry: In industry, hydrogen can potentially replace the coal and coke in iron and steel production. Decarbonising these sectors using hydrogen is expected to have significant impact on our climate goals.

Hydrogen has the potential to reduce fossil fuel imports: Substituting hydrogen produced from natural gas with green hydrogen could allow use of renewable energy for production of nitrogenous fertilizers, and petrochemicals and reduce import dependence.

Hydrogen based transport: Fuel cell electric vehicles ("**FCEVs**") run on hydrogen fuel and have no harmful emissions. Battery Electric Vehicles ("**BEVs**") may be suitable for light passenger vehicle segment for shorter driving range.

India's progress towards Green Hydrogen

- Indian Government aims to transform India into an energy independent nation by calendar year 2047 where green hydrogen will play an active role as an alternate fuel to petroleum/ fossil-based products.

- In calendar year 2020, India's hydrogen demand stood at 6 MT per year. It is estimated that by calendar year 2030, the hydrogen costs will be down by 50 per cent.

- The demand for hydrogen is expected to see a five-fold jump to 28 MT by calendar year 2050 where 80 per cent of the demand is expected to be green in nature.

- Some of the prominent industrial mammoths such as Reliance Industries Limited ("**RIL**"), Gas Authority of India Limited ("**GAIL**"), National Thermal Power Corporation ("**NTPC**"), Indian Oil Corporation Limited ("**IOCL**") and Larsen and Toubro ("**L&T**") plan to foray into the green hydrogen space. RIL plans to become a net-carbon zero firm by calendar year 2035 and invest nearly ₹ 750 billion over the next three years in RE.

- The government-led public sector undertaking ("**PSU**"), Indian Oil, is at the forefront of the green hydrogen revolution. It is planning to setup India's first green hydrogen unit for the Mathura refinery, which will be used to process crude oil.
- National Thermal Power Corporation ("**NTPC**") has recently set up a tender to establish a first-of-its-kind hydrogen refueling station to be powered entirely by renewables in Leh through a stand-alone 1.25 MW solar system.

- Two hydrogen refueling stations have been established (one each at Indian Oil R&D Centre, Faridabad, and National Institute of Solar Energy, Gurugram). The refueling station at Indian Oil R&D Centre has been set up by JNK India.

- Based on inputs received from the industry experts, hydrogen will work for trucks and buses for intra-city and inter-city applications when their daily run is above 200 kms. To start with, hydrogen with fuel dispensing stations ready for refueling in every 200 km range are required every 200 kms on main highways.

- India has declared its ambition to become an exporter of hydrogen to Japan, South Korea, and Europe.

- Various hydrogen powered vehicles have been developed and demonstrated under projects supported by Government of India. These include 6 Cell buses by Tata Motors Ltd., 50 hydrogen enriched CNG ("**H-CNG**") buses in Delhi by Indian Oil Corporation Ltd. in collaboration with Govt. of NCT of Delhi, 2 hydrogen fueled Internal Combustion Engine buses (by IIT Delhi in collaboration with Mahindra & Mahindra).

India's distinct advantage in terms of low-cost renewable electricity, complemented by rapidly falling electrolyser prices, can enable green hydrogen to be not just economical compared to fossil-fuel based hydrogen but also compared to the green hydrogen being produced around the globe.

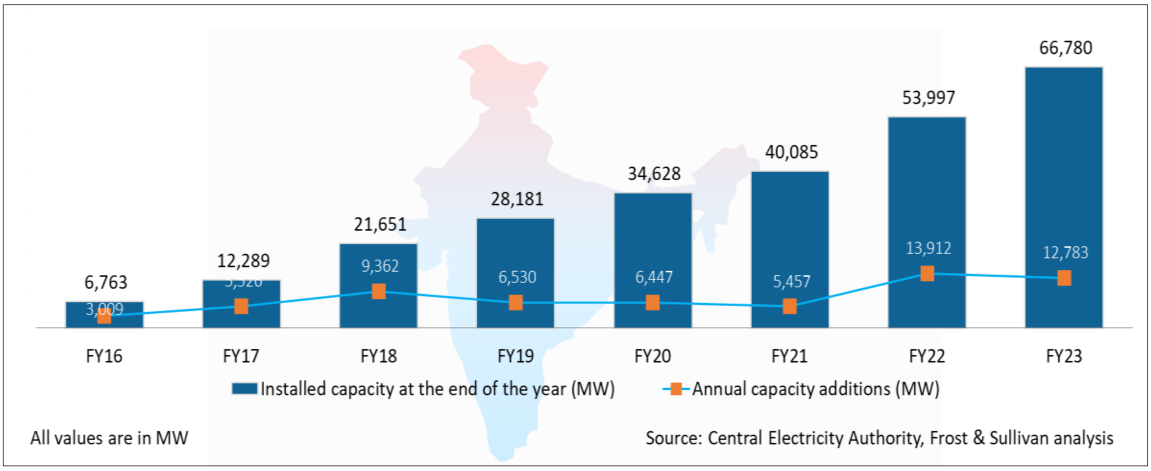
With proactive collaboration among innovators, entrepreneurs and government, green hydrogen has the potential to drastically reduce CO2 emissions, fight climate change, and put India on a path towards net-zero energy imports. It will also help India export high-value green products making it one of the first major economies to industrialise without the need to 'carbonise'.

EPC of Solar PV Plants

Overview of the Indian Solar Market

Indian renewable energy sector is the third most attractive renewable energy market in the world, which is a key part of the energy transition (*Source: F&S Report*). The use of solar power in India is growing at a rapid rate. The country's solar installed capacity has gained pace over the past few years. India's installed cumulative solar energy capacity stood at 66,780 MW at the end of Fiscal 2023, representing 53% of the overall installed renewable energy capacity of 125,160 MW in the country at the end of Fiscal 2023. Solar power installed capacity has increased by more than 25 times, from 2.63 GW in March 2014 to almost 67 GW at the end of Fiscal 2023. India has added nearly 13 GW of solar power in Fiscal 2023.

India is targeting an ambitious 500 GW of installed renewable energy capacity by calendar year 2030 of which about 300 GW (over 60%) is expected from solar. As announced in the COP26 conference held in November 2021, India has committed to generating 500 GW of power from non-fossil (e.g., solar, wind, hybrid power sources, hydrogen, biofuels, etc.) fuel sources by calendar year 2030, and reducing carbon emissions by one billion tons by the end of the decade.



Note: Installed solar capacity, in MW, India, Fiscal 2016-Fiscal 2023

Measures taken by the Indian Government to promote Solar Energy

As India is moving swiftly towards achieving its target of emerging global leader on the solar front, positive steps are to be taken to resolve the imports of important components like solar cells, modules, and solar inverters, that the Indian solar industry is considerably dependent upon.

Certain measures taken by the Indian government include the following: -

Import Duty: The Indian government has been taking several measures to promote local manufacturing under its 'Make in India' mission. As part of its moves to reduce imports, India imposed a 40% duty on the import of solar modules and a 25% duty on the import of solar cells in April 2022. This is expected to boost and promote domestic manufacturing substantially.

PLI Schemes: The Production Linked Incentive ("**PLI**") Scheme was introduced by the Indian government, as an attempt to boost India's manufacturing capabilities and exports. Under the provisions of this scheme, manufacturers receive support from the government for establishing integrated manufacturing units of high-efficiency solar photo voltaic modules.

Bureau of Indian Standards Certification: The Indian government mandated the requirement of BIS certifications on all solar products, which will help set higher quality parameters for domestic manufacturers, ultimately benefiting end customers.

Approved List of Models and Manufacturers: To protect the interest of customers and to also ensure the manufacturing of reliable PV modules, the Ministry of New and Renewable Energy had also introduced an Approved List of Models and Manufacturers ("**ALMM**") of solar PV cells and modules. The above actions are expected to help India emerge as a leading global supplier of solar products, along with meeting its domestic requirements.

Key drivers to PV deployment in India

1. The country plans to tap the vast potential for solar PV in the region to achieve its different climate goals, notably: (1) installing 500 GW of non-fossil fuel electricity generation capacity by calendar year 2030, from which 280 GW should come from solar PV, (2) sourcing 50% of energy demand from non-fossil fuel sources by calendar year 2030, and (3) reduce the emission intensity of GDP by 45% by calendar year 2030, from calendar year 2005 levels.

2. The Central Electricity Regulation Commission published a draft regulation for General Network Access to Interstate Network which will improve access to the electricity network. The draft document is also reaffirming the Renewable Energy Certificates, which certificates that the electricity produced comes from a renewable energy source.

3. The National Action Plan on Climate Change sets out Renewable Power Obligations, which mandate electricity distributors to generate a defined percentage of their electricity from renewable energy sources. The last set target was that, by calendar year 2022, 21% of the electricity consumed by each state must come from renewables, half of which must come from solar.

4. As a support for solar PV technology, large tenders are launched by the Indian Renewable Energy Development Agency.

5. India is supporting local PV manufacturing through PLI. The second round of the PLI scheme, approved in September 2022, plans to add 65 GW of fully and partially integrated PV module production capacity, significantly expanding the funding from the first round issued in February 2021. This is expected to boost domestic manufacturing to meet domestic demand as well as exports.

Outlook of the Indian Solar EPC market

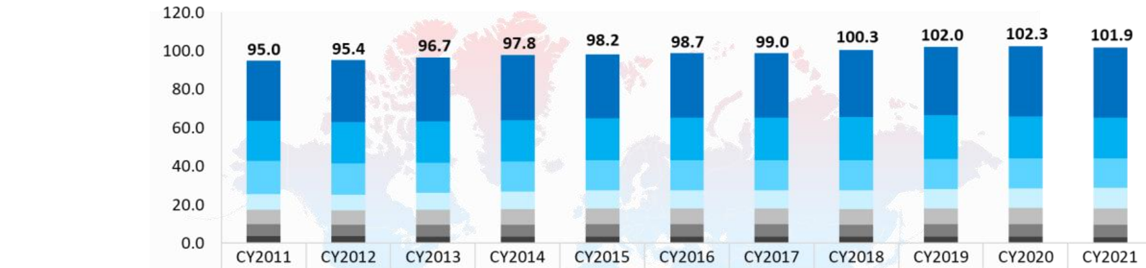
Considering India's ambition of installing 300 GW of solar capacity by calendar year 2030, there is potential of 170 – 175 GW of Solar EPC business over the next 6-7 years – approximately 25 GW of Solar EPC business opportunity every year. Considering the Fiscal 2023 annual capacity addition of approximately 13 GW, this is almost double the current market size. In value terms, annual business potential is approx. ₹ 100 billion. However, a significant portion of this opportunity may not be realized considering the historical capacity addition trends and increasingly, developers are establishing their internal EPC capabilities to improve project viability.

DEMAND FOR PRODUCTS OF INTEREST IN GLOBAL MARKETS

End user sector outlook:

Refinery sector: Installed capacity, growth drivers and outlook

Global refining capacity in the last one decade has grown at a paltry CAGR of 0.8% - from 95.0 million barrels per day ("**MBPD**") in calendar year 2011 to 101.9 mbpd in calendar year 2021. The capacity is largely stagnant in the last 3 years and has gone down slightly in calendar year 2021. Asia Pacific, North America, and Europe are the top three regions in terms of installed refining capacity with share of 36%, 21% and 15% respectively. The Middle East region that houses most of the large Oil & Gas producers in the world, accounts for 11% share. Africa has the least share among all the regions at 3%.



	CY2011	CY2012	CY2013	CY2014	CY2015	CY2016	CY2017	CY2018	CY2019	CY2020	CY2021
Asia Pacific	31.3	32.4	33.2	33.9	33.3	33.5	33.8	34.7	35.5	36.5	36.5
North America	21.0	21.4	21.5	21.4	21.8	22.1	22.1	22.3	22.6	21.8	21.5
Europe	17.2	16.3	15.9	15.7	15.7	15.5	15.5	15.7	15.7	15.6	15.1
Middle East	8.2	8.3	8.7	9.0	9.4	9.6	9.6	9.8	10.2	10.2	10.8
CIS	7.3	7.4	7.9	8.0	8.2	8.2	8.2	8.1	8.3	8.3	8.5
South & Central America	6.5	6.0	6.2	6.4	6.5	6.5	6.5	6.4	6.4	6.6	6.4
Africa	3.6	3.6	3.4	3.4	3.4	3.4	3.3	3.3	3.3	3.3	3.2

Units in Million Barrels Per Day — Source: BP Statistical Review 2022, Frost & Sullivan analysis

Note: Installed refining capacity, Global, calendar year 2011 – calendar year 2021

There has been a rise in the global oil and gas refinery and petrochemical capacities thereby by driving the growth in the global process fired heaters market. Further, the global demand for oil refining is driven by increasing investment in refinery capex and construction sector. The demand for petroleum products is driven by positive outlook towards aviation and road transportation segments. Further, rapid industrialization and urbanization, along with increase in population among developing countries, such as China and India, is expected to create demand for automobiles, which would in turn drive the demand for refined petroleum products. Major factors driving the demand for refineries globally are:

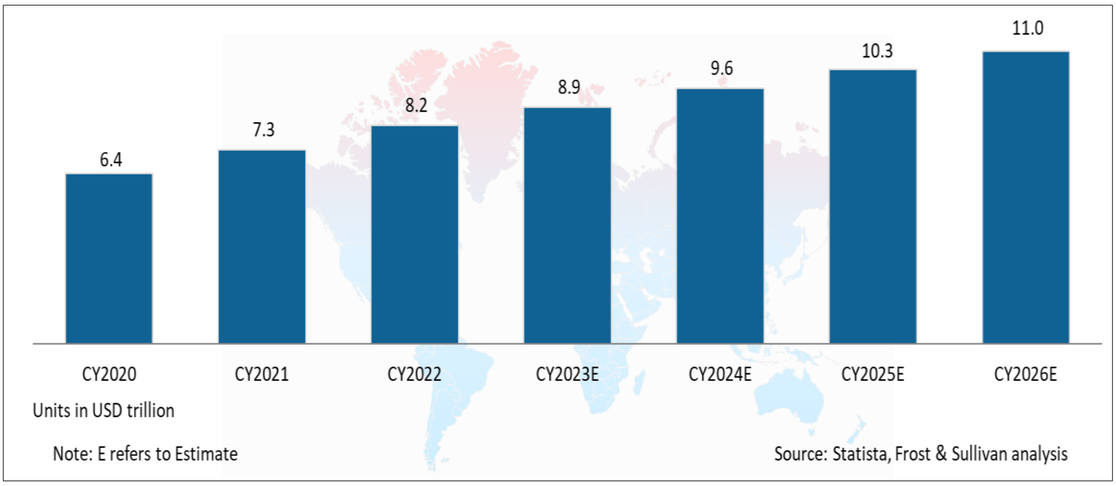
- Demand for oil and other petroleum products
- Country level initiatives to improve self-sufficiency in refining capacity
- Increasing investments in construction

Demand for oil and petroleum products: Population growth, transportation, industrial investments, and electricity generation are the key factors driving the energy demand in the world.

- *Growth in passenger and commercial vehicles drive demand for petroleum and diesel:* The global automobile sales in volume terms is expected to grow at a CAGR of 3.5 – 4.0% from calendar year 2020 to calendar year 2030. Developing economies are expected to drive the demand for automobiles in the long-term. Strong economic growth and increasing per capita incomes are the major factors that would positively impact the demand for passenger cars in the developing countries. The growth in automobile sales would in turn create demand for fuels such as petrol and diesel, and thereby the demand for refining capacities.
- *Aviation industry's growth creating demand for aviation fuel*: The aviation industry is a vital engine of global socio-economic growth creating direct and indirect employment, supporting tourism and local businesses, and stimulating foreign investment and international trade. Major factors driving the demand for aviation services are rising disposable income, rapidly growing middle class, and increased travel demand. With the e-commerce operations increasing rapidly since COVID-19, the air cargo market has increased, and thus the demand for freighter aircraft is expected to grow in the long-term. The growth in the aviation sector would create demand for jet fuel, which would positively impact the demand for refining capacity.

Country level initiatives to improve self-sufficiency in refining capacity: Energy is a key factor that determines the economic growth of any country and therefore several countries in the world have rolled-out initiatives and capex allocations to improve their oil refining industry output by adding new capacities. This would result in reduced dependency on imported petroleum products and improve their self-sufficiency in the long-term. These new capex injections would create demand for products of interest such as direct fired heaters, flare systems and incinerators.

Increasing investments in construction: The future of the global construction industry looks good with opportunities in residential, non-residential, and infrastructure segments. The global construction industry is expected to reach to grow at a CAGR of 8.4% between calendar year 2020 to calendar year 2030 become USD 14.4 trillion industry by calendar year 2030.

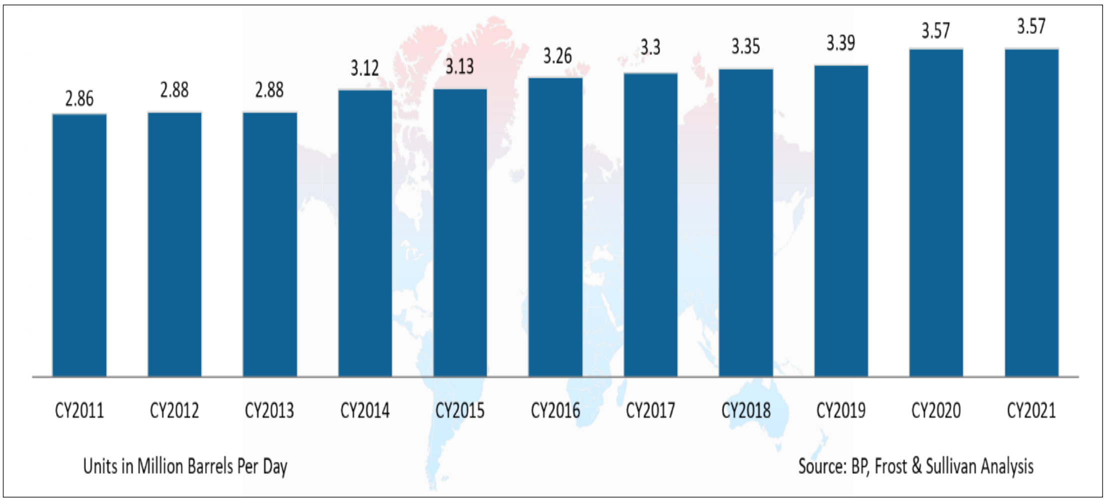


Note: Construction industry market size, Global, calendar year 2020 – calendar year 2026E

Construction sector is a major consumer of natural resources and energy. According to the International Energy Agency ("**IEA**"), the buildings and construction sector accounts for a whopping 36% of worldwide energy use. With the expected growth in the construction sector, the demand for materials used in road construction and roofing would increase, thereby creating demand for asphalt, tar, and shingles, which are by-products of crude oil.

Overview of Refinery sector in the countries of interest and outlook

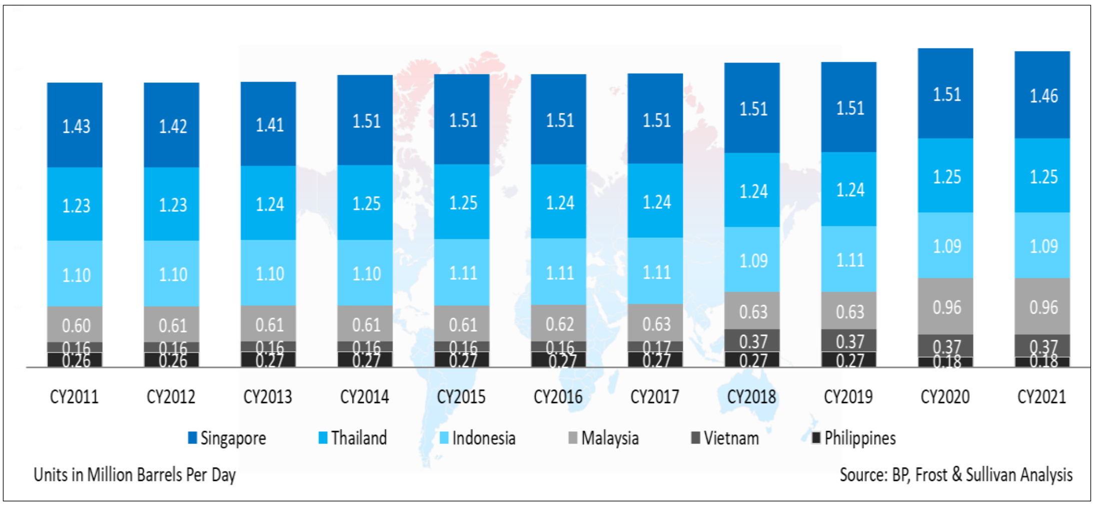
South Korea (Asia): There are five existing refineries in South Korea and the country has one of the world's largest oil refining capacities. SK Innovation has two refineries, one in Ulsan (840 kilo barrels per day or kbpd) and another in Incheon (375 kbpd). The other refineries are held by GS Caltex in Yeosu (800 kbpd), by S-Oil in Onsan (669 kbpd) and by Hyundai Oilbank in Daesan (520 kbpd). In addition to these five large refineries, Korean refiners operate processing units that convert ultra-light grade crude oil (condensate) into products such as naphtha for petrochemical use.



Note: Refinery installed capacity, South Korea, calendar year 2011 - calendar year 2021

The consumption of petroleum and other liquids stood at 5.259 quadrillion Btu. South Korea was the eighth-largest consumer of petroleum and other liquids in the world in calendar year 2021. Consumption grew in calendar year 2021, mainly driven by higher use for transportation, new petrochemical facilities that required more liquefied petroleum gas ("**LPG**") and naphtha, and higher use by domestic industry.

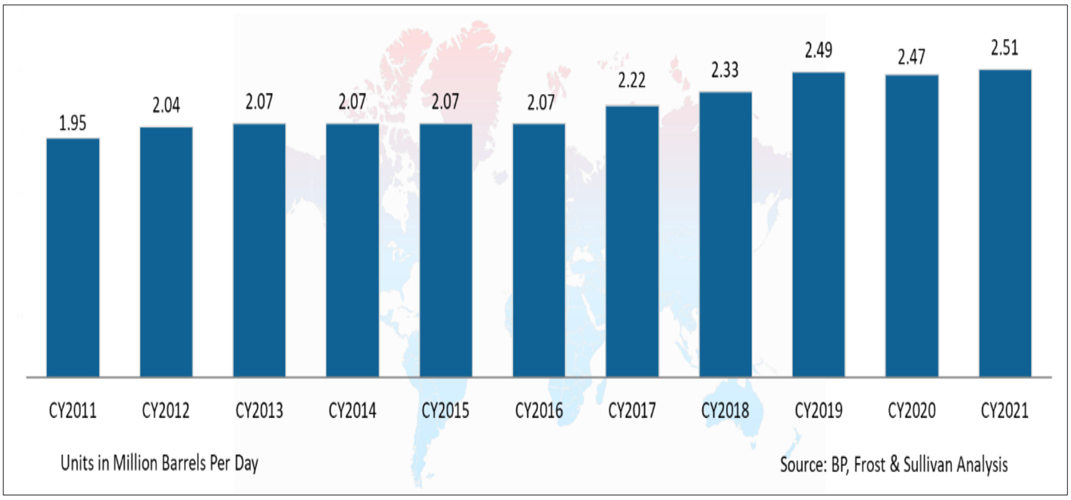
Southeast Asian Countries (Asia): Southeast Asian countries, for the purpose of this report, has been referred to six countries namely, Singapore, Thailand, Indonesia, Vietnam, Malaysia, and Philippines. The total installed refining capacity in these six countries was 5.3 mbpd in calendar year 2021. Singapore has 28% share of this refining capacity followed by Thailand (24% share), Indonesia (21% share), and Malaysia (18% share).



Source: F & S Report
Note: Refinery Installed Capacity, Southeast Asia, calendar year 2011 - calendar year 2021

The region has a total of 29 refineries with Singapore has the region's largest refinery – ExxonMobil Jurong Island Refinery (605 kbpd). Other large refineries in the region are Shell Pulau Bukom Refinery (500 kbpd) and SRC Jurong Island Refinery (290 kbpd) in Singapore, Cilacap Refinery (348 kbpd) in Indonesia, PTT Global Chemical Refinery (280 kbpd) and Thai Oil Refinery (275 kbpd) in Thailand, and Pengerang RAPID Refinery (300 kbpd) in Malaysia. Around 35.2 MMTPA of refinery capacity is expected to be added in Southeast Asian countries by calendar year 2030. Of this, around 57% of the refining capacity is expected to come up in Philippines.

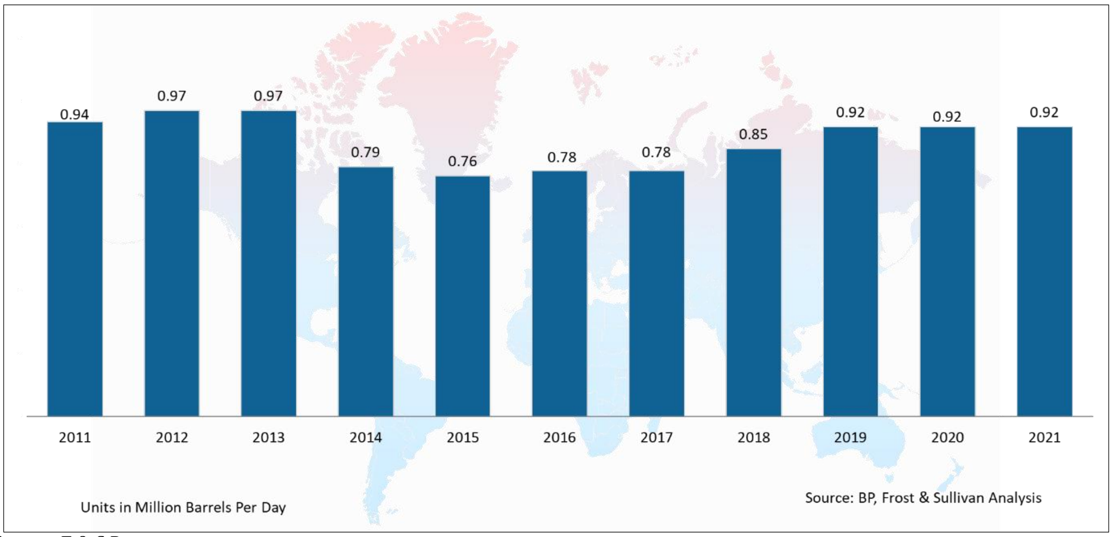
Iran (Middle East): Iran was the fifth-largest crude oil producer in OPEC in calendar year 2021 and the third-largest natural gas producer in the world in calendar year 2020.1 It holds some of the world's largest deposits of proved oil and natural gas reserves, ranking as the world's third-largest oil and second-largest natural gas reserve holder in calendar year 2021. At the end of calendar year 2021, Iran accounted for 24% of oil reserves in the Middle East and 12% in the world. Despite its abundant reserves, Iran's crude oil production has fallen since calendar year 2017 as the oil sector has been subject to underinvestment and international sanctions for several years.



Source : F & S Report
Note: Refinery Installed Capacity, Iran, calendar year 2011 – calendar year 2021

Under the 7th National Economic Development Plan, Iran is expected to reduce crude oil and natural gas sales by developing the value chain and bring its oil refining capacity to 3 mb/d. The country is facing imbalance in petroleum products consumption and therefore the petroleum ministry is expected to take measures to ensure completion of the incomplete refining projects. Iran's refining and distribution industry has refined 2.2 mb/d of crude oil and gas condensate, supplied 112 ml/d of gasoil and 100 ml/d of gasoline, increased fuel supply by 23% last year. In line with building a value chain in the refining industry, the 13th administration of Iran has approved construction of eight integrated refining/petrochemical complexes to run on crude oil and condensate.

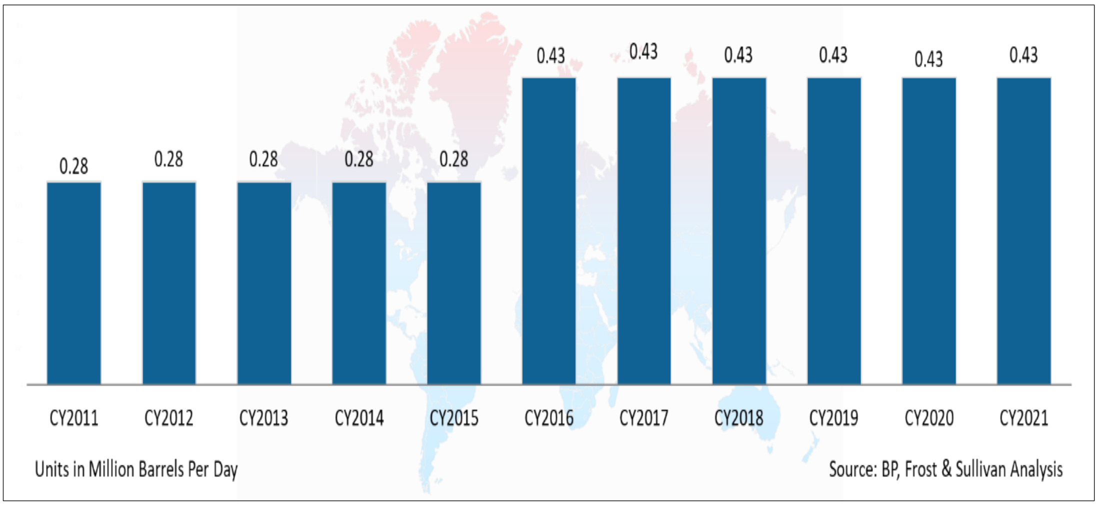
Iraq (Middle East): Iraq is the second-largest crude oil producer in OPEC after Saudi Arabia. It holds the world's 5th largest proven crude oil reserves, at 145 billion barrels, representing 17% of proved reserves in the Middle East and 8% of global reserves. Iraq consumed about 850,000 barrels per day of petroleum and other liquids in calendar year 2021. The installed refinery capacity was 0.92 mbpd in calendar year 2021. Domestic refineries meet most of Iraq's petroleum product needs but the country imports gasoline and diesel.



Source : F & S Report
Note: Refinery Installed Capacity, Iraq, calendar year 2011 – calendar year 2021

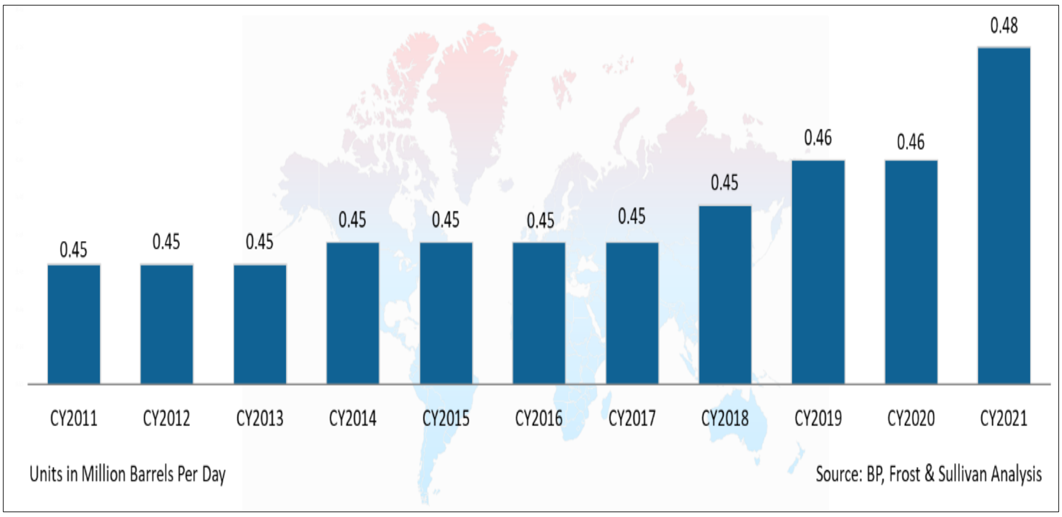
Several new refineries are planned, along with capacity expansion and upgrades at several existing refineries, to alleviate domestic gasoline and diesel shortages, reduce government import costs for oil products, and eventually increase exports of refined products. The country is expected to add 72.0 MMTPA of refining capacity by calendar year 2030.

Qatar (Middle East): Qatar was the world's 6th largest dry natural gas producer, the 2nd largest LNG exporter, and the 3rd largest holder of natural gas reserves in calendar year 2021. The current installed capacity is at 0.43 million barrels per day across three refineries. There are no new capacity additions expected in Qatar by calendar year 2030.



Source : F & S Report
Note: Refinery Installed Capacity, Qatar, calendar year 2011 – calendar year 2021

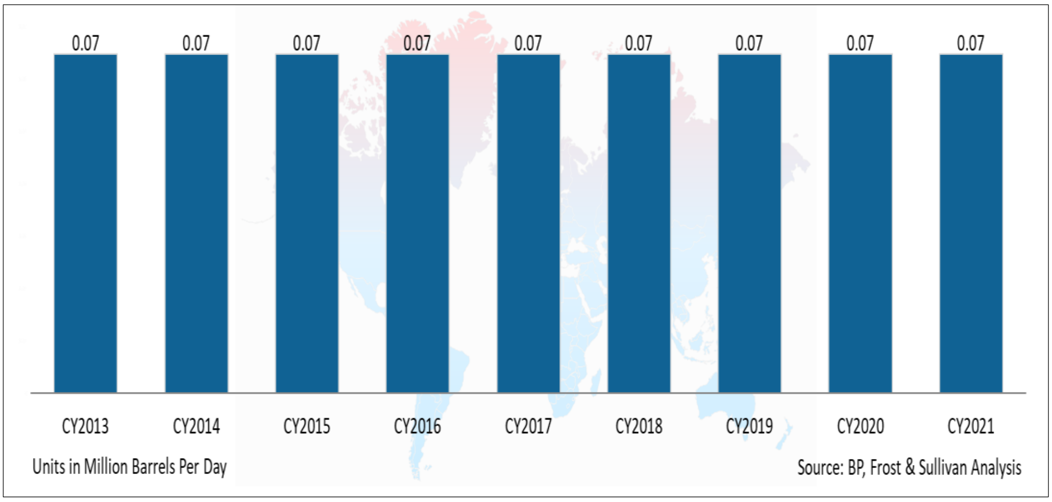
Nigeria (Africa): Nigeria has an estimated 37.1 billion barrels of proved crude oil reserves in calendar year 2023. Nigeria is a major hydrocarbons producer in Africa and its production is the mainstay of the country's economy. a strong refinery capacity to meet its domestic demand, Nigeria is fully reliant on imported petroleum products as its four state-owned refineries have been shut in for long-term maintenance or rehabilitation since calendar year 2020.



Source : F & S Report
Note: Refinery Installed Capacity, Nigeria, calendar year 2011 – calendar year 2021

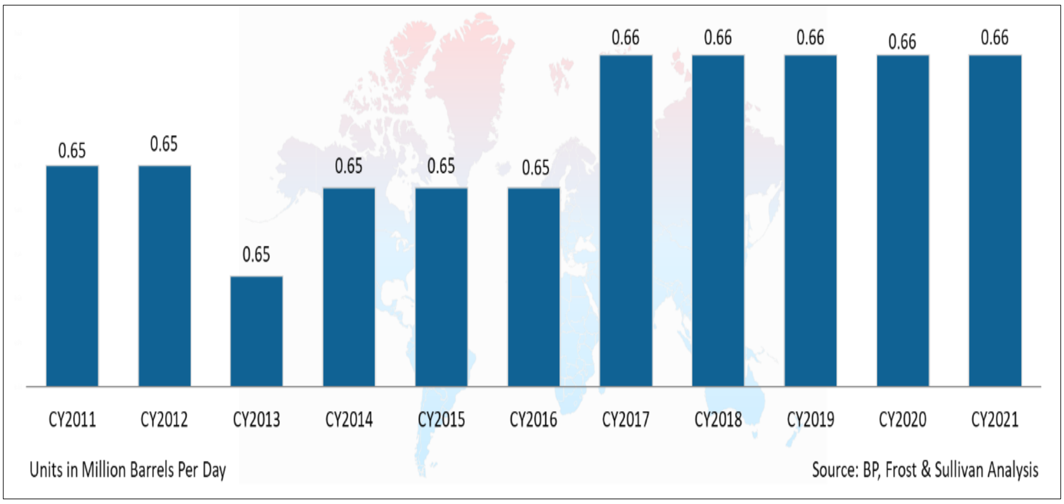
The Nigerian government's plan to construct smaller modular refineries, have faced financial hurdles. There are four refinery projects in the pipeline with a combined capacity of 65.5 MMTPA by calendar year 2030. Upon commissioning of these refineries, Nigeria would become a net petroleum product exporter.

Angola (Africa): Angola had an estimated 7.2 billion barrels of proved crude oil reserves in calendar year 2022. There is only operational refinery in Luanda with a capacity of 0.07 mbpd in calendar year 2021. There are about three upcoming refinery projects in Angola with a cumulative capacity of 18.1 MMTPA by calendar year 2030.



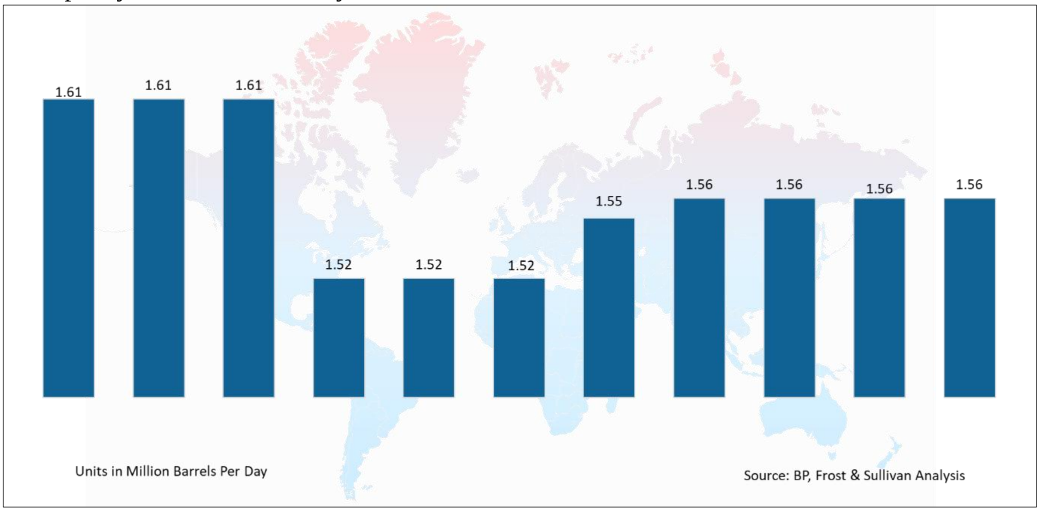
Source : F & S Report
Note: Refinery Installed Capacity, Angola, calendar year 2013 – calendar year 2021

Algeria (Africa): Algeria is a major crude oil and natural gas producer in Africa and has been a member of the Organization of the Petroleum Exporting Countries. There are about five operation refineries in the country with a cumulative installed capacity of 0.66 million barrels per day. There are about two upcoming refinery projects in Algeria with a cumulative capacity of 10.7 MMTPA by calendar year 2030.



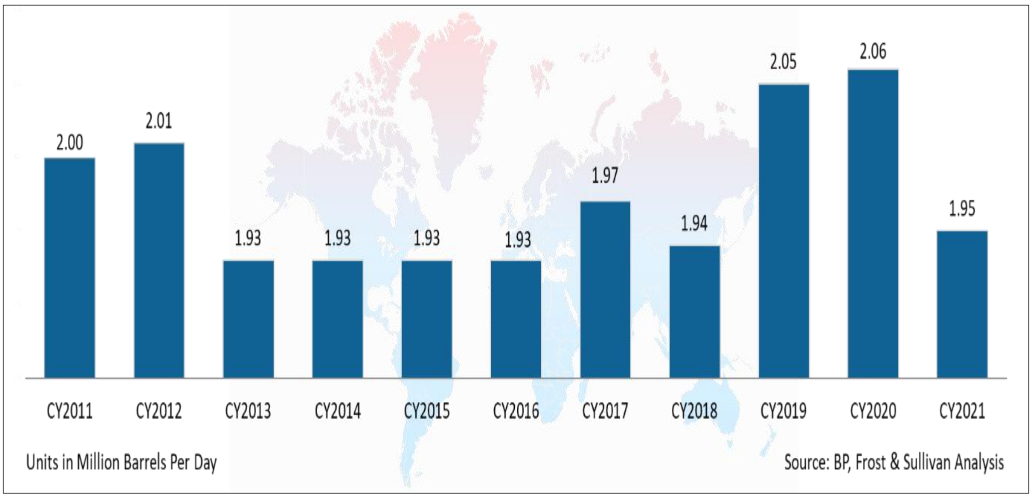
Note: Refinery Installed Capacity, Algeria, calendar year 2011 – calendar year 2021

Mexico (Americas): Mexico's proven oil reserves were 6.0 billion barrels, including crude oil, lease condensate, natural gas liquids, and oil sands in early 2023. There are six existing refineries in Mexico with a combined capacity of 1.56 million barrels per day. There are about two upcoming refinery projects in Mexico with a cumulative capacity of 20.1 MMTPA by 2030.



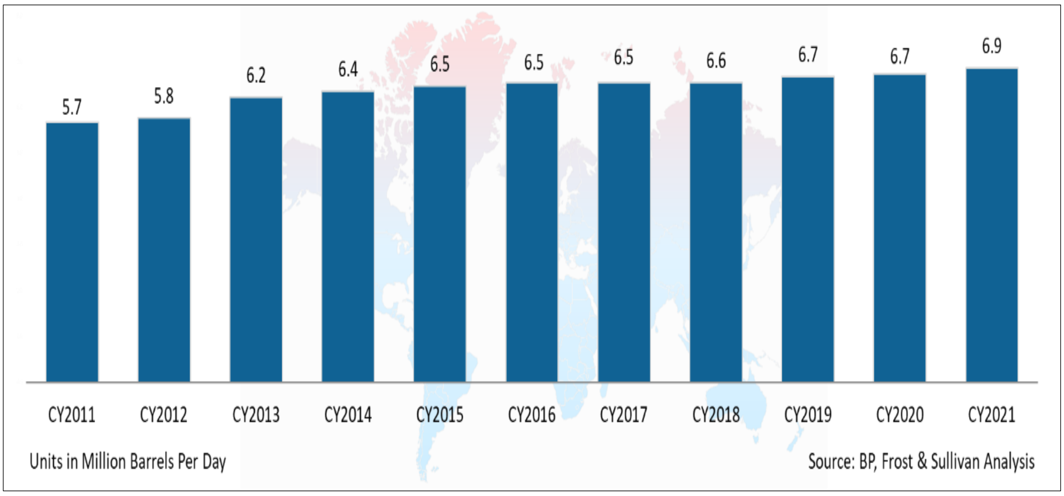
Note: Refinery Installed Capacity, Mexico, calendar year 2011 – calendar year 2021

Canada (Americas): Canada ranked fourth in calendar year 2021 among energy producers of petroleum and total liquids in the world. Canada is a net exporter of most energy commodities and is a significant producer of natural gas, hydroelectricity, and crude oil and other liquids. The current installed refining capacity in Canada is at 1.95 million barrels per day in calendar year 2021. There are about four upcoming refinery projects in Canada with a cumulative capacity of 34.3 MMTPA by calendar year 2030.



Note: Refinery Installed Capacity, Canada, calendar year 2011 – calendar year 2021

Russia (CIS): Russia has the third largest refinery capacity worldwide, after the United States and China. As per Rystad Energy, at present, Russia has 44 active refineries with a capacity of 6.9 million barrels per day. As per BP statistical review, between calendar year 2011 and calendar year 2021, the daily refinery capacity across the country grew by nearly 1.2 million barrels. Rosneft, Lukoil and Gazprom are the top three refiners in the country. Most of the Russian refineries are mid-sized to small refineries with capacity less than 200,000 barrels per day. The largest refineries in the country are Omsk Refinery (Gazprom, 362,000 bpd), Kirishi Refinery (Surgutneftegas, 346,000 bpd), Ryazan Refinery (Rosneft, 295,000 bpd), Norsi-Oil (Lukoil, 293,000 bpd), Yaroslavl Refinery (Slavneft, 271,000 bpd), and Volgograd Refinery (Lukoil, 250,000 bpd).



Note: Refinery Installed Capacity, Russia, calendar year 2011 – calendar year 2021

Russian refineries are operating under capacity and are unlikely to recover in the short term, as approximately 0.9 million barrels per day of refining capacity is currently not being used. This is due to a range of factors including demand impacts from the Russia-Ukraine conflict, transportation bottlenecks, planned maintenance and/or scheduled turnarounds. There are a total of 53 refineries expected to be commissioned in the 21 countries of interest by calendar year 2030. Cumulative capacity of these 53 refineries is 9.15 million barrels per day or 460.7 MMTPA. Countries of interest are South Korea, Malaysia, Thailand, Indonesia, Philippines, Singapore, Vietnam, Iran, Iraq, Qatar, Nigeria, Algeria, Angola, Mexico, Canada, Uzbekistan, Kazakhstan, Saudi Arabia, Oman, Egypt, and Gabon.

Name of the Refinery	Country	Installed Capacity BPD	Installed Capacity MMTPA	Commissioning Year
Shaheen project in Ulsan (Integrated Refinery)	South Korea	63,530	3.2	CY2026
South Korea Total		**63,530**	**3.2**	
Thailoil refinery in Sriracha	Thailand	125,000	6.3	CY2023
Thailand Total		**125,000**	**6.3**	
Balikpapan refinery upgradation	Indonesia	100,000	5.0	CY2024
Cilacap Refinery Upgradation	Indonesia	52,000	2.6	CY2026
Indonesia Total		**152,000**	**7.7**	
Manila Refinery	Philippines	400,000	20.1	CY2027
Philippines Total		**400,000**	**20.1**	
Dung Quat refinery (upgrade)	Vietnam	22,000	1.1	CY2025
Vietnam Total		**22,000**	**1.1**	
Kermanshah refinery unit	Iran	50,000	2.5	CY2025
Persian Gulf's Qeshm island	Iran	70,000	3.5	CY2025
Lavan in the Persian Gulf	Iran	150,000	7.6	CY2026
Bandar Abbas (Shahid Qassem Soleimani petrorefinery)	Iran	300,000	15.1	CY2027
Morvarid Makran Refinery	Iran	300,000	15.1	CY2027
Star refinery	Iran	300,000	15.1	CY2027
Anahita Refinery	Iran	150,000	7.6	CY2030
Iran Total		**1,410,000**	**71.0**	
Kerbala Refinery	Iraq	140,000	7.1	CY2023
Upgradation of Haditha refinery	Iraq	20,000	1.0	CY2024
Baiji complex, Rehab	Iraq	210,000	10.6	CY2025
Upgrade Qayyarah refinery	Iraq	70,000	3.5	CY2025
Zubair oil field (new plant)	Iraq	300,000	15.1	CY2025
Refinery in the Dhi Qar province	Iraq	100,000	5.0	CY2026
Southern Iraqi town of Nassiriya	Iraq	150,000	7.6	CY2027
Southeastern Maysan Governorate	Iraq	50,000	2.5	CY2028
Nineveh Governorate	Iraq	70,000	3.5	CY2028
Southern Basra city	Iraq	30,000	1.5	CY2028
Southern Dhi Qar Governorate	Iraq	50,000	2.5	CY2028
Unit in Wasit in East Iraq	Iraq	100,000	5.0	CY2028
Unit in Muthanna in South Iraq	Iraq	70,000	3.5	CY2028
Western Alanbar Governorate	Iraq	70,000	3.5	CY2028
Iraq Total		**1,430,000**	**72.0**	
Fergana Refinery Modernisation	Uzbekistan	109,000	5.5	CY2023
Karaoul Bazar - BOR's condensate refinery	Uzbekistan	50,000	2.5	CY2025
Uzbekistan Total		**159,000**	**8.0**	
Cabinda Refinery	Angola	60,000	3.0	CY2024
Soyo	Angola	100,000	5.0	CY2024
Lobito Refinery	Angola	200,000	10.1	CY2025
Angola Total		**360,000**	**18.1**	
Hassi Messaoud III refinery	Algeria	112,000	5.6	CY2024
Tiaret Refinery	Algeria	100,000	5.0	CY2030
Algeria Total		**212,000**	**10.7**	
Petroleum Hub	Ghana	900,000	45.3	CY2030
Ghana Total		**900,000**	**45.3**	
Assuit oil refinery upgrade	Egypt	56,000	2.8	CY2023
Egypt Total		**56,000**	**2.8**	
Sogara Upgrade	Gabon	19,000	1.0	CY2025
Gabon Total		**19,000**	**1.0**	
Olmeca Refinery	Mexico	340,000	17.1	CY2023
Soto La Marina	Mexico	60,000	3.0	CY2027
Mexico Total		**400,000**	**20.1**	
Heartland Refinery	Canada	188,000	9.5	CY2025
Edmonton Refinery II	Canada	167,000	8.4	CY2025
Dubose Refinery	Canada	200,000	10.1	CY2028
Kitimat Refinery	Canada	125,000	6.3	CY2030
Canada Total		**680,000**	**34.3**	

Atyrau refinery	Kazakhstan	119,000	6.0	CY2023
Shymkent oil refinery	Kazakhstan	238,000	12.0	CY2029
Kazakhstan Total		**357,000**	**18.0**	
Saudi Aramco and SABIC Yanbu	Saudi Arabia	400,000	20.1	CY2025
Jubail Refinery Project	Saudi Arabia	400,000	20.1	CY2027
Saudi Arabia Total		**800,000**	**40.3**	
Duqm CBH	Oman	300,000	15.1	CY2023
Oman Total		**300,000**	**15.1**	
Dangote Refinery	Nigeria	650,000	32.7	CY2023
Waltersmith Refinery	Nigeria	50,000	2.5	CY2025
BUA Refinery	Nigeria	200,000	10.1	CY2026
Tongeji Island Refinery	Nigeria	400,000	20.1	CY2028
Nigeria Total		**1,300,000**	**65.5**	
Ilsky Refinery Expansion	Russia	170,000	1.5	CY2023
Novoshakhtinsky Refinery Expansion	Russia	240,000	1.8	CY2024
Yanos Refinery Upgrade	Russia	99,000	3.4	CY2024
Moscow Refinery Expansion	Russia	90,000	4.4	CY2025
Afipsky Refinery Upgrade	Russia	87,000	1.6	CY2026
Komsomolsk Refinery Exapnsion	Russia	32,000	3.7	CY2026
Perm Refinery Exapnsion	Russia	44,000	1.8	CY2026
Khabarovsk Refinery Phase 2	Russia	72,000	5.0	CY2027
Ryazan refinery Expansion	Russia	36,000	2.2	CY2027
Sakhalin Refinery	Russia	36,000	4.5	CY2028
Omsk Refinery Expansion	Russia	30,000	8.4	CY2028
Refinery as part of VNHK Complex	Russia	67,500	12.0	CY2029
Russia Total		**1,003,500**	**50.3**	
Countries of Interest - Total		**10,149,030**	**510.9**	

Source: Country ministry websites, ministry presentations, EIA, www.offshore-technology.com, www.spglobal.com, Reuters, Frost & Sullivan analysis
Note: List of upcoming refineries, Global, calendar year 2023-calendar year 2030

Heating equipment

Demand potential for heating equipment

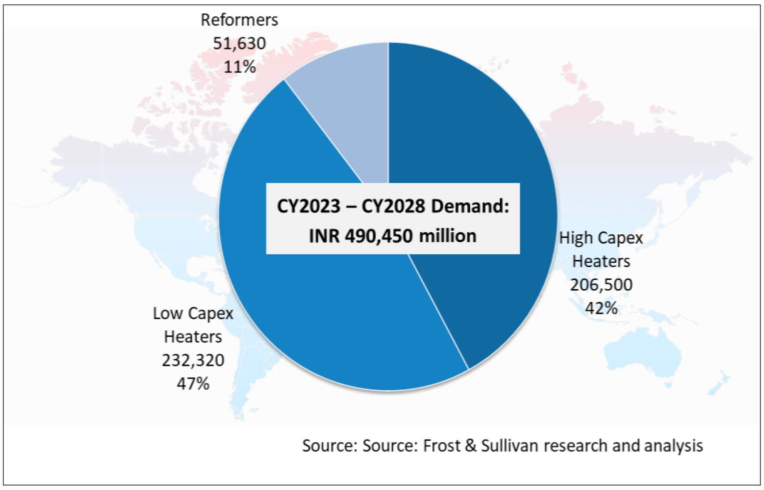
Only the refinery segment has been considered for estimating demand for heating equipment from the 22 countries of interest namely, South Korea, Malaysia, Thailand, Indonesia, Philippines, Singapore, Vietnam, Iran, Iraq, Qatar, Saudi Arabia, Oman, Egypt, Nigeria, Algeria, Angola, Gabon, Kazakhstan, Uzbekistan, Mexico, Canada, Russia. Methodology for estimating the demand potential has already been explained in the heating equipment section of the chapter 4 of this report.

- 52 refinery projects are likely to be commissioned between calendar year 2025 and calendar year 2030. Total installed capacity of these projects are 510.9 with an estimated capex of USD 186 Bn / ₹ 14,900,000 million (1 USD = ₹ 80)

- Considering a 2-year lag between equipment ordering and project commissioning, these projects will generate demand for heating equipment between calendar year 2023 and calendar year 2028.

- Heating equipment account for 3.3% of the total capex of a refinery project.
- Hence, demand for heating equipment from the refineries in the countries of interest between calendar year 2023 and calendar year 2028 would be ₹ 490,450 million i.e., approx. ₹ 81,750 million on annualized basis.

- This potential is based on the projects announced till date and may go up if more projects are announced in the coming years.



Note: Demand for heating equipment from refineries, Global, calendar year 2023 – calendar year 2028

Brief competitive landscape

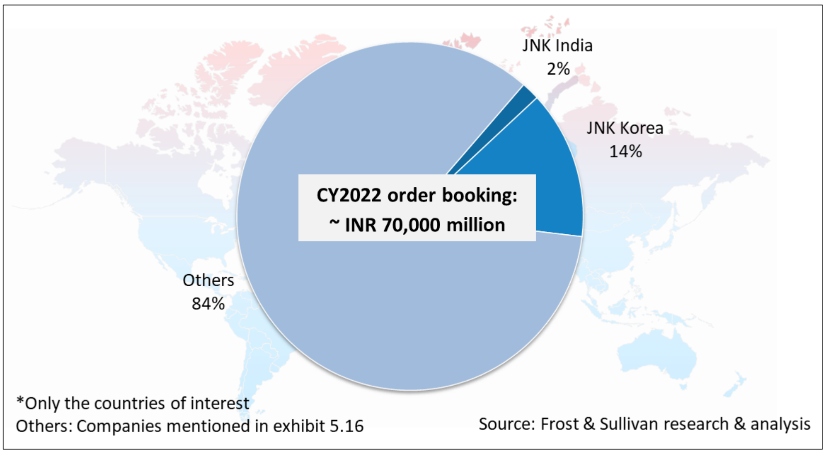
Globally, heating equipment is a closely competed market. There are approx. 12-13 companies which manufacture process fired heaters, reformers, and cracking furnaces. The major global companies are Furnace Engineering Inc., Furnace Improvement Services ("**FIS**"), JNK Heaters, Heurtey Petrochem Solutions, ITT S.p.A, Tecnicas Reunidas ("**TR**"), Unit Birwelco, Boustead International Heaters, and Born Inc. Other than that, there are a few Indian companies (already mentioned in the previous chapter) which also caters to some global demand. JNK Heaters, is the only industrial-use process fired heater producer in Korea and is ranked amongst the top three industrial use process fired heater producer globally.

S. No.	Company Name	Origin	Process Fired Heaters	Reformers	Cracking Furnace
1	JNK Korea	South Korea	✓	✓	✓
2	Furnace Engineering Inc.	Japan	✓	✓	✓
3	Furnace Improvement Services (FIS)	USA	✓	✓	✓
4	Heurtey Petrochem Solutions	France	✓	✓	✓
5	ITT S.p.A	Italy	✓	✓	✓
6	Tecnicas Reunidas (TR)	Spain	✓	✓	
7	Unit Birwelco	UK	✓		
8	Boustead International Heaters	UK	✓		
9	Born Heaters Inc.	USA	✓		

Note: Competition mapping, Global, calendar year 2023, Source: F&S Report

Market size and market share analysis

Based on discussion held with few of the leading global suppliers, approximately ₹ 70,000 million of heating equipment have been ordered by the refineries from the countries of interest in calendar year 2022. There is a boost in the order booking as the oil prices softened in the last two years post pandemic. Some of the large refineries that issued orders during this period are Dangote Refinery (Nigeria) – 32.7 MMTPA, Olmeca Refinery (Mexico) – 17.1 MMTPA. JNK Heaters has installed its process fired heaters for its customer in Lagos, Nigeria, where one of the biggest refineries in the world (Dangote Refinery) is operated, having a capacity of 32.7 MMTPA. JNK Heaters is engaged in the design, manufacturing, installation, and maintenance of Fired Heaters and ranks amongst top three industrial use fired heater producer globally. The Company distributes its products within domestic market and to overseas markets. Based on the order booking in calendar year 2022, JNK India and JNK Heaters has 2% and 14% market share globally.

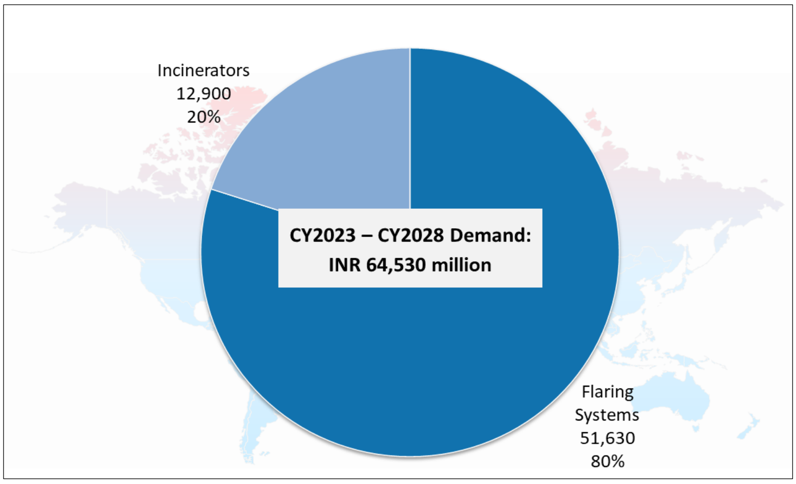


Note: Market share (new orders) of heating equipment suppliers, Global, calendar year 2022*
Source: F & S Report

Waste Gas Handling Systems

Demand potential for waste gas handling systems

- 52 refinery projects are likely to be commissioned between calendar year 2025 and calendar year 2030. Total installed capacity of these projects are 510.9 with an estimated capex of USD 186 Bn / ₹ 14,900,000 million (1 USD = ₹ 80)
- Considering a 2-year lag between equipment ordering and project commissioning, these projects will generate demand for heating equipment between calendar year 2023 and calendar year 2028.
- Waste gas handling systems account for 0.4% of the total capex of a refinery project.
- Hence, demand for waste gas handling systems from the refineries in the countries of interest between calendar year 2023 and calendar year 2028 would be ₹ 64,530 million i.e., approx. ₹ 10,750 million on annualized basis.
- This potential is based on the projects announced till date and may go up if more projects are announced in the coming years.



Note: Demand for waste gas handling systems from refineries, Global, calendar year 2023 – calendar year 2028
Source: F&S Report

OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "**Forward-Looking Statements**" beginning on page 18 for a discussion of the risks and uncertainties related to those statements and also the section on titled "**Risk Factors**", "**Industry Overview**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and "**Financial Information**" beginning on pages 28, 111, 285 and 221, respectively, for a discussion of certain risks that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*Unless otherwise indicated or the context otherwise requires, the financial information as of and for Fiscals 2023, 2022 and 2021, included herein is derived from the Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus. For further information, see '**Financial Information**' on page 221. Our financial year ends on March 31 of each year, and references to a particular year are to the 12 months ended March 31 of that year.*

*Our Company's order book as of a particular date is calculated based on the aggregate contract value of our on-going projects as of such date reduced by the value of work executed by us until such date, subject to certain adjustments including foreign exchange fluctuations and other contractual terms ("**Order Book**").*

*Our Company caters to the companies which own and operate oil and gas refineries, petrochemical complexes, fertilizer plants or other chemical plants i.e., asset owners / manufacturers ("**End Customers**"). Our Company also caters to the companies contracted with such asset owners / manufacturers for engineering, procurement and construction of either full or part of their oil and gas refineries, petrochemical complex, fertilizer plants or other chemical plants ("**Contracting Customers**", and together with End Customers, the "**Customers**"). Unless otherwise indicated, any reference made in this section to Customers includes both End Customers and Contracting Customers.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Opportunities In Heating Equipment, Waste Gas Handling/Emission, Control Systems, And Renewable Energy Systems" dated August 14, 2023, (the "**F&S Report**"), prepared and issued by Frost & Sullivan (India) Private Limited ("**Frost and Sullivan**"), which was exclusively commissioned and paid for by our Company for the Offer, and was prepared and released by Frost and Sullivan, who were appointed by us pursuant to the proposal dated February 28, 2023 and the engagement letter dated March 2, 2023. The data included herein includes excerpts from the F&S Report which may have been re-arranged by us for the purposes of presentation. The F&S Report forms part of the material contracts for inspection and is accessible on the website of our Company at www.jnkindia.com/industry-report.html. The F&S Report does not omit any material facts, information, or relevant details that may have an adverse impact on the investors. Frost and Sullivan are an independent service provider and are not related to our Company or its Directors, Promoters, Subsidiaries, Key Managerial Personnel or Senior Management, whether directly or indirectly in any manner. For details, see "**Certain Conventions, Presentation of Financial Information, Industry and Market Data – Industry and Market Data**" beginning on page 16.*

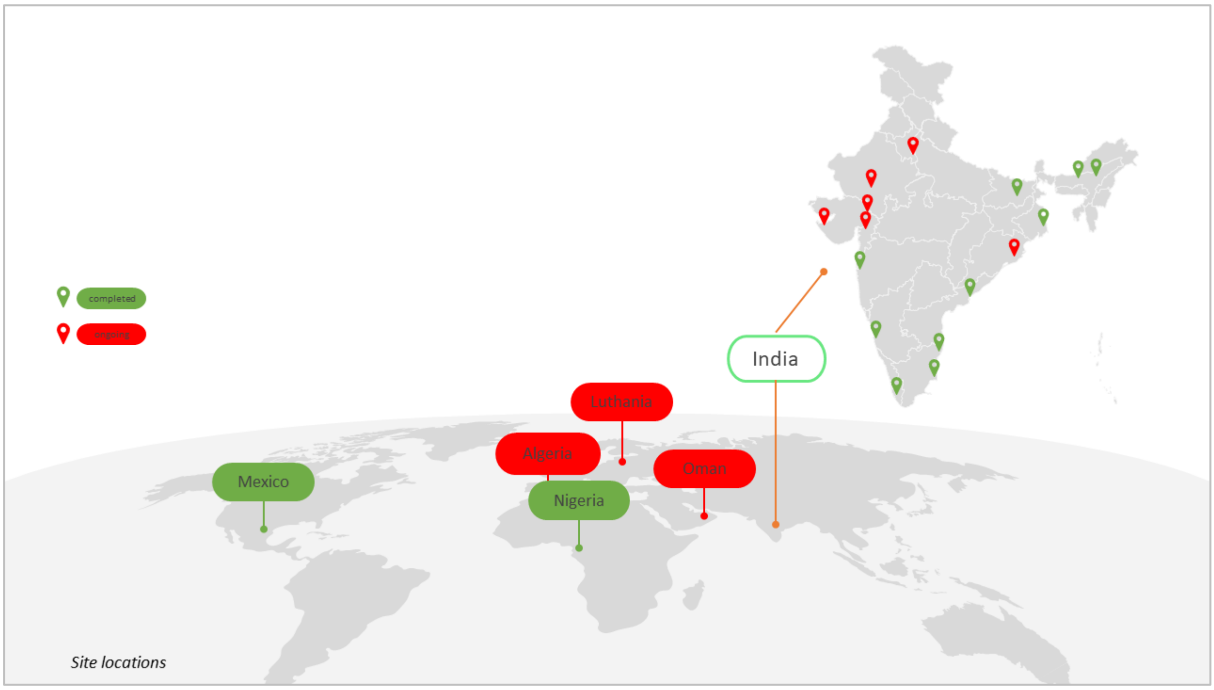
*In this section, unless the context otherwise indicates, references to "we", "us", "our" and similar terms are to our Company together with its Subsidiaries. For further information relating to various defined terms in the section, please see "**Definitions and Abbreviations**" on page 1.*

OVERVIEW

We are one of the leading Heating Equipment companies in India in terms of new order booking between Fiscal 2021 to Fiscal 2023 and have capabilities in thermal designing, engineering, manufacturing, supplying, installing and commissioning process fired heaters, reformers and cracking furnaces. *(Source: F&S Report)* We are one of the well-recognized process fired heater companies in India, having a market share of approximately 27% in the Indian Heating Equipment market, in terms of new order booking in Fiscal 2023. (*Source: F&S Report)*

A process fired heater is a type of industrial heater used to heat fluids or gases directly by burning a fuel source such as natural gas or propane. Reformers are devices used to convert hydrocarbons, such as natural gas or naphtha, into synthesis gas or syngas, which is a mixture of hydrogen and carbon monoxide. Further, cracking furnaces are used to break down large hydrocarbon molecules into smaller ones, which can then be used to produce a variety of products, including fuels, chemicals, and plastics. The process of breaking down hydrocarbons is known as cracking, and it typically involves heating the hydrocarbon feedstock in the presence of a catalyst. *(Source: F&S Report)* The process fired heaters, reformers and cracking furnaces (together, the "**Heating Equipment**") are required in process industries such as oil and gas refineries, petrochemicals, fertilizers, hydrogen and methanol plants etc.

In India, we have completed projects in, amongst others, Andhra Pradesh, Assam, Bihar, Karnataka, Kerala, Maharashtra, Tamil Nadu, West Bengal and globally have completed projects in Nigeria and Mexico. Further, we have ongoing projects in Gujarat, Odisha, Haryana, Rajasthan in India and globally in Oman, Algeria, and Lithuania. Further, we have successfully completed projects which were based in far-reaching locations, which included our projects in India at Numaligarh, Assam; Kochi, Kerala; Barauni, Bihar; and overseas at Lagos, Nigeria. In recognition of our efforts, we have been accorded incentives by our Customers for early completion of projects in India and overseas. Further, in March 2022, we were recognised for our safety compliance by one of the private refinery companies of a multinational industrial conglomerate from Nigeria and were awarded a certificate of appreciation towards '*Safety Compliance and Campaign Performance*'. Also, in November 2022, we were awarded a certificate of appreciation by the same refinery company, for providing four million safe manhours without a lost time incident and recognising our effective contribution towards installation of process fired heaters.



Map not to scale

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Our business model involves collaboration with our Customers, from the initial consultation, specification and design stage to the final installation of the Heating Equipment. We believe, that due to our long standing relationship with our Customers and our capability to provide customized solutions with a proven track record in product development and execution catering to the diverse needs of our Customers, we have a competitive advantage, since there are very few competitors with similar capabilities (*Source: F&S Report*). As of March 31, 2023, we have served 17 Customers in India and seven Customers overseas. Further, seven out of the 12 oil refining companies in India, are our Customers and we have supplied or are in the process of supplying Heating Equipment to 11 of the 24 operating oil refineries across India. *(Source: F&S Report)* Some of our domestic Customers include Indian Oil Corporation Limited, Tata Projects Limited, Rashtriya Chemicals & Fertilizers Limited and Numaligarh Refinery Limited. Further we have catered to overseas Customers such as a leading engineering, procurement and construction ("**EPC**") company in Europe, a leading oil & gas exploration & production company in Oman and a middle east arm of European EPC company in oil and gas. Also we have enjoyed repeat orders from certain large domestic Customers such as Rashtriya Chemical & Fertilizers Limited, Tata Projects Limited, Numaligarh Refinery Limited and Indian Oil Corporation Limited. Likewise, we have executed 17 projects for JNK Heaters catering to their Customers in the overseas markets. JNK Heaters has also installed process fired heaters for its customer in Lagos, Nigeria, where one of the biggest refineries in the world (Dangote Refinery) is operated, having a capacity of 32.7 million metric tonnes per annum. *(Source: F&S Report)*

Since our inception, we have been working closely with JNK Heaters a KOSDAQ listed company. The relationship between our Company and JNK Heaters is both independent and collaborative in nature. While for certain projects our Company is able to participate independently and acquire projects in Heating Equipment, for certain projects we partner as a global joint engineering and implementing partner for JNK Heaters. JNK Heaters is also one of the Corporate Promoters of our Company with a shareholding of 25.79% as of the date of this Draft Red Herring Prospectus. Further, to strengthen our commercial understanding, we have entered into a Co-operation Agreement with JNK Heaters, which governs our relationship in relation to, amongst others, marketing and geography of operations. For further details, please see "***History and Certain Corporate Matters – Summary of key agreements and shareholders' agreements – Key terms of other subsisting material agreements***" on page 193.

Heating equipment such as process fired heaters and reformers are used in a typical refinery and are also an effective and efficient heating solution for a wide range of industrial applications, but proper design, installation, and operation are critical to ensure safe and reliable performance. *(Source: F&S Report)* Process fired heaters are the critical equipment in a refinery. Around 10 – 20 process fired heaters are used in any typical refinery. Of all the process fired heaters, four applications such as the crude distillation unit ("**CDU**"), vacuum distillation unit ("**VDU**"), delayed coker unit and catalytic reforming units are the most critical and the capex for these heaters is also high when compared with the other heater application areas in the refinery. Other applications for process fired heaters are hydrotreaters, hydrocrackers, fluid catalytic cracker ("**FCC**"), etc. *(Source: F&S Report)*. Key processes where process fired heaters are used in a refinery are CDU, VDU, fluid catalytic cracker unit ("**FCCU**"), hydrocracker unit, visbreaker unit, delayed coker unit, catalytic reforming unit, hydrotreating unit and bitumen blowing unit. *(Source: F&S Report)* Further, various Heating Equipment such as process fired heaters, reformers and cracking furnaces are used in a petrochemical plant as well. Reformers and cracking furnaces are the most critical equipment in a petrochemical plant *(Source: F&S Report)* Process fired heaters and reformers are also used primarily in the ammonia plant of an integrated urea plant. Reformers are the most critical equipment in an ammonia plant. Reformers are used in ammonia production, which is later converted into urea. *(Source: F&S Report)*

Considering that we are manufacturing process fired heaters for oil and gas refineries and petrochemical industries already, in order to cater to the increased demand for flares and incinerators systems both in domestic as well as overseas market due to emission control norms getting stricter, we have diversified into flares and incinerators systems as well. Flare systems are important safety devices used in refinery and petrochemical facilities to burn excess hydrocarbon gases which cannot be removed or recycled. Flare system is a gas combustion device used in industrial plants such as petroleum refineries, chemical plants, natural gas processing plants, at oil or gas production sites with oil wells, gas wells, offshore oil and gas rigs, and landfills. Flare systems provide for the safe disposal of gaseous wastes. Flaring of gasses is intermittent in nature and is required whenever there is excess pressure in the system. (*Source: F&S Report*) Further, all sulphur recovery units ("**SRUs**") have thermal incinerators to treat the tail gas effluent from the SRUs prior to emitting the waste gas to the atmosphere. (*Source: F&S Report*) While flaring systems are used across refinery, petrochemical and fertilizer plants, incinerators are primarily used in the refinery in the SRU for tail gas incineration. (*Source: F&S Report*).

Further, in pursuit of our inorganic initiatives we keep evaluating opportunities in acquiring technology and know-how with an aim to enhance our presence in newer product categories and deepen our penetration in the target markets. We intend to expand our Customer network in some of the overseas markets including Europe for us to capitalise on the untapped opportunities. We propose to continue to pursue inorganic growth opportunities in relatively larger markets such as Italy, Middle East and Africa. Further, our Company is also evaluating tie-ups / arrangements with players having technology know-how in areas such as flares and incinerators systems and electrolyser technology for hydrogen generation.

We are also working on building capabilities in renewable sector with green hydrogen. We are building capabilities in renewable sector with onsite hydrogen production, hydrogen fuel stations and solar photovoltaic – EPC ("**Solar PV-EPC**") which forms part of green hydrogen value chain.

All of our products are fabricated as per the Customer's requirements in accordance with applicable standards. Fabrication is undertaken in our in-house fabrication facilities and/or through third party fabricators. One of our premises is situated at multi-product special economic zone at Mundra, Gujarat, where fabrication is undertaken for export purposes only. It spreads over approximately 20,243 square meters with an installed capacity of 5,000 metric tonnes of fabrication and modularization per annum. Further, on situational basis and based on the requirement of our projects, we take certain facilities on lease basis and once the project is completed the facility is shut down and all the equipment and machinery is shifted to other facilities for other projects. This ensures project optimisation while providing us with logistical efficiency. One such facility is situated at Jajpur, Odisha, where fabrication is undertaken for one of our Customer's refinery. It is spread, over approximately 16,187 square meters with a capacity of 1,000 metric tonnes of fabrication and modularization per annum.

We are an ISO 9001:2015, 14001:2015, 45001:2018 certified Company led by a qualified and experienced management team. Our Promoters and Directors, Arvind Kamath, Goutam Rampelli, Dipak Kacharulal Bharuka and our Director Bang Hee Kim have an extensive experience in the Heating Equipment industry and have been instrumental in the evolution of our business. Our Promoters are supported by an experienced management team comprising Deepak Sake (Vice President – Engineering), Mohsin Shaikh (Assistant Vice President, Projects) and

Vallathur Ravikumar Mudali (General Manager, Procurement Department) with a cumulative experience of over 38 years in the development and execution of projects in Heating Equipment industry.

Key Performance Indicators

For Fiscals 2021 to 2023, our revenue from operations, EBITDA and profit after tax had grown at a CAGR of 71.97%, 68.09% and 67.75%, respectively, demonstrating growth in our financial performance in recent years. The following table sets forth certain of our financial and revenue related metrics as of and for the years/periods indicated:

(₹ million unless specified otherwise)

Serial No	Particulars	Fiscal		
		2023	2022	2021
	Financial related KPIs			
1	Revenue from operations (in ₹ million)	4,073.02	2,963.96	1,377.21
2	EBITDA (in ₹ million)	735.05	545.77	260.15
3	PAT (in ₹ million)	463.62	359.83	164.76
4	EBITDA Margin (in %)	18.05%	18.41%	18.89%
5	PAT Margin (in %)	11.38%	12.14%	11.96%
6	RoCE (in %)	57.17%	83.25%	71.90%
7	RoE (in %)	47.71%	66.03%	56.96%
	Revenue related KPIs			
1	Order Book (in ₹ million)	8,682.70	5,434.57	1,435.76

For additional details on our financial performance, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on page 285.

OUR STRENGTHS

1. Market leader of process fired heaters in India with established track record

We are one of the leading Heating Equipment companies in India in terms of new order booking between Fiscal 2021 to Fiscal 2023 and have capabilities in thermal designing, engineering, manufacturing, supplying, installing and commissioning process fired heaters, reformers and cracking furnaces. *(Source: F&S Report)* We are one of the well-recognized process fired heater companies in India, having a market share of approximately 27% in the Indian Heating Equipment market, in terms of new order booking in Fiscal 2023. (*Source: F&S Report)* We commenced operations in 2010 and have a successful project completion track record of over 10 years.

We have successfully completed projects which were based in far-reaching locations, which included our projects in India at Numaligarh, Assam; Kochi, Kerala; Barauni, Bihar; and overseas at Lagos, Nigeria. In recognition of our efforts, we have been accorded incentives by our Customers for early completion of projects in India and overseas. Further, in March 2022, we were recognised for our safety compliance by one of the private refinery companies of a multinational industrial conglomerate from Nigeria and were awarded a certificate of appreciation towards '*Safety Compliance and Campaign Performance'*. Also, in November 2022, we were awarded a certificate of appreciation by the same refinery company, for providing four million safe manhours without a lost time incident and recognising our effective contribution towards installation of process fired heaters. As of March 31, 2023, we have served 17 Customers in India and seven Customer overseas. Further, seven out of the 12 oil refining companies in India, are our Customers and we have supplied or are in the process of supplying Heating Equipment to 11 of the 24 operating oil refineries across India. *(Source: F&S Report).*

Some of our domestic Customers include Indian Oil Corporation Limited, Tata Projects Limited, Rashtriya Chemicals & Fertilizers Limited and Numaligarh Refinery Limited. Further we have catered to overseas Customers such as a leading oil & gas exploration & production company in Oman and a middle east arm of European EPC company in oil and gas. Also we have enjoyed repeat orders from certain large domestic Customers such as Rashtriya Chemical & Fertilizers Limited, Tata Projects Limited, Numaligarh Refinery Limited and Indian Oil Corporation Limited.

We believe we have built a diverse Customer base with over more than a decade of our presence in the Heating Equipment industry. We focus on assisting Customers to meet their requirements across the spectrum of their engagement with us, including in terms of cost, productivity, product reliability and on-time execution. Due to our long-standing experience with our Customers and our capability to provide customized solutions with a proven track record in product development and execution catering to the diverse needs of our Customer base, it gives us a competitive advantage, since there are very few competitors with similar capabilities (*Source: F&S Report*).

2. Well-positioned to capture industry tailwinds through our demonstrated capabilities over time.

Growing demand for transportation fuels and petrochemical feedstock are the primary growth enablers of the Indian refinery industry. There are 18 refinery projects expected to be commissioned by Fiscal 2031 with a cumulative capacity of 124.0 MMTPA *(Source: F&S Report)*. Further, with the progressive GDP growth, the petrochemical products demand is expected to grow significantly over medium to long-term. Driven by increased domestic consumption and global demand, the Indian petrochemical sector has invested in capacity additions to benefit from the market opportunities. There are 15 petrochemical projects expected to be commissioned by Fiscal 2031 with a cumulative capacity of 23.0 MMTPA. *(Source: F&S Report)*. Similarly, given that urea is the major fertilizer used in India and accounts for about 60% of the total fertilizer consumption in India. Local production of urea is not able to meet the domestic demand and about 30% of the demand is met through imports. India is planning capacity additions in the segment to reduce its import dependency and has a target to become self-reliant by calendar year 2025. There are about four urea projects expected to be commissioned by Fiscal 2026 *(Source: F&S Report)*. Thus, the overall demand for Heating Equipment from Indian refineries, petrochemicals and fertilizer (urea) segments between Fiscal 2024 and Fiscal 2029 is estimated at ₹ 270,890 million i.e., approximately ₹ 45,000 million on annualized basis. Of this, 61% of this demand would come from petrochemicals followed by 37% from refineries and 2% from fertilizers (urea). Further, 46% of this demand would come from cracking furnaces followed by 24% from low capex process fired heaters, 16% from high capex process fired heaters, and 14% from reformers. This potential is based on the projects announced till date and may go up if more projects commissioned during the forecast period *(Source: F&S Report)*.

Similarly, there has been a rise in the global oil and gas refinery and petrochemical capacities thereby by driving the growth in the global process fired heaters market *(Source: F&S Report)*. Further, in the overseas market where we operate, there are 52 refinery projects that are likely to be commissioned between calendar year 2025 and calendar year 2030, with an installed capacity of these projects being 510.9 MMTPA and an estimated capital expenditure of USD $ 186 billion. Further, considering a two-year lag between equipment ordering and project commissioning, these projects will generate demand for Heating Equipment between calendar year 2023 and calendar year 2028. The Heating Equipment account for 3.3% of the total capital expenditure of a refinery project, hence, demand for Heating Equipment from the refineries in between calendar year 2023 and calendar year 2028 would be ₹490,450 million which is approximately ₹81,750 million on annualized basis. This potential is based on the projects announced till date and may go up if more projects are announced in the coming years. *(Source: F&S Report)*

We plan to leverage our knowledge of the industry, and engineering capabilities, and through our extensive experience, established product portfolio and proven track record, we believe we are well positioned to capitalise on the upcoming demand of Heating Equipment.

The process fired heaters market has high barriers to entry and there are only a handful of suppliers, despite surge in demand. *(Source: F&S Report)* The process fired heaters market has high entry barriers as the engineering of industrial process fired heaters requires a complex understanding of various oil products *(Source: F&S Report)*. If the operation of a process fired heater is interrupted even for one day, users could incur significant losses, which is why suppliers undergo a thorough selection process. Since energy efficiency is one of the key aspects of any refinery, petrochemical and fertilizers plant and is determined by the efficiency of the process fired heaters, the process fired heaters become a critical aspect for Customers and hence selection of suppliers for process fired heater requires strong credentials and references. Besides, there are certain regulatory standards to be mandatorily adhered to in the industry. Therefore, there are limited number of suppliers who can supply these critical equipment. *(Source: F&S Report)* Our capabilities in thermal designing, engineering, manufacturing, supplying, installing and commissioning process fired heaters, reformers and cracking furnaces to companies forming part of some highly regulated industries, acts as a significant entry barrier to new entrants *(Source: F&S Report)*. Our Customers are primarily from the oil and gas, petrochemical and fertilizers industries, which typically follow an extremely stringent selection criteria for supplies of such Heating Equipment. For details of the revenue from operations generated by each of the key industries we cater to, please see "***– Our Products Portfolio***" on page 165 below.

We have provided efficient solutions to our Customers and have been selected by our Customers repeatedly. We have stringent quality systems in place to ensure that the equipment supplied by us and/or services provided to Customers meet or exceed the contractual and regulatory requirements. We have a team of experienced engineers and technicians who work closely with our Customers to understand their specific needs and provide solutions that meet or exceed their expectations. We have an extensive workforce consisting of 69 employees in the engineering department. We also provide installation services to our Customers to ensure that their products are installed correctly and function effectively. Further, since our inception we have been working closely with JNK Heaters. JNK Heaters is involved in the design, manufacturing, installation of process fired heaters. JNK Heaters is the only industrial-use process fired heater producer in Korea and is ranked amongst the top three industrial use process fired heater producers globally. *(Source: F&S Report)*. Rise in global oil and gas refinery and petrochemical capacities are the key factors driving the growth in the global process fired heaters market. (*Source: F&S Report*) We are able to leverage JNK Heaters' global position, to bid for larger projects in collaboration with JNK Heaters.

3. Diversifying product portfolio to cater to varied industries

Our Heating Equipment are required in process industries such as oil and gas refineries, petrochemicals, fertilizers, hydrogen and methanol plants etc. Our Company receives orders from domestic and overseas oil and gas refining, petrochemical and fertilizers companies. Our diversified Customer base has helped us in expanding our markets and improve profitability. Our Customers are primarily from, amongst others, the oil and gas, petrochemical and fertilizers industries. Set out in the table below is the revenue from operations for Fiscals 2023, 2022 and 2021 generated by the key industries we cater to:

Industry	Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations
Oil and gas	3,146.51	77.25%	2,828.72	95.44%	1,278.89	92.86%
Petrochemical	658.72	16.17%	56.76	1.92%	37.40	2.72%
Fertilizers	8.32	0.20%	1.28	0.04%	50.07	3.64%
Others*	259.47	6.38%	77.20	2.60%	10.85	0.78%

* *includes other operating revenue*

Heating Equipment such as process fired heaters and reformers are used in a typical refinery and are also an effective and efficient heating solution for a wide range of industrial applications, but proper design, installation, and operation are critical to ensure safe and reliable performance. *(Source: F&S Report)* Process fired heaters are the critical equipment in a refinery. Around 10 – 20 process fired heaters are used in any typical refinery. Of all the process fired heaters, four applications such as the CDU, VDU, delayed coker unit and catalytic reforming units are the most critical and the capex for these heaters is also high when compared with the other heater application areas in the refinery. Other applications for process fired heaters are hydrotreaters, hydrocrackers, FCC, etc. *(Source: F&S Report)*. Key processes where process fired heaters are used in a refinery are CDU, VDU, FCCU, hydrocracker unit, visbreaker unit, delayed coker unit, catalytic reforming unit, hydrotreating unit and bitumen blowing unit. *(Source: F&S Report)* Further, various Heating Equipment such as process fired heaters, reformers and cracking furnaces are used in a petrochemical plant as well. Reformers and cracking furnaces are the most critical equipment in a petrochemical plant *(Source: F&S Report)* Process fired heaters and reformers are also used primarily in the ammonia plant of an integrated urea plant. Reformers are the most critical equipment in an ammonia plant. Reformers are used in ammonia production, which is later converted into urea. *(Source: F&S Report)*

We have recently diversified into waste gas handling systems which includes flares and incinerators systems as well. Flare system is a gas combustion device used in industrial plants such as petroleum refineries, chemical plants, natural gas processing plants, at oil or gas production sites with oil wells, gas wells, offshore oil and gas rigs, and landfills. Flare systems provide for the safe disposal of gaseous wastes. Flaring of gasses is intermittent in nature and is required whenever there is excess pressure in the system. (*Source: F&S Report*) While flaring systems are used across the segments of interest i.e., refinery, petrochemical and fertilizer plants, incinerators are primarily used in the refinery in the SRU for tail gas incineration. (*Source: F&S Report*) Globally, the demand for waste gas handling systems which includes flares and incinerators, from the refineries in the countries of interest between calendar year 2023 and calendar year 2028 would be ₹64,530 million which is approximately ₹10,750 million on an annualized basis. This potential is based on the projects announced till date and may go up if more projects are announced in the coming years. *(Source: F&S Report)* Further, overall demand for waste gas handling system from Indian refineries, petrochemicals and fertilizer (urea) segments between Fiscal 2024 and Fiscal 2029 is estimated at ₹21,540 million which is approximately ₹3,600 million on annualized basis. *(Source: F&S Report)*

Similarly, we started with renewable energy systems in Fiscal 2022. Indian renewable energy sector is the third most attractive renewable energy market in the world, which is a key part of the energy transition. India's installed cumulative solar energy capacity stood at approximately 66,780 MW at the end of Fiscal 2022, representing 53% of the overall installed renewable energy capacity of 125,160 MW in the country by the end of Fiscal 2023. Solar power installed capacity has increased by more than 25 times, from 2.63 GW in March 2014 to almost 67 GW at the end of Fiscal 2022. India has added nearly 13 GW of solar power in Fiscal 2023. Further, India is targeting an ambitious 500 GW of installed renewable energy capacity by calendar year 2030 of which about 300 GW (over 60%) is expected from solar. India has committed to generating 500 GW of power from non-fossil (e.g., solar, wind, hybrid power sources, hydrogen, biofuels, etc.) fuel sources by calendar year 2030, and reducing carbon emissions by one billion tons by the end of the decade. *(Source: F&S Report)*. We are building capabilities in renewable sector with onsite hydrogen production and Solar PV-EPC, in doing so we will also leverage the technical know-how of JNK Heaters to capitalize on future growth opportunities in renewable energy systems in India.

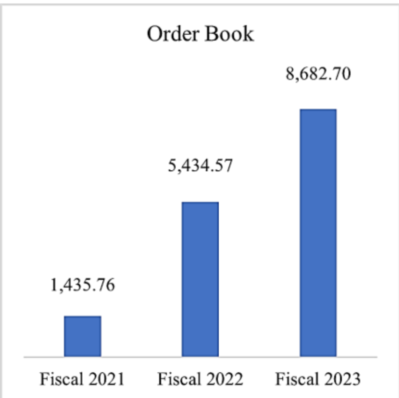
4. *Demonstrated financial performance with a robust Order Book reflecting revenue visibility*

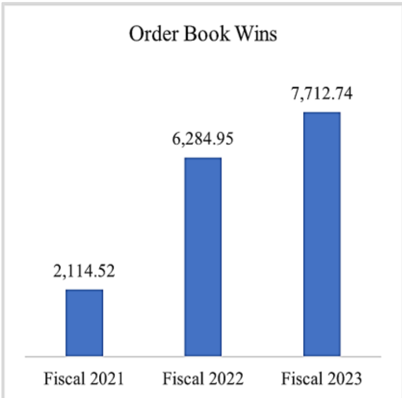
For Fiscals 2021 to 2023, our revenue from operations, EBITDA and profit after tax had grown at a CAGR of 71.97%, 68.09% and 67.75%, respectively, demonstrating growth in our financial performance in recent years. The table below sets forth certain financial information for the Fiscals stated:

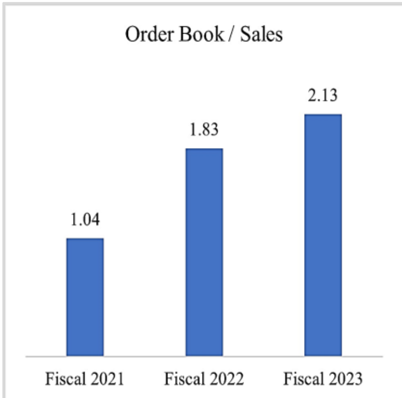
Particulars	Units	Fiscal 2023	Fiscal 2022	Fiscal 2021
Revenue from operations	(in ₹ million)	4,073.02	2,963.96	1,377.21
EBITDA	(in ₹ million)	735.05	545.77	260.15
EBITDA margin	(in %)	18.05%	18.41%	18.89%
Profit after tax	(in ₹ million)	463.62	359.83	164.76
Profit after tax margin	(in %)	11.38	12.14	11.96
ROCE	(in %)	57.17	83.25	71.90
ROE	(in %)	47.71	66.03	56.96
Total debt	(in ₹ million)	337.63	59.90	89.50
Leverage ratio or debt equity ratio (approximately)	(times)	0.28	0.08	0.24

For additional details on our financial performance, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on page 285.

Further, our Order Book to sales ratio has doubled from 1.04 times for Fiscal 2021 to 2.13 times for Fiscal 2023, as seen in the chart below:







Order Book and Order Book win amounts in ₹ million
Order Book to sales ratio in number of times

Our Order Book value was ₹ 8,682.70 million on March 31, 2023, out of which ₹ 7,728.39 million or 89.01% was from the Indian market and ₹ 954.31 million or 10.99% was from the overseas market. With a robust Order Book amounting to ₹ 8,682.70 million as of March 31, 2023, which represents 2.13 times of the revenue from operations for Fiscal 2023, and a pipeline of prospective projects for which the contracts are currently at various stages of negotiation, reflect clear revenue visibility. We believe our Order Book position is a result of our established track record of successful execution of our projects, which has led to our ability to successfully bid and win new projects. Our successful efforts to meet the rising pre-qualification requirements of some of our Customers has enhanced our competitiveness in our target market and has enabled us to maintain the momentum in our Order Book.

5. Skilled and experienced Promoters and management team with committed employee base

We are led by a qualified and experienced management team, with a deep understanding of the industry and our Customers' preferences and requirements. Our Promoters and Directors, Arvind Kamath, Goutam Rampelli and Dipak Kacharulal Bharuka and our Director Bang Hee Kim have an extensive experience in the Heating Equipment industry and have been instrumental in the growth of our business. Our Promoters are supported by an experienced management team comprising Deepak Sake (Vice President - Engineering), Mohsin Shaikh (Assistant Vice President, Projects) and Vallathur Ravikumar Mudali (General Manager, Procurement Department) with a cumulative experience of over 38 years in the development and execution of projects in Heating Equipment industry. We believe that our qualified and experienced team enables us to identify new avenues of growth and helps us to implement our business strategies in an efficient manner.

Our management team is supported by other skilled workers who benefit from regular in-house and onsite training initiatives. As of March 31, 2023, we had 192 permanent employees, of which, amongst others, 69 employees are in the engineering department, 48 employees are in the projects control department and 22 employees are in the quality assurance, quality control (**"QA/QC"**) and safety department. We aim towards recruiting talented individuals, facilitating their integration, and promoting the development of their skills. In addition to regular compensation, statutory benefits and standard insurance coverage, we also have an employee stock option plan designed to motivate and incentivize our employees.

STRATEGIES

1. Geographical expansion with focus on high growth markets to capitalise on the industry tailwinds

According to the F&S Report, there are a total of 53 refineries expected to be commissioned in 21 countries by calendar year 2030. Cumulative capacity of these 53 refineries is 9.15 million barrels per day or 460.7 MMTPA. These countries are South Korea, Malaysia, Thailand, Indonesia, Philippines, Singapore, Vietnam, Iran, Iraq, Qatar, Nigeria, Algeria, Angola, Mexico, Canada, Uzbekistan, Kazakhstan, Saudi Arabia, Oman, Egypt, and Gabon. *(Source: F&S Report)* There are 52 refinery projects that are likely to be commissioned between calendar year 2025 and calendar year 2030, with a total installed capacity of these projects being 510.9 MMTPA and an estimated capital expenditure of USD $ 186 billion. Further, considering a two-year lag between equipment ordering and project commissioning, these projects will generate demand for Heating Equipment from the refineries in the countries of interest, between calendar year 2023 and calendar year 2028. The Heating Equipment account for 3.3% of the total capital expenditure of a refinery project, hence, demand for Heating Equipment from the refineries in between calendar year 2023 and calendar year 2028 would be ₹490,450 million which is approximately ₹81,750 million on annualized basis. This potential is based on the projects announced till date and may go up if more projects are announced in the coming years. *(Source: F&S Report)*

Similarly, according to the F&S Report, in India there are 12 refinery projects that are likely to be commissioned between Fiscal 2026 and Fiscal 2031, with a total installed capacity of these projects being 76.2 MMTPA with total capital expenditure being ₹ 3,098,850 million. Also, considering a two-year lag between equipment ordering and project commissioning, these projects will generate demand for Heating Equipment between Fiscal 2024 and Fiscal 2029. Given that the Heating Equipment account for 3.3% of the total capital expenditure of a refinery project, the demand for Heating Equipment from Indian refineries between Fiscal 2024 and Fiscal 2029 would be ₹101,900 million which will be approximately ₹17,000 million on annualized basis. This potential is based on the projects announced till date and may go up if more projects are commissioned during the forecast period. *(Source: F&S Report)*

Further, the global demand for oil refining is driven by increasing investment in refinery capex and construction sector. The demand for petroleum products is driven by positive outlook towards aviation and road transportation segments. Further, rapid industrialization and urbanization, along with increase in population among developing countries, such as China and India, is expected to create demand for automobiles, which would in turn drive the demand for refined petroleum products *(Source: F&S Report)*. We believe that we have a potential to earn higher margins and expand in other geographies on account of competitive and advanced engineering base in India

Our revenue from the Indian market was ₹ 1,265.05 million, ₹ 729.91 million and ₹ 499.18 million for Fiscals 2023, 2022 and 2021, respectively, which constituted 31.06%, 24.63% and 36.25% of revenue from operations for the respective periods and our revenue from the overseas market was ₹ 2,800.46 million, ₹ 2,158.10 million and ₹ 868.81 million for Fiscals 2023, 2022 and 2021, respectively, which constituted 68.76%, 72.81% and 63.08% of revenue from operations for the respective periods. We plan to leverage our knowledge of the industry, and engineering capabilities, in the international markets as well. Through our extensive experience, established product portfolio and proven track record, we believe we are well positioned for providing products and services to new international geographies. As of March 31, 2023, we have served 17 Customers in India and seven Customers overseas. Further we are currently serving Customers such as Indian Oil Corporation Limited, Tata Projects Limited, Rashtriya Chemicals & Fertilizers Limited, Numaligarh Refinery Limited in India and one of the private refinery companies of a multinational industrial conglomerate from Nigeria, a leading oil & gas exploration & production company in Oman and a middle east arm of European EPC company in oil and gas, and Customers in Algeria, and Lithuania. We are also evaluating to increase our presence in other Middle East, Europe and African markets as well.

We intend on accelerating and expanding to new geographies such as expanding to European countries and opening sales offices in the Middle East and Africa. Further, in this pursuit, we have a Co-operation Agreement with JNK Heaters, which governs our relationship in relation to, amongst others, marketing and geography of operations. For further details, please see "***History and Certain Corporate Matters – Summary of key agreements and shareholders' agreements – Key terms of other subsisting material agreements***" on page 193. For certain projects we will partner with JNK Heaters as a global joint engineering and implementation partner.

2. Enhance our diversified offerings including renewables

We will continue to expand our product portfolio and plan to provide diversified offerings to our Customers through augmenting engineering capacities and technology partnership. We believe that investment in engineering and design is essential for onboarding new Customers and retaining existing Customers by aligning our product and service offerings with their requirements. In this regard, our endeavour is to, among others, leverage processes and best practices that may be prevalent in other sectors and industries as well. As of March 31, 2023, we had 69 employees in the engineering department, which is approximately 36% of our overall employee strength, and we intend to add more experienced employees in the engineering team. We will continue to focus significantly on product innovation, engineering and design to expand our offerings and increase our market presence.

We have recently also diversified into waste gas handling systems which includes flares and incinerators systems as well. We design, engineer, install and service flares and incinerators systems. With emission control norms getting stricter, there is an increased demand for flares and incinerators systems both in India and other developed countries. Globally, the demand for waste gas handling systems which includes flares and incinerators, from the refineries between calendar year 2023 and calendar year 2028 would be ₹64,530 million which is approximately ₹10,750 million on an annualized basis. This potential is based on the projects announced till date and may go up if more projects are announced in the coming years. *(Source: F&S Report)* Further, overall demand for waste gas handling system from Indian refineries, petrochemicals and fertilizer (urea) segments between Fiscal 2024 and Fiscal 2029 is estimated at ₹ 21,540 million which is approximately ₹3,600 million on annualized basis. While 62% of this demand would come from refineries followed by 34% from petrochemicals and 4% from fertilizers (urea), 88% of this demand would come from flaring systems and the remaining from incinerators. Demand for incinerators would come from refineries only. *(Source: F&S Report)*. In Fiscal 2023, Fiscal 2022 and Fiscal 2021, our revenue from flares, incinerators and others were only ₹ 705.83 million, ₹276.01 million and ₹ 152.06 million, respectively, which were 17.33%, 9.31% and 11.04% of revenue from operations for the respective periods, Our Order Book for flares, incinerators and others as of March 31, 2023, was of ₹ 234.14 million. Our Company is in process of licensing or acquiring companies in this segment to capture the growing global demand.

We are also working on building capabilities in renewable sector with green hydrogen as well through our subsidiary JNK Renewable Energy Private Limited. Currently we supply grey hydrogen through onsite and offsite production and storage systems and we further propose to foray into engineering solution for hydrogen or green energy industry.

Currently, India spends over USD $160 billion of foreign exchange every year for energy imports. These imports are likely to double in the next 15 years without remedial action. With the announcement of the National Hydrogen Mission, with an aim of making India a hub for the production and export of green hydrogen, India is at a crucial juncture in terms of its energy landscape and green hydrogen has a critical role to play to make the nation self-reliant and energy independent. The initial outlay for the mission will be ₹ 197,440 million, including an outlay of ₹174,900 million for the strategic interventions for green hydrogen transition ("**SIGHT**") programme, ₹ 14,660 million for pilot projects, ₹ 4,000 million for research & development, and ₹ 3,880 million towards other mission components. Ministry of New and Renewable Energy ("**MNRE**") will formulate the scheme guidelines for implementation of the respective components. The demand for hydrogen is expected to see a five-fold jump to 28 MT by calendar year 2050 where 80 per cent of the demand is expected to be green in nature. Further, India has also declared its ambition to become an exporter of hydrogen to Japan, South Korea, and Europe. *(Source: F&S Report)*

As of March 31, 2023, we have installed one hydrogen refuelling stations, at Indian Oil R&D Centre, Faridabad, Haryana. We plan to leverage the technical know-how of JNK Heaters to capitalize on future growth opportunities in the hydrogen refuelling station systems ("**HRS**") in India. Apart from HRS, we also intend on expanding into Solar PV-EPC market. Indian renewable energy sector is the third most attractive renewable energy market in the world, which is a key part of the energy transition. India's installed cumulative solar energy capacity stood at approximately 66,780 MW at the end of Fiscal 2023, representing 53% of the overall installed renewable energy capacity of 125,160 MW. Solar power installed capacity has increased by more than 25 times, from 2.63 GW in March 2014 to 67 GW at the end of Fiscal 2023. India has added nearly 13 GW of solar power in Fiscal 2023. Further, India is targeting an ambitious 500 GW of installed renewable energy capacity by calendar year 2030 of which about 300 GW (over 60%) is expected from solar. India has committed to generating 500 GW of power from non-fossil (e.g., solar, wind, hybrid power sources, hydrogen, biofuels, etc.) fuel sources by calendar year 2030, and reducing carbon emissions by one billion tons by the end of the decade. *(Source: F&S Report)*. We have the capability to offer customized Solar PV systems of capabilities above 100KW. We completed our first order in Fiscal 2023 generating a revenue of ₹ 19.60 million and are in discussions with multiple prospective Customers for systems cumulating to over 16 MW.

3. Pursue strategic investment, partnerships and acquisition opportunities and integrate them with our business operations.

We intend to selectively pursue strategic investment, partnerships and acquisition opportunities that complement our business and enhance technological capabilities, add credentials, or establish our presence in our targeted domestic and overseas markets. We are open to considering and will continue to evaluate and selectively pursue opportunities for acquisitions, partnerships, and investments in a prudent manner. Some of the factors which we consider include, among other things, access to technology, industry expertise, delivery capabilities, key Customers, and geographic locations. We believe that a targeted and opportunistic inorganic growth strategy will complement our significant organic growth strategy. We may further expand our operations overseas. Our acquisition strategy will primarily focus on strengthening the flares and incinerators systems segment, and providing access to newer technologies industries and geographies.

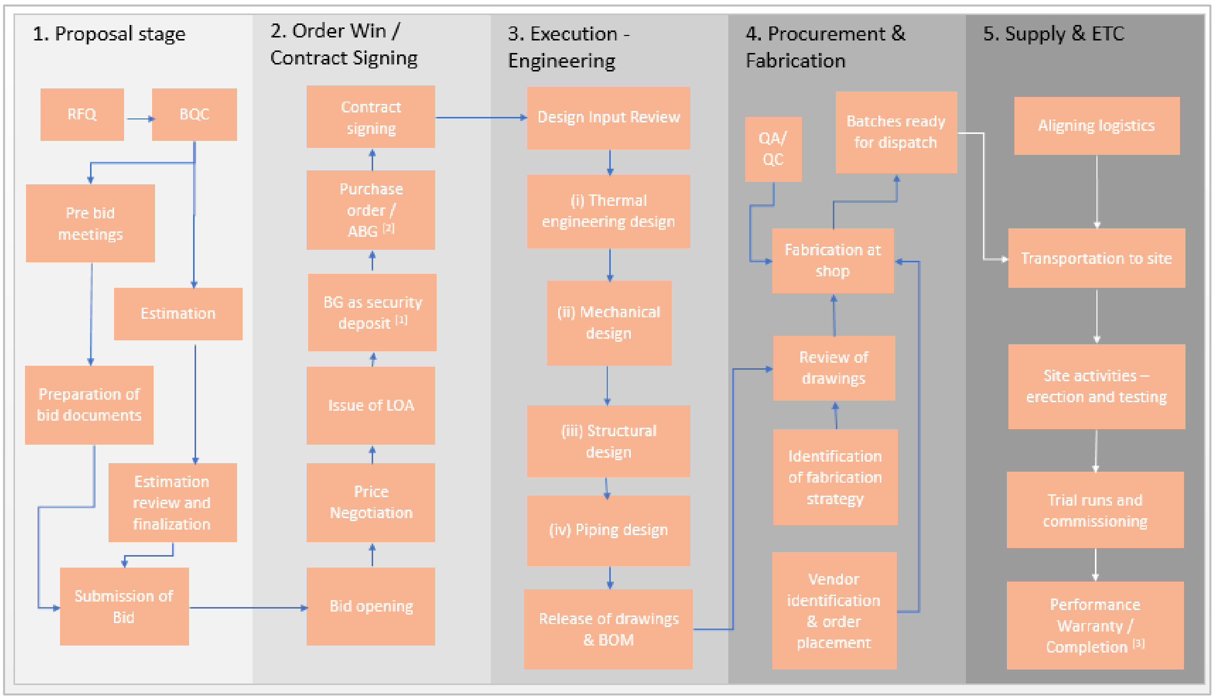
In pursuit of our inorganic initiatives we keep evaluating opportunities in acquiring technology and know-how with an aim to enhance our presence in newer product categories and deepen our penetration in the target markets. We intend to expand our Customer network in some of the overseas markets including Europe for us to capitalise on the untapped opportunities. We propose to continue to pursue inorganic growth opportunities in relatively larger markets such as Italy, Middle East and Africa. Further, our Company is also evaluating tie-ups / arrangements with players having technology know-how in areas such as flares and incinerators systems and electrolyser technology for hydrogen generation.

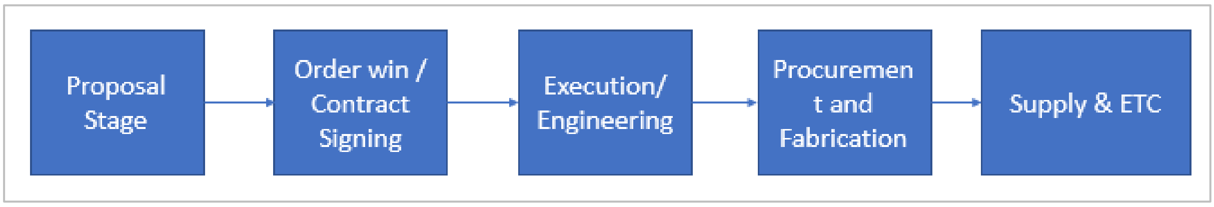
Typical Order flow and working capital requirement

Our Company's order flow and working capital requirement is provided below.

Order flow

The entire order workflow can be divided into five steps as provided below:





1. This is the first stage, where our Company participates in request for proposal ("**RFP**") or tender process. The Customer issues notices for RFP. Our Company approaches the Customer and seeks the RFP document as per the steps in the notice. Once this document is received, proposal team will go through the basic qualification criteria ("**BQC**") and checks if our Company is qualified to participate. If qualified, then internal proposal team gets into action. A summary note is prepared and circulated internally. Proposal engineer is then assigned and he/she starts making estimation for the RFP. In parallel, proposal team attends the pre-bid meetings organized by Customer to discuss and seek clarifications on the specifications provided in the RFP. RFP provides for multiple documents which needs to be submitted along with the bid. This is generally financial and technical information about our Company along with price estimates. Estimation prepared by proposal engineer is then reviewed and finalized in discussion with the management and other teams. Then a bid is submitted along with all necessary documents. The bids are reviewed by Customer and often the top bidders are called for price negotiation and in case of public sector undertaking ("**PSU**"), the order is allotted to a bidder with the lowest cost ("**L1**") through e-tender process. The bidding is complete when the Customer announces the winning bidder and sends a letter of award ("**LOA**").

2. Upon the acceptance of LOA by our Company, a contract or purchase order is released. Within stipulated period, our Company needs to issue a security deposit in the form of a bank guarantee. The amount of bank guarantee may vary, but typically it's up to 10.00% of project value. Receipt of purchase order, signing of contracts, and kick off meeting are the initial steps of an order win.

3. First step of execution of the project is engineering. Project specifications are typically well documented during tendering and contract drafting. The same gets finalized in consultation with the Customer and their contractors. This step is called design input review ("**DIR**") and forms the base for engineering. Engineering consists of four components: thermal design engineering, mechanical design engineering, structural design engineering and piping design engineering. (i) thermal design engineering is done mainly on in-house process design; (ii) mechanical design involves preparation of mechanical arrangement drawings, interdisciplinary review, and other design calculations using various design tools;

(iii) structural engineering involves structural analysis, calculation of foundation data, 3D modelling and development of various detailed steel drawings; and (iv) once structure is done, various piping arrangement and layout is developed in piping engineering using 3D modelling tools and its integration with structure and interface review is further undertaken. With all this engineering, which generally takes first three to six months from order win, our Company starts fabrication. While engineering is being done, our Company does order a few bought out items which have a longer lead time in parallel.

4. Once engineering is near to completion, fabrication strategy is decided. Depending on the nature of project (domestic/export), fabrication vendors or shops are identified. For export orders, our Company uses its facility near Mundra port. For domestic orders, fabrication is undertaken through various local fabrication shops. When the fabrication partner is identified, our Company issues all shop drawings from each discipline. Any queries from the fabrication shop are addressed and resolved. Bill of material ("**BOM**") comes as an outcome of engineering and shared with procurement team. The procurement team plans the procurement by issuing of material requisitions to various vendors; often to vendors as provided by Customer in contract as approved vendors. Technical, commercial evaluation and selection of vendor is done and material delivery schedule is issued to the fabrication shop which aligns fabrication with material schedule. Some of the bought-out items are directly shipped to site for erection. During the entire process of fabrication, engineers from our Company ensures timely fabrication within the required quality.

5. During this period, the Customer allocates area near project site for receipt of fabricated material and erection activities. Batches of fabricated material are dispatched to the site by road with specialized road transporters (over dimensional cargo ("**ODC**") logistics players). In case of exports, as per the shipping plan, materials are dispatched to roll on/off or lift on/off jetty of Mundra port and loaded onto the ship. Erection, testing and commissioning is the last leg of project. All batches of fabricated material are assembled as per structural design. Bought out items are fitted. Quality audit and control team continuously oversees these operations. Once fully erected, testing and commissioning is done along with Customer engineers and consultants. Upon successful completion, often a completion certificate is provided by the Customer.

Working capital requirement pursuant to the work flow

1. Security deposit (up to 10%) is to be provided to the Customer immediately upon receipt of purchase order. This is provided in form of bank guarantees. Our Company has already availed certain non-fund based limits (for bank guarantees). As per the condition of these limits, our company needs to provide margin money (15% of bank guarantee amount) in form of fixed deposit lien marked to bank for the purpose of bank guarantee issuance along with bank guarantee opening fees (around 1% per annum of bank guarantee amount). In case non fund based limits are not available, our Company needs to keep margin money in fixed deposit equivalent to 100% of the bank guarantee amount.

2. Further, contracts have provision of advance bank guarantee. According to this provision, the Customer releases advance amount equivalent to the advance bank guarantee amount to our Company. There is no advance from Customer if advance bank guarantee is not issued. Issue of advance bank guarantee is further subject to available non fund based limits as discussed in point one.

3. Most contracts offer certain milestone based payment structure. Some milestones may include procurement of key raw material (supported by purchase order issued – generally post engineering), release and acceptance of engineering drawings, various dispatch. Therefore, as the project progress there is intermittent cash inflow.

4. Most cash inflows are skewed towards the second half of the project implementation period. Around 10% of inflow is due upon completion and 15% happens post completion after issuance of performance bank guarantee (around 10% of project value). Most of the time, security deposit kept at beginning of the project gets converted/is accepted as performance bank guarantee.

5. Cash inflows and cash outflows are not balanced and hence require working capital. Project expenses are typically under the following heads: purchases, fabrication, bought out items, refractory material, instruments, erection services, other project services, travel and conveyance, other overheads, financing costs – bank guarantee opening costs.

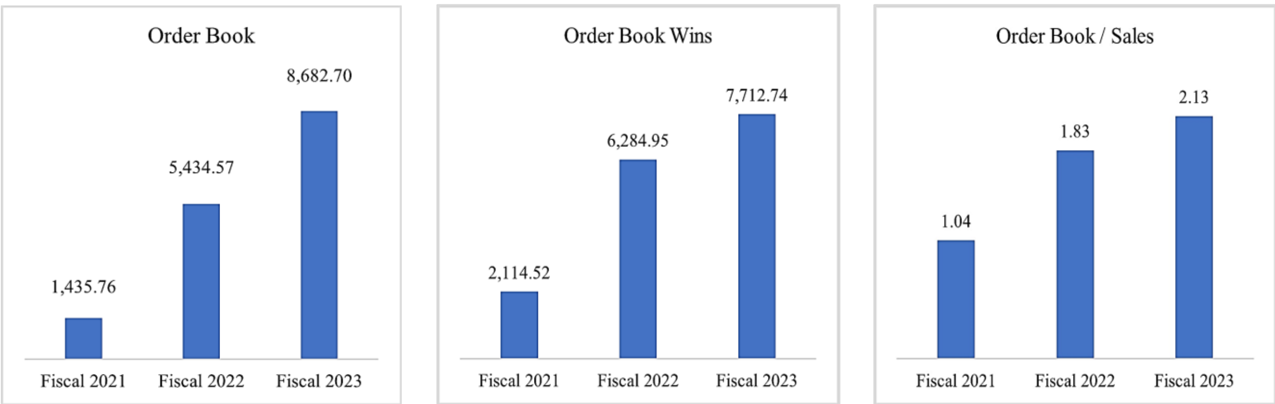
6. Apart from the margin money in the form of fixed deposits lien marked to the bank, which gets blocked for opening of bank guarantee, there is deficit in few of the months of project execution cycle. This working capital deficit needs to be funded by our Company, either by way of internal accrual or cash credit.

Order Book

Our Company's Order Book as of a particular date is calculated based on the aggregate contract value of our on-going projects as of such date reduced by the value of work executed by us until such date, subject to certain adjustments including foreign exchange fluctuations and other contractual terms. The manner in which we calculate and present our Company's Order Book information may vary from the manner in which such information is calculated and presented by other companies, including our competitors. The Order Book information included in this Draft Red Herring Prospectus is not audited and does not necessarily indicate our future earnings. For risk related to Order Book, please see "***Risk Factors – The number of orders we have received in the past, our current Order Book and our growth rate may not be indicative of the number of orders we will receive in future. The order wins and any delays in execution of our orders expose us to time and cost overruns and variability in revenue, materially and adversely impacting our revenue from operations, cash flows and financial conditions"*** on page 29.

As of March 31, 2023, we have an order book of ₹ 8,682.70 million. Out of this Order Book, ₹ 7,728.39 million is from Customers in India and ₹954.31 million is from Customers in overseas market.

Our revenue from operations for Fiscals 2021 to 2023, had grown at a CAGR of 71.97%. In Fiscals 2023, 2022 and 2021, our revenue from operations was ₹ 4,073.02 million, ₹ 2,963.96 million and ₹ 1,377.21 million respectively. This growth in our revenue from operations is in conjunction with the growth in our Order Book. Our Order Book had increased from ₹ 1,435.76 million as on March 31, 2021 to ₹ 8,682.70 million as on March 31, 2023 on the back of strong order wins of ₹ 6,284.95 million during Fiscal 2022 and ₹ 7,712.74 million during Fiscal 2023. This has led to our Order Book to sales ratio doubling from 1.04 times for Fiscal 2021 to 2.13 times for Fiscal 2023, as seen in the chart below:



Order Book and Order Book win amounts in ₹ million
Order Book to sales ratio in number of times

During Fiscal 2021, we won orders from one of the private refinery companies of a multinational industrial conglomerate from Nigeria and a government owned refinery project in Rajasthan. During Fiscal 2022, we got orders for equipment from one of the largest refinery companies in Mexico and Indian Oil Corporation Limited. In Fiscal 2023, we manged to secure order from Numaligarh Refinery Limited, Assam, and few overseas orders from Customers in Oman and Lithuania.

Our Customers and business with JNK Heaters

Our Company's Customers are of two kinds, one refers to End Customers, which own and operate oil and gas refineries, petrochemical complexes, fertilizer plants or other chemical plants i.e. asset owners / manufacturers and the other are Contracting Customers, companies which enter into a contract with such asset owners / manufacturers for engineering, procurement and construction of either full or part of their oil and gas refineries, petrochemical complex, fertilizer plants or other chemical plants. We acquire certain projects directly from End Customers and for certain projects we work with the Contracting Customers. JNK Heaters is one of the

Contracting Customer of our Company and also one of our Corporate Promoters with a shareholding of 25.79% in our Company, as of the date of this Draft Red Herring Prospectus. JNK Heaters was established in 1998 and has been engaged, inter alia, in the design, manufacturing, installation of process fired heaters. JNK Heaters is the only industrial-use process fired heater producer in Korea and is ranked amongst the top three industrial use process fired heater producers globally. *(Source: F&S Report)*. Since our inception, we have been working closely with JNK Heaters The relationship between our Company and JNK Heaters is both independent and collaborative in nature. While our Company is able to participate independently and acquire projects in Heating Equipment, for certain projects we partner as a global joint engineering and implementing partner for JNK Heaters.

We work as a global joint engineering and implementing partner with JNK Heaters as one of the Contracting Customers. In Fiscal 2023, Fiscal 2022 and Fiscal 2021, our revenue from JNK Heaters was ₹ 2,215.23 million, ₹ 2,188.96 million and ₹ 751.00 million respectively, which constituted 54.39%, 73.85% and 54.53% of our revenue from operations for the respective periods. We are able to leverage JNK Heater's global position to bid for larger projects in collaboration with them in the overseas markets. Further, our Order Book value in relation to orders with JNK Heaters as a Contracting Customer, as of March 31, 2023 was ₹ 1,522.93 million, constituting 17.54% of the total Order Book value as of March 31, 2023, as of March 31, 2022 was ₹ 4,196.05 million, constituting 77.21% of the total Order Book value as of March 31, 2022 and as of March 31, 2021 was ₹ 1,050.39 million, constituting 73.16% of the total Order Book value as of March 31, 2021. We are eligible to bid and secure majority of the large contracts for process heaters and reformers independently in India and benefit from our relationship with JNK Heaters to secure global contracts. However, we are slowly and gradually reducing our dependence on JNK Heaters, which is evident from the fact that our Order Book value in relation to JNK Heaters has reduced from ₹4,196.05 million as of March 31, 2022, which was 77.21% of the total Order Book value to ₹1,522.93 million as of March 31, 2023, which was 17.54% of the total Order Book value.

Our Products Portfolio

Over the years, we have developed a wide range of products to meet the evolving requirement of our Customers. We offer a wide range of products primarily categorised under two segments – (a) Heating Equipment and (b) Flares, incinerators and others.

Heating Equipment

Process fired heaters

A process fired heater is a type of industrial heater used to heat fluids or gases directly by burning a fuel source such as natural gas or propane. In a process fired heater, the fuel is burned in a combustion chamber, and the heat is transferred to the fluid or gas being heated through direct contact. The heated fluid or gas is then circulated through a system to provide heat to a process or space. Process fired heaters come in a variety of designs, including vertical and horizontal configurations, and can be customized to meet specific heating requirements. They are generally more efficient than indirect fired heaters, which require a heat transfer medium such as thermal oil or steam to heat the fluid or gas. Process fired heaters are an effective and efficient heating solution for a wide range of industrial applications, but proper thermal design, installation, and operation are critical to ensure safe and reliable performance. (*Source: F&S Report*)

Reformers

In industrial processes, reformers are devices used to convert hydrocarbons, such as natural gas or naphtha, into synthesis gas or syngas, which is a mixture of hydrogen and carbon monoxide. Syngas is a key building block to produce a wide range of chemicals, including methanol, ammonia, and synthetic fuels. Reformers typically operate at high temperatures and use a catalyst to promote the conversion of hydrocarbons into syngas. There are two main types of reformers:

- **Steam reformers:** These use steam and a catalyst to react with hydrocarbons to produce syngas. Steam reforming is the most common method for producing syngas, as it is highly efficient and can handle a wide range of feedstocks.

- **Autothermal reformers:** These use a combination of steam and oxygen to promote the reaction between hydrocarbons and water. Autothermal reforming can produce syngas at a higher temperature and pressure than steam reforming and can be more efficient for certain feedstocks. (*Source: F&S Report*)

Cracking furnaces

We have capabilities in designing, engineering, manufacturing, supplying, installing and commissioning cracking furnaces as well. Cracking furnaces are used to break down large hydrocarbon molecules into smaller ones, which can then be used to produce a variety of products, including fuels, chemicals, and plastics. The process of breaking down hydrocarbons is known as cracking, and it typically involves heating the hydrocarbon feedstock in the presence of a catalyst. Cracking furnaces operate at high temperatures and pressures and are typically fuelled by natural gas or fuel oil. They can be either fired or electrically heated and can be configured in a variety of ways, including vertical and horizontal designs. The most common type of cracking furnace is the steam cracking furnace, which uses steam as a diluent to prevent thermal cracking and promote the formation of smaller hydrocarbons. (*Source: F&S Report*)

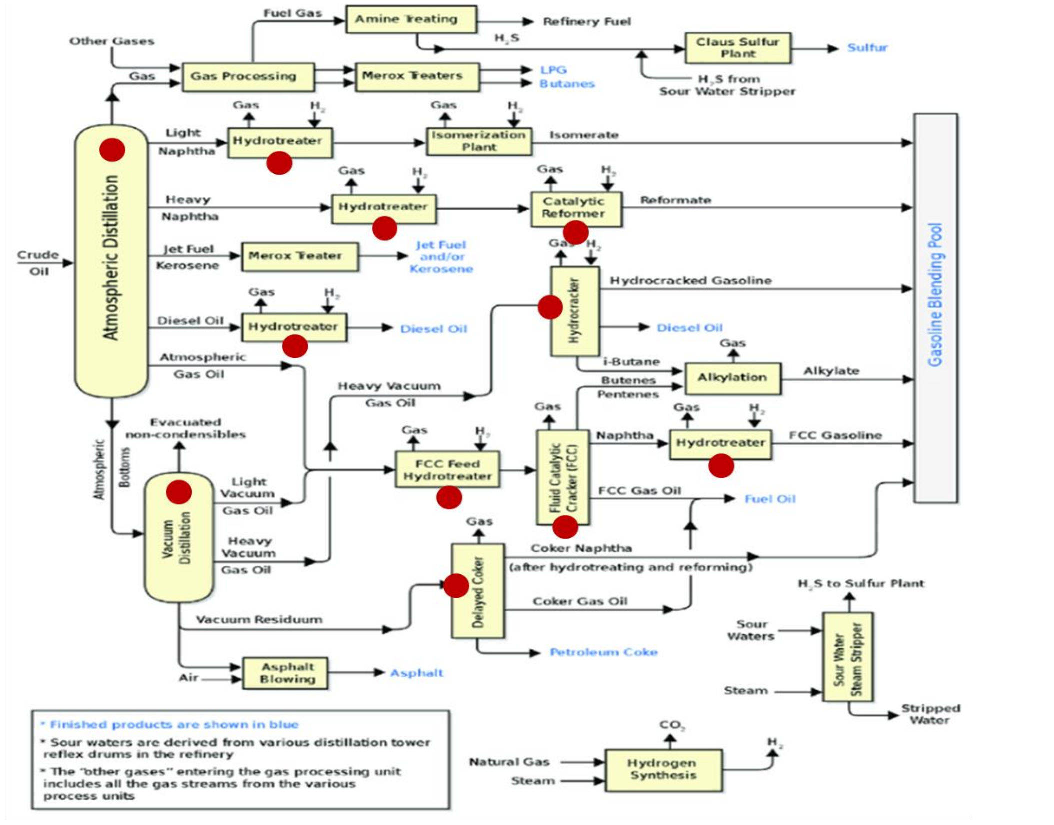
These products are being used in refineries, petrochemicals, and fertilizer plants. The product versus application mapping is presented below.

Segments	Process fired heaters	Reformers	Cracking furnace
Refinery	✓		
Petrochemicals	✓	✓	✓
Fertilizers	✓	✓	

(Source: F&S Report)

Applications of Heating Equipment in a refinery:

Process fired heaters are the critical equipment in a refinery. Around 10 – 20 process fired heaters are used in any typical refinery. Of all the process fired heaters, four applications such as the CDU, VDU, delayed coker unit and catalytic reforming units are the most critical and the capex for these heaters is also high when compared with the other heater application areas in the refinery. Other applications for process fired heaters are hydrotreaters, hydrocrackers, FCC, etc. *(Source: F&S Report)*



This indicates the various units in a refinery where heating equipment are used

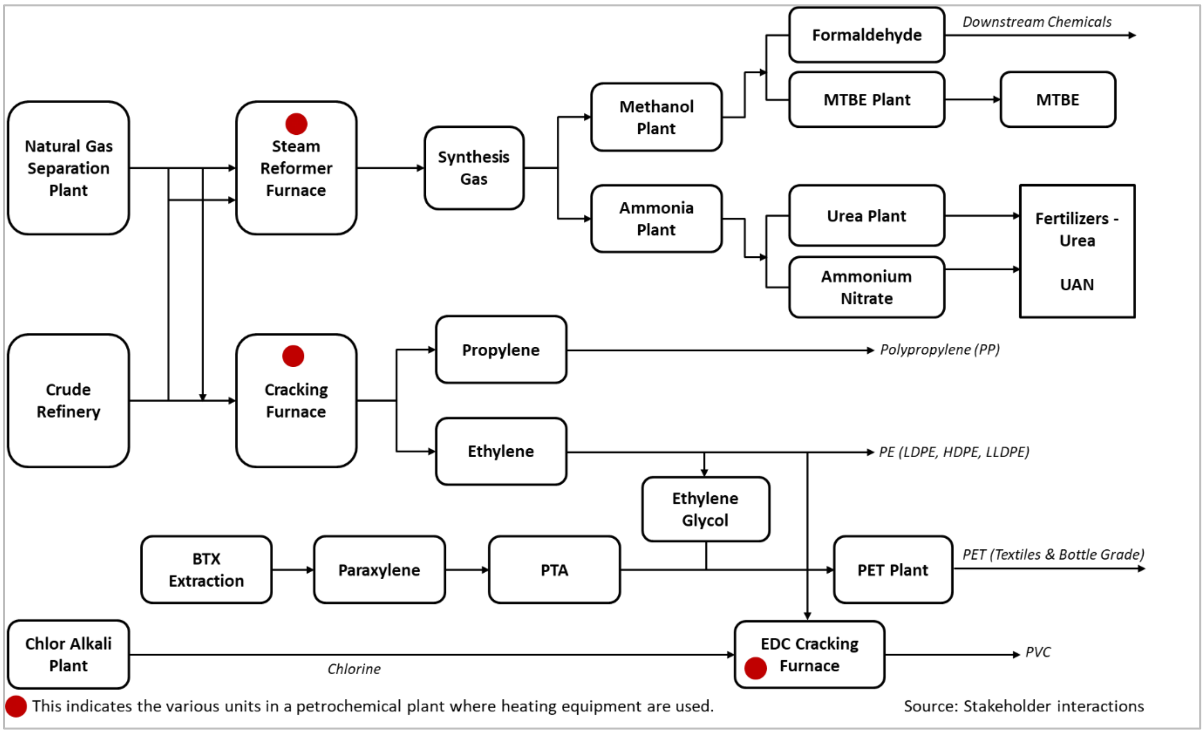
Source: https://www.researchgate.net/figure/Process-flow-diagram-of-a-typical-refinery_fig3_355678568, Frost & Sullivan

Process flow diagram of a typical refinery (Source: F&S Report)

Key processes where process fired heaters are used in a refinery are CDU, VDU, FCCU, hydrocracker unit, visbreaker unit, delayed coker unit, catalytic reforming unit, hydrotreating unit, bitumen blowing unit *(Source: F&S Report).*

Applications of Heating Equipment in a petrochemical plant:

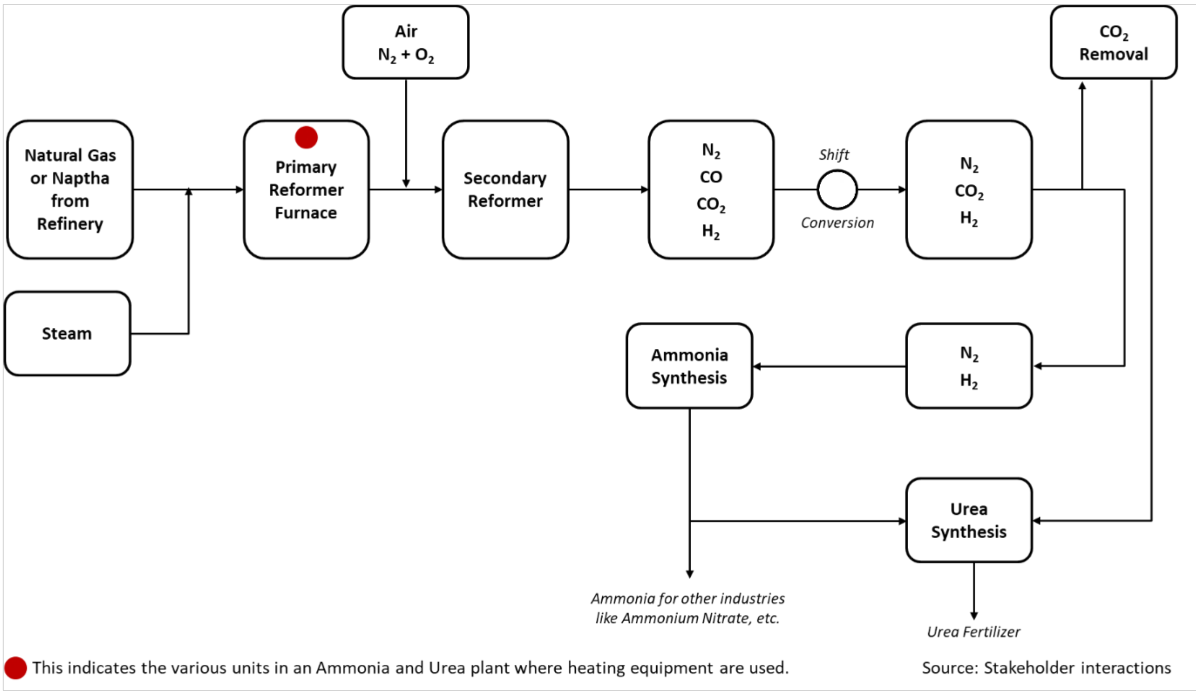
Reformers and cracking furnaces are the most critical equipment in a petrochemical plant. The feedstock (primarily naphtha and natural gas) is fed into the cracking furnace where it is cracked under high-severity conditions, producing ethylene, propylene, and other by-products. This process is called pyrolysis or steam cracking. *(Source: F&S Report)*



Process flow diagram of a typical petrochemical plant. (Source: F&S Report)

Applications of Heating Equipment in a fertilizer (urea) plant

Reformers are the critical equipment in an ammonia plant. Reformers are used in ammonia production, which is later converted into urea. The process begins with a primary reformer to create hydrogen from a natural gas feedstock at temperatures over 1800°F. The hydrogen is then fed by a hydrogen transfer line into a secondary reforming vessel. In the secondary reformer, hydrogen in the presence of nitrogen reacts with a catalyst to form ammonia.



Process flow diagram of a typical ammonia plant (Source: F&S Report)

Our Customers are primarily from, amongst others, the oil and gas, petrochemical and fertilizers industries. Set out in the table below is the revenue from operations for Fiscals 2023, 2022 and 2021 generated by the key industries we cater to:

Industry	Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations
Oil and gas	3,146.51	77.25%	2,828.72	95.44%	1,278.89	92.86%
Petrochemical	658.72	16.17%	56.76	1.92%	37.40	2.72%
Fertilizers	8.32	0.20%	1.28	0.04%	50.07	3.64%
Others*	259.47	6.38%	77.20	2.60%	10.85	0.78%

* *includes other operating revenue*

Flares, incinerators and others

Flares

Flare system is a gas combustion device used in industrial plants such as petroleum refineries, chemical plants, natural gas processing plants, at oil or gas production sites with oil wells, gas wells, offshore oil and gas rigs, and landfills. Flare systems provide for the safe disposal of gaseous wastes. Flaring of gasses is intermittent in nature and is required whenever there is excess pressure in the system. For example, a failure in the water-cooling system of the furnaces may result in the shutdown of the furnaces. This in turn may result in increase in pressure of the system, hence, flaring is done. Thus, the flaring system is not used continuously. There are two types of flaring systems:

- **Vertical flare systems:** The vertical flaring system is preferred to flare high pressure gas. Vertical flare has a safety diameter of 90 meters to prevent harm to other equipment. Thus, the vertical flare has large area requirement.

- **Ground flare systems:** In ground flaring, the combustion of gas is done very close to the ground and the flaring region is surrounded by high walls to prevent access of wildlife and nearby inhabitants. Due to the surrounding wall, the lightning from the flare is not visible and the safety perimeter is reduced. The ground flaring system, thus, requires less area and does not cause harm to nearby farms. The ground flaring system can be used to flare both high pressure and low-pressure gas. (*Source: F&S Report*)

Incinerators systems

All SRUs have thermal incinerators to treat the tail gas effluent from the SRUs prior to emitting the waste gas to the atmosphere. The purpose of the thermal incinerator is to facilitate the oxidation of all the common reduced sulphur compounds (hydrogen sulfide (H2S), carbonyl sulfide (COS), carbon disulfide (CS2) and sulphur vapour) to sulphur dioxide (SO2) prior to release to the atmosphere. The thermal incinerator also provides significant thermal energy to the SRU tail gas to raise the waste gas temperature sufficiently to ensure that the stack plume rises in the atmosphere. This facilitates the effective dispersion of the plume and ensures that the ground level concentration of the SO2 from the plume does not exceed the standards for this pollutant. (*Source: F&S Report*)

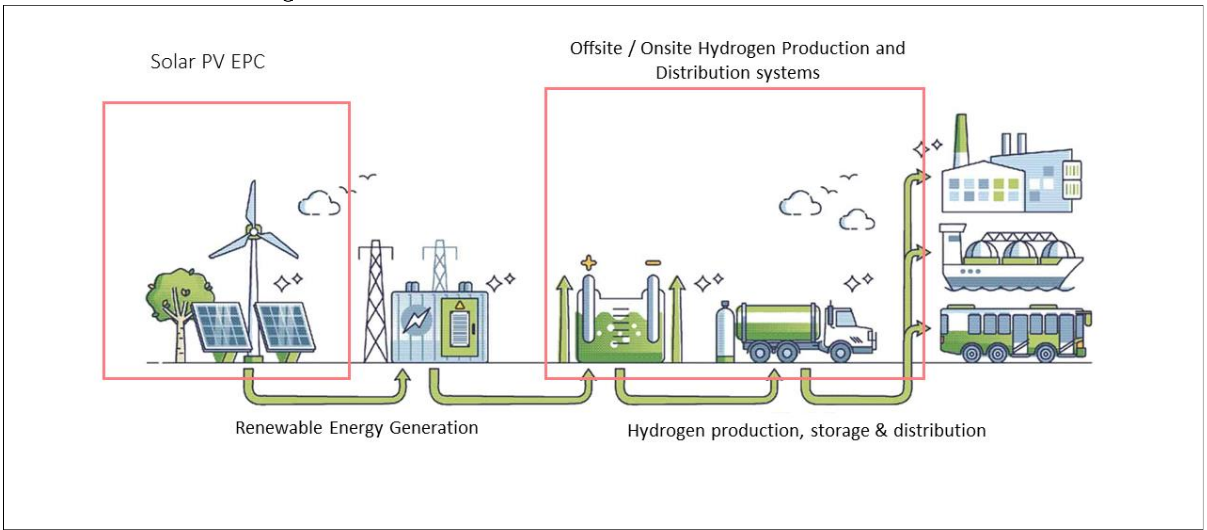
While flaring systems are used across the segments i.e., refinery, petrochemical and fertilizer plants, incinerators are primarily used in the refinery in the SRU for tail gas incineration.

Segments	Flaring systems	Incinerator
Refinery	✔	✔
Petrochemicals	✔	
Fertilizers	✔	

(Source: F&S Report)

Others - renewables energy systems

Under renewables energy systems we offer components of hydrogen supply chain, through HRS and Solar PV-EPC. Our focus areas being as follows:



Green hydrogen supply chain

HRS is a station to refill hydrogen. Hydrogen fuel cell vehicles can be refuelled quickly at a refuelling station – just like a petrol or diesel vehicle. Setting up of HRS consists of design, procurement, and construction work. A regular HRS consists of hydrogen storage tanks, hydrogen gas compressors, a pre-cooling system and a hydrogen dispenser, which dispenses hydrogen to pressures of 350 bar, 700 bar or dual pressure dispensing, depending on the type of vehicle being refuelled. As per Ministry of Renewable Energy, India, so far, two Hydrogen refuelling stations have been established in India. One at Indian Oil R&D Centre, Faridabad and the other one at National Institute of Solar Energy, Gurugram. The refuelling station at Indian Oil R&D Centre has been set up by us. *(Source: F&S Report)*

Solar PV-EPC

The solar EPC refers to design, procurement, and construction of solar power plants. EPC companies are responsible for the end- to-end execution of solar projects, including feasibility studies, site assessment, engineering and design, equipment procurement, construction, and commissioning. Projects for EPC providers range from - full turn-key EPC projects, where the EPC provider fully manages plant construction and typically provides operations and maintenance ("**O&M**") services for the plant for two to five years, making a margin on the procurement of components and on the services provided; partial EPC projects, where the EPC provider is hired only for the engineering and construction of the plant; in-house EPC projects, where the EPC provider only takes on specific sub-contracted tasks from an in-house EPC team; some EPC solution providers have also found opportunities in project development. The project is often sold immediately before construction, and an EPC contract is signed. *(Source: F&S Report)*

Utility-scale solar projects, typically grid-connected solar power plants, have been the dominant segment in the Indian solar EPC market. These projects are usually developed by independent power producers ("**IPPs**") or state-owned utilities. They contribute significantly to India's renewable energy capacity. Technological advancements in solar PV modules, inverters, energy storage, and monitoring systems have contributed to the growth of the solar EPC market. Improvements in solar panel efficiency, reduction in costs, and advancements in storage technologies have made solar power more viable and attractive for both large-scale and distributed solar projects. *(Source: F&S Report)*

We have the capability to offer customized Solar PV systems of capabilities above 100KW.

Our Operations

Fabrication Infrastructure

Our Company works in collaboration with our Customers right from the initial consultation and design stage to the final installation of the Heating Equipment. All works are performed under the strict supervision and quality control. All our products are fabricated as per the Customer's requirements in accordance with applicable standards.

Various components and bought out items which forms part of a heater system like materials (pipes, castings) and equipment (valves, control systems, fans, burners, dampers, bellows) are procured from well-known and approved suppliers with Customer specifications. Fabrication is carried out in our facility ensuring strict quality control and safety at every level of production.

We have two leased premises from where we undertake in-house fabrication process apart from engaging with third party fabricators. Our first premise is situated at a multi-product special economic zone at Mundra, Gujarat. It spreads over approximately 20,243 square meters with an installed capacity of 5,000 metric tonnes of fabrications and modularization per annum. The site is developed with a self-contained infrastructure for export-oriented fabrication and modularization. It has an advantage of being closer to deep draft port with ability to handle ODC. In Fiscals 2022 and 2023, we have fabricated modularized 1,500 and 2,200 tonnes respectively at our Mundra, Gujarat, facility.

Premise located at Mundra, Gujarat

Further, on situational basis and based on the requirement of our projects, we take certain facilities on lease basis and once the project is completed the facility is shut down and all the equipment and machinery is shifted to other facilities for other projects. This ensures project optimisation while providing us with logistic efficiency. One such facility is situated at Jajpur, Odisha, spreading over 16,187 square meters with a capacity of 1,000 metric tonnes of fabrications and modularization per annum. In Fiscal 2023, we have fabricated or modularized 750 tonnes of our products at our Jajpur, Odisha, facility.

Premise located at Jajpur, Odisha

We ensure that fabrication is full modularized or in panel form, as per the requirements of a project. Also, we ensure that the third-party fabricator follows adequate quality control and records all necessary documentation.

Packaging and transportation

Our Company has successfully demonstrated ability to handle complex supply chains involved in supply large global orders. Engineering with shipment and execution plan with modular approach in place, support from logistics and ocean freight vendors at Mundra Port, Gujarat, puts us in a competitive position for supply of process equipment from India.

The above photographs show the process of export packing for overseas shipment based on our experience and practice with packing.

Our design and shipping abilities permit the panels and modules belonging to ODC heaters to be shipped. Further, we use third party logistics providers for our transportation needs.

The above photographs show the process of handling the ODC heaters.

The above photographs show the process of transportation for overseas shipment based on our experience and practice.

Manufacturing capacity and capacity utilisation at our two facilities*

Facility	Fiscal 2023			Fiscal 2022			Fiscal 2021		
	Annual Installed Capacity (in metric tonnes)	Actual Production (in metric tonnes)	Capacity Utilization	Annual Installed Capacity (in metric tonnes)	Actual Production (in metric tonnes)	Capacity Utilization	Annual Installed Capacity (in metric tonnes)	Actual Production (in metric tonnes)	Capacity Utilization
Mundra Gujrat- 20,243 M² (1)									
Fabrication and Modularization of process fired heaters/reformers	5,000	2,200	44.00%	5,000	1,500	30.00%	N.A.	N.A.	N.A.
Sub-total	5,000	2,200	44.00%	5,000	1,500	30.00%	N.A.	N.A.	N.A.
Jajpur, Odisha, 16,187 M² (2)									
Fabrication and Modularization of process fired heaters	1,000	750	75.00%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Sub-total	1,000	750	75.00%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total	6,000	2,950	49.16%	5,000	1,500	30.00%	N.A.	N.A.	N.A.

**As certified by Meman Riyazahmed M, Independent Chartered Engineer by way of their certificate dated August 1, 2023.*

(1) Mundra, Gujarat facility was acquired on April 21, 2021 and commenced production only in Fiscal 2022. Hence there was no capacity or production in Fiscal 2021. It is utilized only for exports.

(2) Jajpur, Odisha facility was acquired on February 21, 2022 and commenced production only in Fiscal 2023. Hence there was no capacity or production in Fiscal 2021 and Fiscal 2022.

Note: Capacity utilization has been calculated on the basis of actual production in the relevant Fiscal divided by the installed production capacity of a plant available during the relevant Fiscal

Raw materials

The primary raw materials required for manufacturing of our products are steel, pipes, fittings, burners and fans. The table below indicates the cost of goods consumed in Fiscals 2023, 2022 and 2021, as percentages of our total expenses and as a percentage of total cost of goods used in Fiscals 2023, 2022 and 2021 respectively.

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Cost of goods used (in ₹million)	1,405.58	930.37	254.60
As % of our revenue from operations	34.51	31.39	18.49
As % of our total expenses	40.29	37.32	22.01

Suppliers for our raw materials are predetermined by our Customers, most of the times we have to opt for the suppliers from a preferred list of suppliers provided by our Customers. We also import certain of our components such as burners, pressure parts and pipes required in the manufacturing process. We generally import these components from countries such as China or from certain parts of Europe such as Spain, Italy, Netherlands and Luxembourg. We do not have any long term contracts or have a fixed price with our foreign suppliers. We require other raw materials, such as metal and machined parts, which is met largely from domestic suppliers We are able to leverage our wide and diverse network of suppliers to ensure that our supply chain remains unaffected.

Customers

Seven out of the 12 oil refining companies in India, are our Customers and we have supplied or are in the process of supplying Heating Equipment to 11 of the 24 operating oil refineries across India. *(Source: F&S Report)* As of March 31, 2023, we have served approximately 24 Customers, which includes 17 Customers in India and seven Customers in the overseas market. Our Customers are primarily from the oil and gas, petrochemical and fertilizers business sectors. Out of these, 10 are repeat Customers. Some of our prominent Customers include Indian Oil Corporation Limited, Tata Projects Limited, Rashtriya Chemicals & Fertilizers Limited and Numaligarh Refinery Limited. In India, we have completed projects in, amongst others, Andhra Pradesh, Assam, Bihar, Karnataka, Kerala, Maharashtra, Tamil Nadu, West Bengal and globally have completed projects in Nigeria and Mexico. Further, we have ongoing projects in Gujarat, Odisha, Haryana, Rajasthan in India and globally in Oman, Algeria, and Lithuania. Our Order Book value was ₹ 8,682.70 million on March 31, 2023, out of which ₹ 7,728.39 million or 89.01% was from the Indian market and ₹ 954.31 million or 10.99% was from the overseas market. We have successfully completed far-reaching location projects which included our projects in India at Numaligarh, Assam; Kochi, Kerala; Barauni, Bihar; and overseas at Lagos, Nigeria. We have also been accorded incentives for early completion projects in India and overseas. Further, in March, 2022, we were recognised for our safety compliance by one of the private refinery companies of a multinational industrial conglomerate from Nigeria and were awarded a certificate of appreciation towards '*Safety Compliance and Campaign Performance'*. Also, in November 2022, we were awarded a certificate of appreciation by the same refinery company, for providing four million safe manhours without a lost time incident and recognising our effective contribution towards installation of process fired heaters.

Quality control and Customer support

We are a quality-focused company and are committed to maintaining stringent quality standards in the designing and engineering cycle of process fired heaters and reformer packages. Given the nature of our products, our Customers have high and exacting standards for product quality as well as delivery schedules. All works are performed under the strict supervision and quality control. All of our products are fabricated as per the Customer's requirements in accordance with applicable standards. Various components and bought out items which forms part of a heater system like materials (pipes, castings) and equipment (valves, pumps, control systems, fans, burners, dampers, bellows) are procured from well-known and approved vendors with Customer specifications. Fabrication is carried out in our facility ensuring strict quality control and safety at every level of production. As a result, we are required to incur expenses to maintain our quality assurance systems such as forming a separate team of engineers responsible for quality and assurance in the entire designing and engineering processes.

Our QA/QC team, which comprised of 22 employees as of March 31, 2023, ensures compliance with our quality management systems and statutory and regulatory compliances. This team conducts pre-dispatch inspection of our products. In addition, we are an ISO 9001:2015, 14001:2015, 45001:2018 certified Company.

We believe in providing logistic support to our Customers, we have successfully demonstrated ability to handle complex supply chains involved in supply large global orders. Engineering with shipment and execution plan with modular approach in place, support from logistics and ocean freight vendors at Mundra, Gujarat, puts us in a competitive position for supply of process equipment from India.

Sales and Marketing

As of March 31, 2023, our sales, marketing and business development team consists of seven personnel who are responsible for sales of our products. Our sales and business development team and marketing teams are technically equipped and focus on developing relationships with our key Customers to understand and identify their specific requirements.

Information Technology

Investment in IT infrastructure is essential to improve our operational efficiencies, improve scale and enhance productivity. We are in the process of implementation of systems applications and products in data processing ("**SAP**") for finance and accounting functions of our Company. We have implemented an IT policy to maintain the confidentiality, integrity and availability of information and supporting information systems. Our IT policy and technology infrastructure are equipped to keep pace with the changing and dynamic environment. We also use third party software for engineering, design, 3D modelling, structural analysis and simulation. We will continue to focus on increasing operational efficiency through technology initiatives.

Insurance

Our operations are subject to certain hazards such as work accidents, fire, earthquakes, flood and other *force majeure* events, acts of terrorism and explosions, including hazards that may cause destruction of property and inventory. Our principal types of insurance coverage include coverage for our stocks that includes all normal risks associated with our business, including burglary insurance policy, standard fire and special perils insurance policy and employee's compensation insurance policy. We typically obtain marine cargo open insurance policies for transit of goods. We have also obtained a group health insurance policy, group personnel accidental policy for our employees. These insurance policies are generally valid for a year and are renewed annually. In our experience, the amount of insurance currently maintained by us represents an appropriate level of coverage required to insure our business and operations. See "***Risk Factors – Our insurance policies may not be adequate to cover all losses incurred in our business. An inability to maintain adequate insurance cover to protect us from material adverse incidents in connection with our business may adversely affect our operations and profitability.***" on page 43.

Intellectual Property

Given we are in a B2B business and unlike B2C businesses which are dependent on branding and logo, our business is dependent on our technical credentials and experience of having executed and delivered similar process fired heater, reformer, flares and incinerators system or renewable energy system in past. As of March 31, 2023, we have no trademark or patent registered. Further, one of our Corporate Promoters, JNK Heaters, has provided their consent through a letter dated July 20, 2023, to use JNK for the purpose of inclusion in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus and other Offer related documents. Such logo is valid and registered as per the applicable laws of Republic of Korea, where JNK Heaters is incorporated.

Environment, Health and Safety Management

We are an ISO 9001:2015, 14001:2015, 45001:2018 certified Company and we endeavour to contribute continual improvement of natural environment, and employee's safety and health. We maintain the environmental quality and ensure that the employee's safety and health are the top priorities for all levels of managers. We also observe Customer's requirements as well as international and national regulations on the occupational health, safety and environment. We endeavour to inform our occupational health, safety requirements and environment factors to our suppliers and/or contractors to encourage them to adopt similar practices. We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted an environment, health and safety policy that is aimed at complying with legislative requirements, requirements of our licenses, approvals, various certifications and ensuring the safety of our employees and the people working under our management, pursuant to which we have implemented health and safety standards aimed at ensuring a safe working environment. Further, we train all executives and the employees to understand and implement all aspect of health and safety standards and see "***Risk Factors – We are subject to various laws and regulations, including environmental and health and safety laws and regulations. If we fail to obtain, maintain or renew the licenses, permits and approvals required to operate our business, or fail to comply with applicable laws, our business, results of operations and financial condition may be adversely affected***." on page 43.

Employees and Human Resources

We consider our employees and personnel one of our most important assets, who are critical to maintaining our competitive position within the Heating Equipment industry. As of March 31, 2023, we had 192 permanent employees, as set forth below, by function:

Department	Number of employees as of March 31, 2023
Finance, accounts and secretarial	19
Engineering	69
Projects and project control	48
Business development, sales and marketing	7
QA/QC and safety	22
Human resources, information technology and administration	14
Procurement, logistics & stores	13
Total	**192**

Corporate Social Responsibilities

We have constituted a corporate and social responsibility ("**CSR**") committee of our Board of Directors comprising of Arvind Kamath, Chairperson; Goutam Rampelli, Member; and Bang Hee Kim, Member, and have adopted and implemented a CSR policy, pursuant to which we will carry out our CSR. In Fiscals 2023, 2022 and 2021 our CSR spend was ₹ 5.42 million, ₹2.92 million, and ₹1.61 million, respectively.

Properties

Our registered and corporate office is located at Unit No. 203, 204, 205 and 206, Centrum IT Park, Thane -West, Thane 400 604, Maharashtra, India and is held on a leave and license basis for a period of five years from November 16, 2019. In addition, to this we have other offices located at Unit Nos. 214 and 215, Centrum IT Park, Thane -West, Thane 400 604, Maharashtra, India on leave and license basis for a period of five years from July 1, 2021 and one office located at Unit No. 201, Centrum IT Park, Thane -West, Thane 400 604, Maharashtra, India on leave and license basis for a period of five years from October 16, 2022 and office located at Unit No. 202, Centrum IT Park, Thane-West, Thane 400 604, Maharashtra, India on leave and license basis for period of five years from June 1, 2023.

We have two leased premises from where we undertake in-house fabrication process. Our first premise is situated at multi-product special economic zone at Mundra, Gujarat. It is spreading over ~5acres or 20,243 square meters with a capacity of 5,000 metric tonnes of fabrications and modularization per annum. It is held on a leave and license basis for a period of 30 years from April 21, 2021. Further, on situational basis and based on the requirement of our projects, we take certain facilities on lease basis and once the project is completed the facility is shut down and all the equipment and machinery is shifted to other facilities for other projects. This ensures project optimisation while providing us with logistical efficiency. One such facility is situated at Jajpur, Odisha, where fabrication is undertaken for one of our Customer's refinery. It is spread, over approximately 16,187 square meters with a capacity of 1,000 metric tonnes of fabrications and modularization per annum. This facility was acquired on February 21, 2022 and is held on a leave and license basis for a period of two years from March 1, 2023. Also see, "***Risk Factors – Our Registered and Corporate Office are located on premises taken on a leave and license basis or leased. There can be no assurance that these leave and license or leased agreements will be renewed upon termination, or that we will be able to obtain other premises on leave and license basis on same or similar commercial terms or at all",*** on page 48.

Competition

The Indian heating equipment market is closely competed among seven companies with our Company and Thermax Limited being the most prominent and comparable players. Bharat Heavy Electricals Limited is also a participant however, its revenue from heating equipment is comparatively lower compared to its other flagship businesses. Other participants in the Indian heating equipment market are, Esteem Projects Private Limited, Heurtey Petrochem Solutions, TR Engineering, and ITT Engineering India. *(Source: F&S Report)*

Please see "***Risk Factors – Our industry is competitive and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows.***" on page 37.

Effects of the COVID-19 pandemic

COVID-19 has been extremely disruptive across the industry with huge supply shortage for components, restriction on logistics movement, delay in imports and exports and custom clearance hampering cargo movements. The actions taken by various governments to contain the pandemic, such as closing of borders and lockdown restrictions, resulted in significant disruption to people and businesses. The pandemic has impacted, and may further impact, all of our Company's stakeholders – employees, Customers, investors and communities in which it operates. COVID-19 pandemic had an adverse impact on the global supply chain, while our global supply chain was also disrupted initially, there was no adverse impact on our operations. For further information, see "***Risk Factors - The continuing impact of the COVID-19 pandemic on our business and operations is uncertain and it may be significant and continue to have an adverse effect on our business, operations and our future financial performance.***" on page 47.

KEY INDUSTRY REGULATIONS AND POLICIES IN INDIA

The following description is a summary of the relevant sector specific regulations and policies applicable to our Company in India. The information detailed in this chapter has been obtained from publications available in the public domain and is based on the current provisions of Indian law. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions. The description of the applicable laws and regulations 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 substitute for professional legal advice.

*For details in relation to material approvals of our Company, see "**Government and Other Approvals**" beginning on page 326.*

Environment law legislations

The Environment (Protection) Act, 1986 (the "Environment Act") and Environment Protection Rules, 1986 (the "Environment Protection Rules")

The Environment Act has been enacted with the objective of protection and improvement of the environment, to control, reduce and abate pollution and empowers the government to take measures in this regard. Further, the Environment Protection Rules specifies, amongst other things, the standards for emission or discharge of environmental pollutants, and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the Environment Protection Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. As per the Environment Protection Rules, every person who carries on an industry, operation or process requiring consent under Water Act or Air Act or both or authorization under the Hazardous Wastes Rules is required to submit to the concerned state pollution control board an environmental audit report for that financial year in the prescribed form.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules")

The Hazardous Waste Rules, read with the Environment Protection Act, ensure resource recovery and disposal of hazardous waste in an environmentally sound manner. A categorical list of processes and their respective hazardous wastes, and waste constituents with respective concentration limits has been provided in the schedules of the Hazardous Waste Rules. The Hazardous Wastes Rules require every occupier engaged in the generation, handling, reception, processing, treatment, package, storage, transportation, use, collection, destruction, transfer or the like of hazardous wastes to obtain authorisation from the concerned state pollution control board, as applicable.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act") and Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Air Act was enacted to provide for the prevention, control and abatement of air pollution in India. The Air Act requires any person establishing or operating any industrial plant in an air pollution control area to obtain prior consent from the concerned state pollution control board. Further, it prohibits any person operating any industrial plant in an air pollution control area from causing or permitting to be discharged the emission of any air pollutant in excess of prescribed standards. The Water Act was enacted to control and prevent water pollution and for maintaining or restoring of wholesomeness of water in the country and ensure that domestic and industrial pollutants are not discharged into water bodies without adequate treatment. Any violation of the provisions of the Air Act and Water Act is punishable with a fine and/or imprisonment, as applicable.

Labour law legislations

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered under the respective legislations. These legislations regulate the condition of work and employment in shops and commercial establishments and generally prescribe obligations in respect of, among other things, registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

Other labour law legislations

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965, the Maternity Benefit Act, 1961, the Child Labour (Prohibition and Regulation) Act, 1986 and the 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:

a) The Code on Wages, 2019, which regulates and amalgamates laws relating to 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, among other things, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

b) The Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, among other things, including the Employee's Compensation Act, 1923, Employee's State Insurance Act, 1948, the Employee's Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1966, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1956 and the Unorganized Workers' Social Security Act, 2008. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund 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. Recently, the Ministry of Labour and Employment vide notification No. S.O. 2060(E) dated May 3, 2023, has enforced certain provisions of the said code *inter alia* Employees' Pension Scheme, 1995 and Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

c) The Occupational Safety, Health and Working Conditions Code, 2020, consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces certain old central labour laws including the Contract Labour (Regulation and Abolition) Act, 1970, the Factories Act, 1948, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.

Certain portions of the Code on Wages, 2019, have come into force upon notification by the Ministry of Labour and Employment. The remaining provisions of these codes shall become effective as and when notified by the Government of India.

Regulations relating to foreign trade

The foreign policy of India is governed and regulated by the Foreign Trade (Development and Regulation) Act, 1992, as amended ("**Foreign Trade Act**"). The Foreign Trade Act empowered the Central Government to make provisions for the development and regulation of foreign trade by way of facilitating imports into as well as augmenting exports from the country and in all other matters related to foreign trade. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. It is authorised to periodically formulate the Indian Foreign Trade Policy, 2015-20 ("**Foreign Trade Policy**") and amend it thereafter whenever it deems fit. All exports and imports are required to be in compliance with this policy. The Foreign Trade Policy provides for certain schemes for the promotion of export of finished goods and import of inputs. The Foreign Trade Policy has been extended for a further period of six months with effect from October 1, 2022. Recently, the Central Government has notified Foreign Trade Policy, 2023, vide notification No. 01/2023 dated March 31, 2023. All exports and imports made up to March 31, 2023, shall, accordingly, be governed by the relevant Foreign Trade Policy, unless otherwise specified.

The Foreign Trade Act, read with the Foreign Trade Policy, also provides that no person or company can make exports or imports without having obtained an importer exporter code number unless such person or company is specifically exempted.

Laws governing foreign investments

Foreign investment in India is governed by the provisions of the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Non-debt Instrument) Rules, 2019 ("**FEMA Rules**") along with the regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy ("**FDI Policy**") issued by the Department for Promotion of Industry and Internal Trade ("**DPIIT**"), Ministry of Commerce and Industry, Government of India from time to time. The FDI Policy consolidates all the press notes, press releases, and clarifications on FDI issued by DIPP. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route. Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulate the mode of payment and reporting requirements for investments in India by a person resident outside India.

Special Economic Zones Act, 2005 ("SEZ Act") and the Special Economic Zone Rules, 2006 ("SEZ Rules")

A SEZ is a specifically delineated duty free enclave, deemed to be a foreign territory for the purposes of trade as well as duties and tariffs. A board of approval has been set up under the SEZ Act, which is responsible for promoting the SEZ and ensuring its orderly development. The SEZ Rules prescribe the procedure for the operation and maintenance of a SEZ and for setting up and conducting business therein.

The Foreign Trade (Development and Regulation) Act, 1992 and Foreign Trade (Regulation) Rules, 1993 ("FTA")

The FTA 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 FTA, the Government of India:- (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 authorized 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 authorized to appoint a 'director general of foreign trade' for the purpose of the FTA, including formulation and implementation of the export-import policy.

The FTA prohibits anybody from undertaking any import or export except under an importer-exporter code number ("**IEC**") granted by the director general of foreign trade pursuant to Section 7 of the FTA. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. Failure to mention IEC number attracts a penalty of not less than ₹ 10,000 and not more than five times the value of the goods or services or technology in respect of which any contravention is made or is attempted to be made, whichever is made. The IEC shall be valid until it is cancelled by the issuing authority.

Remission of Duties and Taxes on Exported Products Scheme ("RoDTEP Scheme")

Prior to January 1, 2021, the Merchandise Exports from India Scheme ("**MEIS**") was in force pursuant to which, the Government provided duty benefits depending on the product and the country of export. However, the Ministry of Finance, GoI has discontinued MEIS with effect from January 1, 2021, and announced RoDTEP Scheme for exporters. RoDTEP Scheme aims to ensure that exporters receive the refunds on the embedded taxes and duties that were previously non-recoverable. The benefits under the RoDTEP Scheme are to be received in the form of transferable duty credit scrips, or in the form of electronic scrips. The RoDTEP Scheme allows the exporter to utilise the scrips for the payment of import duty or to sell such duty credit scrips in the open market to other importers subject to the terms of the RoDTEP Scheme.

Other applicable laws

In addition to the above, our Company is required to comply with the provisions of the Indian Contract Act, 1872, Companies Act, 2013, Transfer of Property Act, 1882, Indian Stamp Act, 1899, Foreign Exchange Management Act, 1999, Prevention of Corruption Act, 1988, to the extent applicable, Income Tax Act 1961, Income Tax Rules, 1962, as amended by the Finance Act in respective years, Competition Act, 2002, as amended, the relevant goods and services tax legislations, Customs Act, 1962, Customs Tariff Act, 1975, Insolvency and Bankruptcy Code, 2016, and other applicable laws and regulations imposed by the central and state governments and other authorities for its day-to-day operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as "JNK India Private Limited", a private limited company under the Companies Act, 1956, in Thane, Maharashtra pursuant to a certificate of incorporation dated June 14, 2010 granted by the RoC. Pursuant to the conversion of our Company from a private limited company into a public limited company and as approved by our Board on April 12, 2023, and a special resolution passed by our Shareholders at the EGM on April 14, 2023, the name of our Company was changed to "JNK India Limited", and the RoC issued a fresh certificate of incorporation on May 26, 2023.

Changes in the registered office

Effective date	Details of change	Reasons for change
April 23, 2012	Registered office was changed from Emerald Plaza, Block Number 3, Shop Number 111, Hiranandani Meadows, Thane West – 400 610. to First Floor Gangotri Glacier Annex Kavesar, Opposite Vijay Nagari, Thane West – 400 607	Operational Convenience
July 20, 2020	Registered office was changed from First Floor Gangotri Glacier Annex Kavesar, Opposite Vijay Nagari, Thane (W) – 400 607 to Unit Number 203, 204,205 and 206 opposite TMC Office, Centrum IT Park, Near Satkar Hotel, Thane West 400604	Operational Convenience

Main objects of our Company

The main objects clause as contained in the Memorandum of Association enables our Company to undertake its existing activities . The main objects contained in our Memorandum of Association are as follows:

1. *"To carry on the business of Purchasing, Sales, Site erection, Installation, Commissioning, Inspection, Supervision, Performance Assurance, Training, Manufacturing, Assembling, Producing, indenting, Procurement, Fabrication, Marketing, Imports, Exports, Trades, Deals, Representatives, Consultancy, Design, and Research & development for Fired Heaters and related products mainly used in all the industries domestically and globally at the international level."*

2. *"To carry on the business of purchasing, sales, installation, commissioning, manufacturing, assembling, producing, marketing, import, export, trade, deal, consultancy, design, research and development for Incinerators, Reaction Furnaces, Thermal Oxidisers, Flares, hydrogen generation units or any other process plants, hydrogen refilling stations etc. used in refineries, petro-chemical plants, chemical plants, power plants and any other industries and to undertake EPC contracts."*

3. *"To carry on the business as Engineering, procurement construction (EPC) in solar panel installation and to deal in business of supply, manufacturing, designing, trading, commission, erection of inverters, stabilizers, solar inverter UPS, solar panel, power systems and manufacturing, distribution, generation, transmission, supervision, and control of all types of power either mechanical, hydraulic, gas, wind farms, solar etc."*

4. *"To carry on the business as manufacturer exporters, importers, contractors, Sub- contractor, seller, buyer, agent of renewable energy system like solar, Biomass, solid waste, by-product, gases, and gases components etc."*

5. *"To carry on the business of setting up industrial plants, project consultancy, product marketing and management consultants. To provide consultancy regarding installations of all types of projects and plant & Machinery and business management regarding distribution, marketing and selling and to collect, prepare, distribute, information and statistics relating to any type of business or industry relating to solar systems, solar energy and any form of renewable energy."*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

Amendments to our Memorandum of Association in the last 10 years

Set forth below are details of the changes made to our Memorandum of Association of our Company in the last 10 years.

Date of Shareholders' resolution/ Effective date	Details of amendment
July 1, 2021	Clause III (A) of the Memorandum of Association was amended to reflect the addition of clause 2 as one of the main objects – "*To carry on the business of purchasing, sales, installation, commissioning, manufacturing, assembling, producing, marketing, import, export, trade, deal, consultancy, design, research and development for Incinerators, Reaction Furnaces, Thermal Oxidisers, Flares, hydrogen generation units or any other process plants, hydrogen refilling stations etc. used in refineries, petro-chemical plants, chemical plants, power plants and any other industries and to undertake EPC contracts*."
November 24, 2021	Clause V (a) of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹ 20,000,000 divided into 2,000,000 equity shares of ₹ 10 each to ₹ 100,000,000 divided into 10,000,000 equity shares of ₹ 10 each.
November 21, 2022	Clause V (a) of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹ 100,000,000 divided into 10,000,000 equity shares of ₹ 10 each to ₹ 200,000,000 divided into 20,000,000 equity shares of ₹ 10 each
	Clause III (A) of the Memorandum of Association was amended to reflect the addition of Clause 3 as one of the main objects – "*To carry on the business as Engineering, procurement construction (EPC) in solar panel installation and to deal in business of supply, manufacturing, designing, trading, commission, erection of inverters, stabilizers, solar inverter UPS, solar panel, power systems and manufacturing, distribution, generation, transmission, supervision, and control of all types of power either mechanical, hydraulic, gas, wind farms, solar etc*.", Clause 4 as one of the main objects – "To carry on the business as manufacturer exporters, importers, contractors, Sub-contractor, seller, buyer, agent of renewable energy system like solar, Biomass, solid waste, by-product, gases, and gases components etc." and Clause 5 as one of the main objects – "*To carry on the business of setting up industrial plants, project consultancy, product marketing and management consultants. To provide consultancy regarding installations of all types of projects and plant & Machinery and business management regarding distribution, marketing and selling and to collect, prepare, distribute, information and statistics relating to any type of business or industry relating to solar systems, solar energy and any form of renewable energy*."
April 14, 2023	Clause III of the Memorandum of Association was amended to reflect to the alteration in the headings of Clause III – "(*a) The objects to be pursued by the Company on its incorporation are:, (b) Matters which are necessary for furtherance of the objects specified in clause 3(a) are:, C. The Other Objects: Nil*"
	Clause V of the Memorandum of Association was amended to reflect the sub-division in the authorised share capital of our Company from 20,000,000 equity shares of face value of ₹ 10 each to 100,000,000 Equity Shares of face value of ₹ 2 each.
	Clause I of the Memorandum of Association is amended to reflect the change of our name from "JNK India Private Limited" to "JNK India Limited"

Major events and milestones in the history of our Company

The table below sets forth some of the key events and milestones in our history.

Calendar Year	Particulars
2010	Incorporation of our Company.
2019	Received our first purchase order in Nigeria for erection work from a private refinery company of a multinational industrial conglomerate from Nigeria
2021	Received our first purchase order for supply of natural gas and bio – compressed natural gas reforming-based hydrogen infrastructure for refuelling fuel cell buses.
	Received letter of approval for setting up of our manufacturing unit in Mundra, Gujarat (SEZ).
	Received first purchase order for flare systems, in Nigeria
2022	Incorporation of our subsidiary, JNK Renewable Energy Private Limited

Key awards, accreditations and recognitions

The table below sets forth key awards, accreditations and recognitions received by us.

Calendar Year	Particulars
2020	Appreciation for the early completion of supply heaters work for MS block revamp at Numaligarh Refinery Limited
2021	Received ISO 9001:2015 accreditation for our quality management system at our registered office.
	Received ISO 14001:2015 accreditation for our environment management system at our registered office.
2022	Received ISO 45001:2018 accreditation for our occupational health and management system at our registered office.
	Selected for Niryat Shree – Silver Trophy in the Service Provider Category at the 17th set of awards hosted by the Federation of Indian Export Organisations.
	Certificate of appreciation from Dangote Petroleum Refinery and Petrochemicals, Nigeria for contribution, dedication, commitment towards safety compliance and campaign performance
	Certificate of appreciation from Dangote Petroleum Refinery and Petrochemicals, Nigeria for providing four million safe manhours without a lost time incident and recognizing the effective contribution towards installation of process fired heaters.

Corporate profile of our Company

For details in relation to our corporate profile including details of our business, profile, activities, services, market, growth, competition, technology, and managerial competence, see "**Our Business**", "**Our Management**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and "**Risk Factors**" on pages 151, 195, 285 and 28, respectively.

Significant financial or strategic partnerships

Except as stated below, our Company does not have any financial and strategic partners as on the date of this Draft Red Herring Prospectus.

A Co-operation Agreement dated May 17, 2023 has been executed between our promoter, JNK Heaters and our Company (together, the "***Parties***" and such agreement the "***Co-operation Agreement***")

The Co-operation Agreement records inter alia the relationship between Parties in relation to bidding, geography of operations, technological and engineering assistance, commercials and intellectual property. Pursuant to such Co-operation Agreement, the Parties have exclusivity to markets in India and South Korea, respectively, and for markets, other than India and South Korea, the participation in bids and tender process would be based on technical and commercial eligibilities. The Co-operation Agreement, also contemplates a situation, where our Company needs to consult JNK Heaters prior to participation in certain bids. Pursuant to the Co-operation Agreement, our Company is required to pay a fee of three percent of the revenue of a project, or lesser as may be mutually agreed between our Company and JNK Heaters, to JNK Heaters as an engineering and support partner. The Co-operation Agreement shall be in force for a period of three years and may be renewed for another three years.

Time and cost overrun

As on the date of this Draft Red Herring Prospectus, there has been no time or cost over-run in respect of our business operations.

Holding company

As on the date of this Draft Red Herring Prospectus, our Company has no holding company.

Defaults or re-scheduling/restructuring of borrowings with financial institutions/banks

As on the date of this Draft Red Herring Prospectus, there has been no instance of defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks in respect of our borrowings from lenders.

Launch of key products or services, entry into new geographies or exit from existing markets capacity/ facility creation or location of plants

For details in relation to our corporate profile including details of our business, activities, services, market, growth, competition, launch of key products, entry into new geographies or exit from existing markets, suppliers, customers, capacity/facility creation build-up, technology, and managerial competence, see "***Risk Factors***" "***Our Business***", and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 28, 151, and 285, respectively.

Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations orrevaluation of assets in the last 10 years

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last 10 years.

Guarantees provided to third parties by our Promoters offering their Equity Shares in the Offer for Sale

Except as stated below, as on the date of this Draft Red Herring Prospectus, no guarantee has been issued by our Promoters offering their Equity Shares in the Offer for Sale:

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Sr. No.	Name of the Promoter offering their Equity Shares in the Offer for Sale	Lender	Type of facility	Sanctioned amount of facility (in ₹ million)	Security	Obligation on our Company	Obligation of the Promoters offering their Equity Shares in the Offer for Sale	Consideration	Reason
1.	Mascot Capital	State Bank of India	Cash credit, term loan and working capital	₹1,000.00	**Primary Security:** Hypothecation of all current assets existing as well as future entire including stocks of raw material, SIP, finished goods, stores and spares including goods in transit, packing, materials of the unit at their premises, offices, godowns, third party premises and in transit and outstanding moneys, book debts and receivables and other current assets. Hypothecation of stocks and receivables. **Collateral Security:** ***Immovable property/lien on bank deposits*** Charge by way of registered mortgage on the properties as under- 1. Registered mortgage of MIDC Plot No. W-89 & W-90 in additional Ambernath Industrial Area, Village Jambhivali, MIDC Road, Ambernath (E) Registration Sub- District Ulhasnagar, District & Registration District Thane 421506 2. Registered mortgage of Office no. 401, 4th floor, Centrum, Wagle, Industrial Estate, Thane 3. Registered mortgage of Office no. 214, 2nd floor, Centrum, Wagle, Industrial Estate, Thane	Nil	Till all the facilities are repaid by the Company.	Nil	Corporate guarantee in respect of cash credit, term loan and working capital availed by our Company.

Sr. No.	Name of the Promoter offering their Equity Shares in the Offer for Sale	Lender	Type of facility	Sanctioned amount of facility (in ₹ million)	Security	Obligation on our Company	Obligation of the Promoters offering their Equity Shares in the Offer for Sale	Consideration	Reason
					4. Registered mortgage of Office no. 215, 2nd floor, Centrum, Wagle, Industrial Estate, Thane 5. Registered mortgage of flat no. 1204, 12th floor, Bldg No r-12, Yukka Bldg, Sector R-12, Nahar Amrit Shakti, Chandivali, Farm Road, Chandivali 6. Cash collateral of ₹ 100.00 million 7. Cash collateral of ₹ 5.4 million **Primary Security*** Hypothecation of all current assets existing as well as future entire including stocks of raw material, SIP, finished goods, stores and spares including goods in transit, packing, materials of the unit at their premises, offices, godowns, third party premises and in transit and outstanding moneys, book debts and receivables and other current assets. Hypothecation of stocks and receivables. **Collateral Security Immovable Property*** ***Charge by way of registered mortgage on the properties as under*** 1. All piece & parcel of land & building constructed at MIDC Plot no B-32 in Additional Ambernath Industrial Area,				

Sr. No.	Name of the Promoter offering their Equity Shares in the Offer for Sale	Lender	Type of facility	Sanctioned amount of facility (in ₹ million)	Security	Obligation on our Company	Obligation of the Promoters offering their Equity Shares in the Offer for Sale	Consideration	Reason
					Village Jambhivalli, MIDC Road, Ambernath (E) Registration Sub-District Ulhasnagar, District & Registration District Thane 421 506. 2. All piece & parcel of land & building constructed at MIDC Plot no. W-89 & W-90 in additional Ambernath Industrial Area, Village Jambhivali, MIDC Road Ambernath (E) Registration Sub-District Ulhasnagar, District & Registration District Thane 421 506. 3. All piece & parcel of commercial building office situated at office no. 401, 4th Floor, Centrum, Wagle Industrial Estate, Thane. 4. All piece & parcel of commercial building office situated at office No. 307, 3rd Floor, Centrum, Wagle Industrial Estate, Thane. **Primary*** Hypothecation of all stocks (lying inside and outside premises), receivables and other current assets of the Company, both present and future. **Collateral*** ***Charge by way of Equitable Mortgage on the properties as under:*** 1. EM of MIDC plot No. B-32 in addition at Ambernath Industrial				

Sr. No.	Name of the Promoter offering their Equity Shares in the Offer for Sale	Lender	Type of facility	Sanctioned amount of facility (in ₹ million)	Security	Obligation on our Company	Obligation of the Promoters offering their Equity Shares in the Offer for Sale	Consideration	Reason
					Area Village Jambhivali, MIDC Road, Ambernath (E) Registration Sub-District Ulahsnagar, District & Registration District Thane 421 506 2. EM of MIDC Plot No. W-89 & W-90 in additional Ambernath Industrial Area, Village Jambhivalli, MIDC Road, Ambernath (E) Registration Sub-District Ulhasnagar, District & Registration District Thane 421 506. 3. EM of office no. 401, 4th Floor, Centrum, Wagle Industrial Estate, Thane. 4. EM of office no. 307, 3rd Floor, Centrum, Wagle Industrial Estate, Thane.				
		State Bank of India*	Cash credit, term loan and bank guarantee	₹ 92.10	**Primary Security** Hypothecation of all current assets existing as well as future entire including stocks of raw material, SIP, finished goods, stores and spares including goods in transit, packing, materials of the unit at their premises, offices, godowns, third party premises and in transit and outstanding moneys, book debts and receivables and other current assets. Hypothecation of stocks and receivables.	Nil	Till all the facilities are repaid by Mascot Dynamics Private Limited	Nil	Corporate guarantee in respect of cash credit, term loan and bank guarantee availed by Mascot Dynamics Private Limited.

Sr. No.	Name of the Promoter offering their Equity Shares in the Offer for Sale	Lender	Type of facility	Sanctioned amount of facility (in ₹ million)	Security	Obligation on our Company	Obligation of the Promoters offering their Equity Shares in the Offer for Sale	Consideration	Reason
					Collateral Security Immovable Property ***Charge by way of registered mortgage on the properties as under*** 1. All piece & parcel of land & building constructed at MIDC Plot no B-32 in Additional Ambernath Industrial Area, Village Jambhivalli, MIDC Road, Ambernath (E) Registration Sub-District Ulhasnagar, District & Registration District Thane 421 506. 2. All piece & parcel of land & building constructed at MIDC Plot no. W-89 & W-90 in additional Ambernath Industrial Area, Village Jambhivali, MIDC Road Ambernath (E) Registration Sub-District Ulhasnagar, District & Registration District Thane 421 506. 3. All piece & parcel of commercial building office situated at office no. 401, 4th Floor, Centrum, Wagle Industrial Estate, Thane. 4. All piece & parcel of commercial building office situated at office No. 307, 3rd Floor, Centrum, Wagle Industrial Estate, Thane. **Primary**				

Sr. No.	Name of the Promoter offering their Equity Shares in the Offer for Sale	Lender	Type of facility	Sanctioned amount of facility (in ₹ million)	Security	Obligation on our Company	Obligation of the Promoters offering their Equity Shares in the Offer for Sale	Consideration	Reason
					Hypothecation of all stocks (lying inside and outside premises), receivables and other current assets of the Company, both present and future. **Collateral** ***Charge by way of Equitable Mortgage on the properties as under:*** 1. EM of MIDC plot No. B-32 in addition at Ambernath Industrial Area Village Jambhivali, MIDC Road, Ambernath (E) Registration Sub-District Ulahsnagar, District & Registration District Thane 421 506 2. EM of MIDC Plot No. W-89 & W-90 in additional Ambernath Industrial Area, Village Jambhivalli, MIDC Road, Ambernath (E) Registration Sub-District Ulhasnagar, District & Registration District Thane 421 506. 3. EM of office no. 401, 4th Floor, Centrum, Wagle Industrial Estate, Thane. 4. EM of office no. 307, 3rd Floor, Centrum, Wagle Industrial Estate, Thane.				

Sr. No.	Name of the Promoter offering their Equity Shares in the Offer for Sale	Lender	Type of facility	Sanctioned amount of facility (in ₹ million)	Security	Obligation on our Company	Obligation of the Promoters offering their Equity Shares in the Offer for Sale	Consideration	Reason
		HDFC Bank Limited	Cash credit and bank guarantee	₹500.00	Fixed deposits of ₹ 110.00 million, stock in trade and book debts & receivables.	Nil	Till all the facilities are repaid by the Company.	Nil	Corporate guarantee in respect of cash credit and bank guarantee availed by our Company.
2.	Goutam Rampelli	State Bank of India	Cash credit, term loan and working capital	₹1,000.00	Hypothecation of all current assets existing as well as future entire including stocks of raw material, SIP, finished goods, stores and spares including goods in transit, packing, materials of the unit at their premises, offices, godowns, third party premises and in transit and outstanding moneys, book debts and receivables and other current assets. Hypothecation of stocks and receivables. **Collateral Security:** ***Immovable Property/Lien on Bank Deposits*** Charge by way of registered mortgage on the properties as under- 1. Registered mortgage of MIDC Plot No. W-89 & W-90 in additional Ambernath Industrial Area, Village Jambhivali, MIDC Road, Ambernath (E) Registration Sub- District Ulhasnagar, District & Registration District Thane 421506 2. Registered mortgage of Office no. 401, 4th floor, Centrum, Wagle, Industrial Estate, Thane	Nil	Till all the facilities are repaid by the Company.	Nil	Personal guarantee in respect of cash credit, term loan and working capital availed by our Company.

Sr. No.	Name of the Promoter offering their Equity Shares in the Offer for Sale	Lender	Type of facility	Sanctioned amount of facility (in ₹ million)	Security	Obligation on our Company	Obligation of the Promoters offering their Equity Shares in the Offer for Sale	Consideration	Reason
					3. Registered mortgage of Office no. 214, 2nd floor, Centrum, Wagle, Industrial Estate, Thane 4. Registered mortgage of Office no. 215, 2nd floor, Centrum, Wagle, Industrial Estate, Thane 5. Registered mortgage of flat no. 1204, 12th floor, Bldg No r-12, Yukka Bldg, Sector R-12, Nahar Amrit Shakti, Chandivali, Farm Road, Chandivali 6. Cash collateral of ₹ 100.00 million 7. Cash collateral of ₹ 5.4 million				
		HDFC Bank Limited	Cash credit and bank guarantee	₹500.00	Fixed deposits of ₹ 110.00 million, stock in trade and book debts & receivables	Nil	Till all the facilities are repaid by the Company.	Nil	Personal guarantee in respect of cash credit and bank guarantee availed by our Company.
3.	Dipak Kacharulal Bharuka	State Bank of India	Cash credit, term loan and working capital	₹1,000.00	**Primary Security:** Hypothecation of all current assets existing as well as future entire including stocks of raw material, SIP, finished goods, stores and spares including goods in transit, packing, materials of the unit at their premises, offices, godowns, third party premises and in transit and outstanding moneys, book debts and receivables and other current assets. Hypothecation of stocks and receivables. **Collateral Security:** ***Immovable Property/Lien on Bank Deposits***	Nil	Till all the facilities are repaid by the Company.	Nil	Personal guarantee in respect of cash credit, term loan and working capital availed by our Company.

Sr. No.	Name of the Promoter offering their Equity Shares in the Offer for Sale	Lender	Type of facility	Sanctioned amount of facility (in ₹ million)	Security	Obligation on our Company	Obligation of the Promoters offering their Equity Shares in the Offer for Sale	Consideration	Reason
					Charge by way of registered mortgage on the properties as under- 1. Registered mortgage of MIDC Plot No. W-89 & W-90 in additional Ambernath Industrial Area, Village Jambhivali, MIDC Road, Ambernath (E) Registration Sub- District Ulhasnagar, District & Registration District Thane 421506 2. Registered mortgage of Office no. 401, 4th floor, Centrum, Wagle, Industrial Estate, Thane 3. Registered mortgage of Office no. 214, 2nd floor, Centrum, Wagle, Industrial Estate, Thane 4. Registered mortgage of Office no. 215, 2nd floor, Centrum, Wagle, Industrial Estate, Thane 5. Registered mortgage of flat no. 1204, 12th floor, Bldg No r-12, Yukka Bldg, Sector R-12, Nahar Amrit Shakti, Chandivali, Farm Road, Chandivali 6. Cash collateral of ₹ million 7. Cash collateral of ₹ 5.4 million				
		HDFC Bank Limited	Cash credit and bank guarantee	₹500.00	Fixed deposits of ₹ 110.00 million, stock in trade and book debts & receivables	Nil	Till all the facilities are repaid by the Company.	Nil	Personal guarantee in respect of Cash credit and bank guarantee availed by our Company.

**This is in relation to facilities availed by Mascot Dynamics Private Limited wherein the guarantees were given by our Corporate Promoter, Mascot Capital in favour of one of our Group Companies, Mascot Dynamics Private Limited.*

The aforementioned guarantees shall continue and remain in force until the underlying facilities are repaid by our Company and Mascot Dynamics Private Limited. In the event of any default of the terms, conditions, representation, warranties and covenants under the arrangements by our Company, Mascot Dynamics Private Limited, our Promoters, Mascot Capital, Goutam Rampelli and Dipak Kacharulal Bharuka shall be liable for the repayment obligations of our Company or Mascot Dynamics Private Limited in accordance with the terms and conditions of the corporate and personal guarantees, respectively.

Summary of key agreements and shareholders' agreements

As on the date of this Draft Red Herring Prospectus, there are no subsisting shareholders' agreements.

Agreements with Key Managerial Personnel or Senior Management, Director, Promoter or any other employee

There are no agreements entered into by a Key Managerial Personnel or Senior Management Director 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.

Key terms of other subsisting material agreements

Except as the Co-operation Agreement dated May 17, 2023 as disclosed above, there are no other inter se agreements, deeds of assignment, acquisition agreements, shareholder agreements, arrangements or agreements of like nature by whatever name called among the Company, its shareholders or the Promoters as on the date of this Draft Red Herring Prospectus. Further, none of the material agreements have been terminated, modified or not renewed such that there has been an adverse impact on the results of business operations and financials of the Company. There are no clauses or covenants which are material or which are in way adverse or prejudicial to the interest of minority or public shareholders.

Except the Co-operation Agreement dated May 17, 2023 as disclosed above, our Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of our Company.

Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company has two Subsidiaries, details of which are provided below.

Subsidiaries

1. **JNK India Private FZE ("JNK FZE")**

   Corporate Information

   JNK FZE was incorporated on December 11, 2019 under Nigeria Export Processing Zones Authority Act 63 of 1992. Its registered office is situated at Dangote Industries Free Zone, Development Company, Lekki Coastal Road, Ebeju Lekki, Lekki Free Zone Lagos.

   Capital Structure

   The authorised share capital of JNK FZE is 100,000 USD divided into 100,000 ordinary shares of USD one each and its issued, subscribed and paid up capital is one thousand three hundred and thirty five (1,335) USD or USD 1,335 divided into 1,335 shares of 1 USD each.

   Nature of business

   JNK FZE is engaged in the business of erection works for a company that deals with oil refining and petrochemicals project.

Shareholdings

Our Company holds 1,335 ordinary shares aggregating to 100 % of the equity share capital of JNK FZE.

2. JNK Renewable Energy Private Limited ("JNK Renewable")

Corporate Information

JNK Renewable was incorporated on June 17, 2022 under the Companies Act, 2013. Its registered office is at Unit Number 401, Centrum IT Park, Opposite TMC office, Near Satkar Grand Hotel, Thane 400 604, Maharashtra India.

Capital Structure

The authorised share capital of JNK Renewable is ₹10,000,000 divided into 1,000,000 equity shares of ₹ 10 each. The paid up share capital of JNK Renewable is ₹1,000,000 divided into 100,000 equity shares of ₹ 10 each

Nature of business

JNK Renewable is engaged in the business of engineering, procurement construction in solar panel installation.

Shareholdings

Our Company holds 99,990 equity shares aggregating to 99.99 % of the equity share capital of JNK Renewable. 10 equity shares are held by Arvind Kamath, as a nominee of our Company.

Other Confirmations

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of our Subsidiaries not accounted for by our Company.

Interest in our Company

Except as provided in "***Our Business***" on page 151, none of our Subsidiaries have any business interest in our Company. For details of related business transactions between our Company and our Subsidiaries, see "***Restated Consolidated Financial Information– Note 33 – B – Related Party Transaction***" on page 266.

Common Pursuits

There are common pursuits between our Company and JNK FZE by way of benefit earned by JNK FZE out of the business related activities carried out by JNK FZE. As a result of any potential common pursuits, there may be conflicts of interest in allocating business opportunities between our Company and JNK FZE. Our Company and JNK FZE will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

The main object as per the memorandum of association of JNK Renewable and our Company includes business related activities for renewable energy system e.g. solar, biomass, solid waste, by-product, gases, and gases components. JNK Renewable has earned benefits out of it. However, our Company does not earn any benefit out of the business related activities and accordingly there are no common pursuits. As a result of any potential common pursuits, there may be conflicts of interest in allocating business opportunities between our Company and JNK Renewable. Our Company and JNK Renewable will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

OUR MANAGEMENT

In terms of the Companies Act and our Articles of Association, our Company is required to have a minimum of three Directors and a maximum of up to fifteen Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises of eight Directors, including three Whole Time Directors, one Non-Executive Director, and four Independent Directors including one woman Independent Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

Our Board

The following table sets forth details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus:

Name, designation, term, period of directorship, address, occupation, date of birth, age and DIN	Age	Directorships in other companies
Arvind Kamath *Designation*: Chairperson and Whole Time Director *Address:* 2004 Fiona, G B Road, Hiranandani Estate, Thane, Sandozbaugh Thane 400 607, Maharashtra, India *Occupation*: Business *Date of birth:* January 12, 1969 *Term:* Liable to retire by rotation *Period of directorship:* Director since August 16, 2010 *DIN:* 00656181	*54*	*Indian Companies* • JNK Renewable Energy Private Limited • Kal Energy India Private Limited • Mascot Business Solutions Private Limited • Mascot Capital and Marketing Private Limited • Mascot Dynamics Private Limited • Porvair Filtration India Private Limited *Foreign Companies* • JNK India Private FZE
Goutam Rampelli *Designation*: Whole Time Director *Address:* Flat No. 1204, Yucca, Nahar Amrit Shakti, Chandivali, Mumbai 400 072, Maharashtra, India *Occupation*: Service *Date of birth:* October 18, 1955 *Term:* Liable to retire by rotation *Period of directorship:* Director since August 31, 2015 *DIN:* 07262728	*67*	*Indian Companies* • JNK Renewable Energy Private Limited *Foreign Companies* • JNK India Private FZE
Dipak Kacharulal Bharuka *Designation*: Whole Time Director and Chief Executive Officer *Address:* Flat No.102, 1st floor, BLDG No. 2 Orchid, Hiranandani Meadows Chitalsar Manpada, Kashinath Ghanekar Natygruh, Thane, Maharashtra 400 610 *Occupation*: Service *Date of birth:* March 15, 1976 *Term:* Liable to retire by rotation *Period of directorship:* Director since July 19, 2023 *DIN:* 09187979	*47*	*Indian Companies* Nil *Foreign Companies* Nil

Name, designation, term, period of directorship, address, occupation, date of birth, age and DIN	Age	Directorships in other companies
Bang Hee Kim *Designation*: Non-Executive Director *Address:* 505-dong 803-ho, 350 Mokdongdong-ro, Yangcheon-gu, Seoul Metropoitan *Occupation*: Business *Date of birth:* July 10, 1961 *Term:* Liable to retire by rotation *Period of directorship:* Director since August 16, 2010 *DIN:* 03117636	*62*	*Indian Companies* Nil *Foreign Companies* • JNK Heaters
Balraj Kishor Namdeo *Designation*: Independent Director *Address:* F-31, 3/1 Panchakamal CHS, Near Rajiv Gandhi Udyan Sector-29, Navi Mumbai, Vashi, Thane, Maharashtra – 400 703 *Occupation*: Retired *Date of birth:* October 17, 1956 *Term:* Five years with effect from June 3, 2023 *Period of directorship:* Director since June 3, 2023 *DIN:* 06620620	*66*	*Indian Companies* • D&H India Limited • Anista Infratech Private Limited *Foreign Companies* Nil
Sudha Bhushan *Designation*: Independent Director *Address:* 701, B-Wing, Julian ALPS, Bhakti Park, Wadala East, Mumbai, Maharashtra – 400 037 *Occupation*: Professional *Date of birth:* January 12, 1979 *Term:* Five years with effect from June 3, 2023 *Period of directorship:* Director since June 3, 2023 *DIN:* 01749008	*44*	*Indian Companies* • Aurionpro Solutions Limited • Matix Fertilisers and Chemicals Limited • Digjam Limited • Choice International Limited • Taxpal Advisors Private Limited • West Coast Paper Mills Ltd. *Foreign Companies* Nil
Raman Govind Rajan *Designation*: Independent Director *Address:* Y23, Concorde Silicon Valley, Neeladri Road, Next to Wipro Gate 15, Electronic City Phase 1, Electronic City, Bangaluru, Karnataka – 560 100 *Occupation*: Consultant *Date of birth:* September 26, 1957 *Term:* Five years with effect from June 3, 2023	*65*	*Indian Companies* Nil *Foreign Companies* Nil

Name, designation, term, period of directorship, address, occupation, date of birth, age and DIN	Age	Directorships in other companies
Period of directorship: Director since June 3, 2023 *DIN:* 01253189		
Mohammad Habibulla *Designation*: Independent Director *Address:* 2003, A Block, Aditya Empress Towers, Tolichowki Passport Office, Shaikpet, Golconda, Hyderabad, Telangana 500 008, India *Occupation*: Engineer *Date of birth:* December 9, 1953 *Term:* Five years with effect from July 19, 2023 *Period of directorship:* Director since July 19, 2023 *DIN:* 01719204	*69*	*Indian Companies* Nil *Foreign Companies* Nil

Arrangement or understanding with major shareholders, customers, suppliers or others

None of our Directors have any arrangement or understanding with our major shareholders, customers, suppliers, or others pursuant to which any of our Directors were appointed on our Board or as a member of the Senior Management.

Brief profiles of our Directors

Arvind Kamath is the Chairperson and Whole Time Director of our Company. He is also the Promoter of our Company. He has been associated with our Company since August 16, 2010. He holds a bachelor's degree in chemical engineering from the Mangalore University, Mangaluru, Karnataka. He was previously associated with Sulzer Pumps India Private Limited, Chetra Seals Private Limited, Mascot Flowtech Private Limited and Mascot Global Private Limited. He has an extensive experience in the capital equipment industry.

Goutam Rampelli is the Whole Time Director of our Company. He is also the Promoter of our Company. He has been associated with our Company since August 31, 2015. He has successfully completed his bachelor's degree in chemical engineering from the National Institute of Technology (formerly Regional Engineering College), Warangal, and also completed his master's degree in chemical engineering from the Indian Institute of Technology, Bombay. He was previously associated with Larsen and Toubro Limited and L&T Hydrocarbon Engineering Limited. He is also a member of Institute of Directors. He has an extensive experience in the fired heaters and reformer packages industry.

Dipak Kacharulal Bharuka is a Whole Time Director and Chief Executive Officer of our Company. He is also the Promoter of our Company. He has been associated with our Company since March 14, 2011. He is also associated as a designated partner in NIAA Ventures LLP. He has successfully completed his master's degree of engineering in Mechanical and Industrial (Machine Design Engineering) from University of Roorkee, Roorkee and Executive Masters in Business Administration from S.P. Jain Institute of Management & Research. He was previously associated with Larsen and Toubro Limited. He has an extensive experience in the fired heaters and reformer packages industry.

Bang Hee Kim is the Non-Executive Director of our Company. He has been associated with our Company since August 16, 2010. He has successfully completed his bachelor's degree in science from the Yonsei University, South Korea. He was previously associated with DL E&C CO., Limited. He is also the member of Gas Safety Technology Deliberation Committee in Korea Gas Safety Corporation. He is also an adjunct professor at Yonsei University, South Korea. He has an extensive experience in the fired heaters and reformer packages industry.

Balraj Kishor Namdeo is an Independent Director of our Company. He has been associated with our Company since June 3, 2023. He holds a bachelor's degree in engineering from the Bhopal University and a master's degree in interdisciplinary programme of industrial management from the Indian Institute of Technology, Bombay. He has experience in the oil and gas industry and the petrochemical industry, was previously associated with Hindustan Petroleum Corporation Limited and Ratnagiri Refinery and Petrochemicals Limited.

Sudha Bhushan is an Independent Director of our Company. She has been associated with our Company since June 3, 2023. She has successfully cleared her examination for bachelor's degree in commerce from the University of Delhi. She is a fellow member of the Institute of Chartered Accountants of India and an associate member of the Institute of Company Secretaries of India. She is also a registered valuer (securities or financial assets) and an insolvency professional, registered with Insolvency and Bankruptcy Board of India. She has experience in finance and was previously associated with Deloitte Haskins & Sells and Deloitte Touche Tohmatsu India Private Limited.

Raman Govind Rajan is an Independent Director of our Company. He has been associated with our Company since June 3, 2023. He holds a bachelor's degree in chemical engineering from the Banaras Hindu University and a master of business administration from the University of Strathclyde, Glasgow, United Kingdom. He has experience in oil and gas, chemicals and fertilisers industry and was previously associated with Engineers India Limited, GAIL (India) Limited, Projects & Development India Limited, Rashtriya Chemical & Fertilisers Limited and The Fertilisers Association of India.

Mohammad Habibulla is an Independent Director of our Company. He has been associated with our Company since July 19, 2023. He holds a master's degree in chemical engineering from the Indian Institute of Technology, Kanpur. He has experience in hydrocarbon industry. He is currently the director of engineering with NPCC Engineering Private Limited and was previously associated with L&T - Chiyoda Limited, Larsen and Toubro Limited and L&T Hydrocarbon Engineering Limited.

Relationship between Directors and Key Managerial Personnel or Senior Management

None of our Directors are related to each other or to any of our Key Managerial Personnel or Senior Management.

Terms of appointment of our Directors

Terms of appointment of our Whole Time Directors

Arvind Kamath, Chairperson and Whole Time Director

Arvind Kamath was appointed as a Non-Executive Director and has been associated with our Company since August 16, 2010. He was reappointed as a Whole Time Director of our Company pursuant to the resolution passed by our Board on April 12, 2023, and the resolution passed by our Shareholders on April 14, 2023, for a period of five years with effect from April 1, 2023, and was appointed as the Chairperson of our Company, pursuant to the resolution passed by our Board on June 3, 2023.

According to the terms of his agreement dated April 14, 2023, and as approved by the Board resolution dated April 12, 2023, and the Shareholders' resolution dated April 14, 2023, he is entitled to receive a fixed salary of ₹ 30.00 million per annum. Further, he shall be entitled to additional benefits such as car facility, medical allowance, club membership, ex-gratia/incentives and other perquisites and benefits as per our Company's policy.

Goutam Rampelli, Whole Time Director

Goutam Rampelli was appointed as an Executive Director of our Company and has been associated with our Company since August 31, 2015. He was reappointed as a Whole Time Director of our Company pursuant to the resolution passed by our Board on April 12, 2023, and the resolution passed by our Shareholders on April 14, 2023, for a period of five years with effect from April 1, 2023.

According to the terms of his agreement dated April 14, 2023, and as approved by the Board resolution dated April 12, 2023, and the Shareholders' resolution dated April 14, 2023, he is entitled to receive a fixed salary of ₹ 24.00

million per annum. Further, he shall be entitled to additional benefits such as car facility, medical allowance, club membership, ex-gratia/incentives and other perquisites and benefits as per our Company's policy.

Dipak Kacharulal Bharuka, Whole Time Director and Chief Executive Officer

Dipak Kacharulal Bharuka is a Whole Time Director and a Chief Executive Officer of our Company. He has been associated with our Company since March 14, 2011. He was appointed as a Chief Executive Officer pursuant to the resolution passed by our Board on October 10, 2021, and an additional Director and a Whole Time Director of our Company pursuant to the resolution passed by our Board on July 19, 2023, and the resolution passed by our Shareholders on July 27, 2023, for a period of five years with effect from July 19, 2023.

According to the terms of his agreement dated July 27, 2023, and as approved by the Board resolution dated July 19, 2023, and the Shareholders' resolution dated July 27, 2023, he is entitled to receive a fixed salary of ₹ 19.20 million per annum. Further, he shall be entitled to additional benefits such as car facility, medical allowance, club membership, ex-gratia/incentives and other perquisites and benefits as per our Company's policy.

Terms of appointment of our Independent Directors

According to the terms of the letters of appointment of our Independent Directors, and as approved by the Board resolution dated June 3, 2023 and July 19, 2023, our Independent Directors are entitled to receive a sitting fee of ₹ 0.08 million per sitting for attending meetings of our Board, ₹ 0.08 million per sitting for attending meetings of the Audit Committee, if appointed as member thereof, and ₹ 0.03 million per sitting for attending meetings of other committees, if appointed as member thereof. Further, our Independent Directors are entitled to receive a commission as may be determined by our Board from time to time in accordance with the Companies Act, 2013, however the total commission payable to all our Independent Directors taken together should not exceed one percent of the net profits of our Company.

Payment or benefit to Directors of our Company

Details of the sitting fees or other remuneration paid to our Directors in Fiscal 2023 are set forth below.

Remuneration to our Whole Time Directors

Details of the remuneration paid to our Whole Time Directors in Fiscal 2023 is set forth below:

In Fiscal 2023, Arvind Kamath received aggregate compensation including deferred compensation accrued for the year of ₹ 93.48 million.

In Fiscal 2023, Goutam Rampelli received aggregate compensation including deferred compensation accrued for the year of ₹ 59.92 million.

Dipak Kacharulal Bharuka has been appointed as a Whole Time Director in Fiscal 2024, and accordingly, no compensation has been paid to him in Fiscal 2023, except for aggregate compensation including deferred compensation accrued for the year of ₹ 54.44 million for his role as a Chief Executive Officer in our Company.

Remuneration to our Non-Executive Director

Our Non-Executive Director, Bang Hee Kim, is not entitled to any remuneration from our Company. Accordingly, he has not been paid any amount in Fiscal 2023 except for ₹ 59.92 million in the form of professional fees for the professional advice rendered to the Company.

Remuneration to our Independent Directors

All the Independent Directors of our Company have been appointed in Fiscal 2024, and accordingly, no sitting fees has been paid to them in Fiscal 2023.

Remuneration paid to our Directors from our Subsidiaries

None of our Directors have received any remuneration, sitting fees or commission from our Subsidiaries in Fiscal 2023.

Bonus or profit-sharing plan for our Directors

Our Company does not have any bonus or profit-sharing plan for our Directors.

Contingent and deferred compensation payable to Directors

There is no contingent or deferred compensation payable to our Directors, which does not form part of their remuneration for Fiscal 2023.

Shareholding of our Directors in our Company

Our Articles of Association 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:

S. No.	Name of the Director	Number of Equity Shares	Percentage of pre-Offer Equity Share capital (in %)
1.	Goutam Rampelli	5,760,000	11.90
2.	Dipak Kacharulal Bharuka	4,960,000	10.25

Service contracts with Directors

Except as stated in"– ***Terms of Appointment of our Directors***" on page 198 and as provided below, there are no service contracts entered into with any Directors, which provide for benefits upon retirement or termination of employment.

Pursuant to the Memorandum of Understanding ("**MOU**") dated January 15, 2021, entered by and between Bang Hee Kim and our Company, it was agreed that Bang Hee Kim would provide engineering consultancy on behalf of our Company for project in Mexico *inter alia* reviewing of process design calculation, resolution of client's comments, reviewing of material requisition of major bought out items and review of vendor prints for burner, fans and air pre heaters. Pursuant to the MOU, he is entitled to receive a sum of ₹ 16.00 million as a one-time payment.

Pursuant to the consultant agreement dated April 1, 2023 ("**Consultant Agreement**"), entered by and between Bang Hee Kim and our Company, it has been agreed that Bang Hee Kim would provide business consultancy services to the Company *inter alia* for approving fire heater type and design, approving the final specifications and scope, suggesting new concept, design changes, worldwide sourcing to meet specifications, connecting with head of licensing and technology organization for ensuring that our Company is approved and preferred, suggestions on innovations, reviewing project schedule and advising on improvements in health, safety and environment policies from time to time. Pursuant to the Consultant Agreement, he is entitled to receive a sum of ₹ 24.00 million on an annual basis.

Furthermore, except the statutory benefits upon termination of their employment in our Company, no other Director, are entitled to any benefit upon retirement or termination of employment.

Interest of Directors

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, if any, payable to them for attending meetings of our Board or committees thereof or providing professional advice and any commission payable to them by our Company. Our Directors are also interested in our Company to the extent that: (i) they hold any direct or indirect shareholding or other securities in our Company, and any dividends or any other distributions payable in respect thereof; (ii) any directorships that they may hold in our Company or our Subsidiaries, and to the extent of any remuneration payable to them in this regard. For details of the Directors' shareholding in our Company, see "***Capital Structure - Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company***" on page 83.

Certain 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/sale of goods and/or services. For further details, please see "***Restated Consolidated Financial Information – Note 33 – B – Related Party Transaction***" on page 266.

Our Whole Time Director and Chief Executive Officer, Dipak Kacharulal Bharuka, is interested to the extent he derives rent from our Company pursuant to a leave and license agreement dated January 12, 2022, wherein he has provided an office premise, Unit No 214 and 215 , second floor, of the building Centrum, opposite Thane Municipal Corporation Majiwade Prabhag Samiti Office, MIDC Area, Wagle Industrial Estate, Thane West, Thane 400 604, Maharashtra, India, on a leave and license basis to our Company, for a period of five years commencing from July 1, 2021.

Interest in land and property, acquisition of land, construction of building or supply of machinery, etc.

Our Directors have no interest in any property acquired by our Company during the three years preceding the date of this Draft Red Herring Prospectus, or proposed to be acquired, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Interest in promotion of our Company

Except for Arvind Kamath, Goutam Rampelli and Dipak Kacharulal Bharuka, who are our Promoters, and Bang Hee Kim who is a promoter and a director of JNK Heaters one of our Corporate Promoters, none of our Directors have an interest in the promotion or formation of our Company, as on the date of this Draft Red Herring Prospectus.

Business Interest

Except as stated in in "***Restated Consolidated Financial Information – Note 33 – B – Related Party Transaction***" on page 266 and otherwise disclosed in this section, our Directors do not have any other business interest in our Company.

Confirmations

None of our Directors are, or for the five years prior to the date of this Draft Red Herring Prospectus, have been on the board of directors of any listed company whose shares have been/were suspended from being traded on any stock exchange, during their tenure.

None of our Directors has been or is a director on the board of directors of any listed company that has been or was delisted from any stock exchange, during their tenure.

No consideration in cash or shares or otherwise has been paid, or agreed to be paid to any of our Directors, or to the firms or companies in which they are interested as a member by any person either to induce such director to become, or to help such director to qualify as a Director, or otherwise for services rendered by him/her or by the firm or company in which he/she is interested, in connection with the promotion or formation of 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 set forth below:

Name of Director	Date of Change	Reasons
Mohammad Habibulla	July 19, 2023*	Appointed as an Additional Independent Director*
Dipak Kacharulal Bharuka	July 19, 2023*	Appointed as an Additional Director and a Whole Time Director*
Balraj Kishor Namdeo	June 3, 2023*	Appointed as an Additional Independent Director*
Sudha Bhushan	June 3, 2023*	Appointed as an Additional Independent Director*
Raman Govind Rajan	June 3, 2023*	Appointed as an Additional Independent Director*

Name of Director	Date of Change	Reasons
Arvind Kamath	April 1, 2023	Appointed as a Whole Time Director
Goutam Rampelli	April 1, 2023	Appointed as a Whole Time Director
Prajwal Arvind Kamath	February 11, 2021	Resigned due to personal reasons

**Regularized pursuant to a resolution passed by our Shareholders on July 27, 2023*

Borrowing Powers

Pursuant to our Articles of Association, a resolution of our Board dated March 16, 2023, and a resolution passed by our Shareholders on April 14, 2023, our Board may borrow money, subject to approval of members, with or without security, on such terms and conditions as it may consider fit notwithstanding that the amount to be borrowed together with amount already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of paid-up capital and free reserves and securities premium provided that the total amount that may be borrowed by the Board and outstanding at any point of time shall not exceed ₹ 2,000.00 million.

Corporate Governance

As on the date of this Draft Red Herring Prospectus, there are eight Directors on our Board comprising of three Whole Time Directors, one Non-Executive Director, and four Independent Directors. Further, we have one woman Independent Director on our Board. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act in relation to the composition of our Board and constitution of committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all the applicable requirements of SEBI Listing Regulations and the Companies Act.

Board Committees

Our Company has constituted the following Board committees in terms of the SEBI Listing Regulations, and the Companies Act, 2013:

(a) Audit Committee;
(b) Nomination and Remuneration Committee;
(c) Stakeholders' Relationship Committee;
(d) CSR Committee; and
(e) Risk Management Committee

Audit Committee

The Audit Committee was constituted pursuant to a resolution passed by our Board at its meeting held on June 3, 2023, and the terms of reference were last amended on June 3, 2023. The Audit Committee is in compliance with Section 177 and other applicable provisions of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The Audit Committee currently comprises:

S. No.	Director	Designation
1.	Sudha Bhushan	Chairperson
2.	Balraj Kishor Namdeo	Member
3.	Arvind Kamath	Member

Terms of Reference for the Audit Committee:

The Audit Committee shall be responsible for, among other things, as may be required by the Stock Exchange(s) from time to time, the following:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

(1) to investigate any activity within its terms of reference;
(2) to seek information from any employee;
(3) to obtain outside legal or other professional advice;
(4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
(5) such other powers as may be prescribed under the Companies Act, 2013 and the SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

(1) oversight of the financial reporting process and the disclosure of financial information relating to our Company to ensure that the financial statements are correct, sufficient and credible;

(2) recommendation to the Board of the directors of the Company for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

(3) monitoring the end use of funds raised through public offers and related matters;

(4) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(5) reviewing with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:

a. matters required to be included in the director's 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; and
g. modified opinion(s) in the draft audit report.

(6) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(7) 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 Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;

(8) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(9) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

Explanation: *The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

(10) scrutiny of inter-corporate loans and investments;

(11) valuation of undertakings or assets of the Company and appointing a registered valuer in terms of Section 247 of the Companies Act, wherever it is necessary;

(12) evaluation of internal financial controls and risk management systems;

(13) reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

(14) 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;

(15) discussion with internal auditors of any significant findings and follow-up thereon;

(16) 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;

(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) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(19) reviewing the functioning of the whistle blower mechanism;

(20) overseeing the vigil mechanism established by the Company, with the chairperson of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(21) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(22) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10.00% 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;

(23) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

(24) formulating, reviewing and making recommendations to the Board to amend the terms of reference of Audit Committee from time to time;

(25) approving the key performance indicators for disclosure in the offer document;

(26) reviewing compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively; and

(27) carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Listing Regulations and/or any other applicable laws, as and when amended from time to time, or by any regulatory authority and performing such other function as may be necessary or appropriate for the performance of its duties.

Further, the Audit Committee shall mandatorily review the following information:

a. management discussion and analysis of financial condition and results of operations;

b. management letters / letters of internal control weaknesses issued by the statutory auditors;

c. internal audit reports relating to internal control weaknesses;

d. the appointment, removal and terms of remuneration of the chief internal auditor; and

e. statement of deviations in terms of the SEBI Listing Regulations:

i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and
ii) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of the SEBI Listing Regulations.

(28) the financial statements, in particular, the investments made by any unlisted subsidiary; and

(29) such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted pursuant to a resolution passed by our Board at its meeting held on June 3, 2023. The composition and terms of reference of the Nomination and Remuneration Committee are in compliance with Section 178 and other applicable provisions of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently comprises:

S. No.	Director	Designation
1.	Sudha Bhushan	Chairperson
2.	Raman Govind Rajan	Member
3.	Balraj Kishor Namdeo	Member
4.	Arvind Kamath	Members

Terms of Reference for the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors of the Company a policy relating to the remuneration of the directors, key managerial personnel and other employees ("**Remuneration Policy**");

- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may (a) use the services of external agencies, if required; (b) consider candidates for a wide range of backgrounds, having due regard to diversity; and (c) consider the time commitments of the candidates;

- Formulation of criteria for evaluation of performance of independent directors and the Board;

- Devising a policy on Board diversity;

- 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 and carrying out evaluation of every director's performance (including independent director), its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

- Recommend to the board, all remuneration, in whatever form, payable to senior management;

- The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:

  (a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

- Perform such functions as are required to be performed by the Nomination and Remuneration Committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:

  (a) administering the employee stock option plans of the Company, as may be required;
  (b) determining the eligibility of employees to participate under the under the employee stock option plans of the Company;
  (c) granting options to eligible employees and determining the date of grant;
  (d) determining the number of options to be granted to an employee;
  (e) determining the exercise price under the employee stock option plans of the Company; and
  (f) construing and interpreting the employee stock option plans of the Company and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans of the Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of the Company.

- Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

  (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

- carrying out any other activities as may be delegated by the Board of Directors of the Company and other functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted pursuant to a resolution passed by our Board at its meeting held on June 3, 2023, in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently comprises:

S. No.	Director	Designation
1.	Raman Govind Rajan	Chairperson
2.	Arvind Kamath	Member
3.	Goutam Rampelli	Member

Terms of Reference for the Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required under applicable law, the following:

- considering and looking into various aspects of interest of shareholders, debenture holders and other security holders

- resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

- formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

- giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;

- issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;

- review of measures taken for effective exercise of voting rights by shareholders;

- review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar & share transfer agent;

- approve requests for transposition, deletion, consolidation, sub-division, change of name etc. of shares, debentures and other securities;

- to dematerialize or rematerialize the issued shares

- review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and

- carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was re-constituted pursuant to a resolution passed by our Board at its meeting held on June 3, 2023, and its composition and terms of reference are in compliance with Section 135 and other applicable provisions of the Companies Act, 2013. The Corporate Social Responsibility Committee currently comprises:

S. No.	Director	Designation
1.	Arvind Kamath	Chairperson
2.	Goutam Rampelli	Member
3.	Raman Govind Rajan	Member

Terms of Reference for the CSR Committee:

The Corporate Social Responsibility Committee shall be authorized to perform the following functions:

(a) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, as amended and the rules made thereunder and make any revisions therein as and when decided by the Board -;

(b) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and amount to be incurred for such expenditure shall be as per the applicable law;

(c) monitor the corporate social responsibility policy of the Company and its implementation from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programme; and

(d) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

Risk Management Committee

The Risk Management Committee was constituted pursuant to a resolution passed by our Board at its meeting held on June 3, 2023, in compliance with Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee currently comprises:

S. No.	Member	Designation
1.	Balraj Kishor Namdeo	Chairperson
2.	Arvid Kamath	Member
3.	Goutam Rampelli	Member
4.	Dipak Kacharulal Bharuka	Whole Time Director and Chief Executive Officer

Terms of Reference for the Risk Management Committee:

The role and responsibility of the Risk Management Committee shall be as follows:

- to review, assess and formulate the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof, which shall include: (a) a framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee; (b) measures for risk mitigation including systems and processes for internal control of identified risks; and (c) business continuity plan;

- ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

- monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

- Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity, and recommend for any amendment or modification thereof, as necessary;

- approve the process for risk identification and mitigation;

- decide on risk tolerance and appetite levels, recognizing contingent risks, inherent and residual risks including for cyber security;

- monitor the Company’s compliance with the risk structure.

- assess whether current exposure to the risks it faces is acceptable and that there is an effective remediation of non-compliance on an on-going basis;

- approve major decisions affecting the risk profile or exposure and give appropriate directions;

- consider the effectiveness of decision making process in crisis and emergency situations;

- generally, assist the Board in the execution of its responsibility for the governance of risk

- keep the Board of directors of the Company informed about the nature and content of its discussions, recommendations and actions to be taken;

- review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

- implement and monitor policies and/or processes for ensuring cyber security;

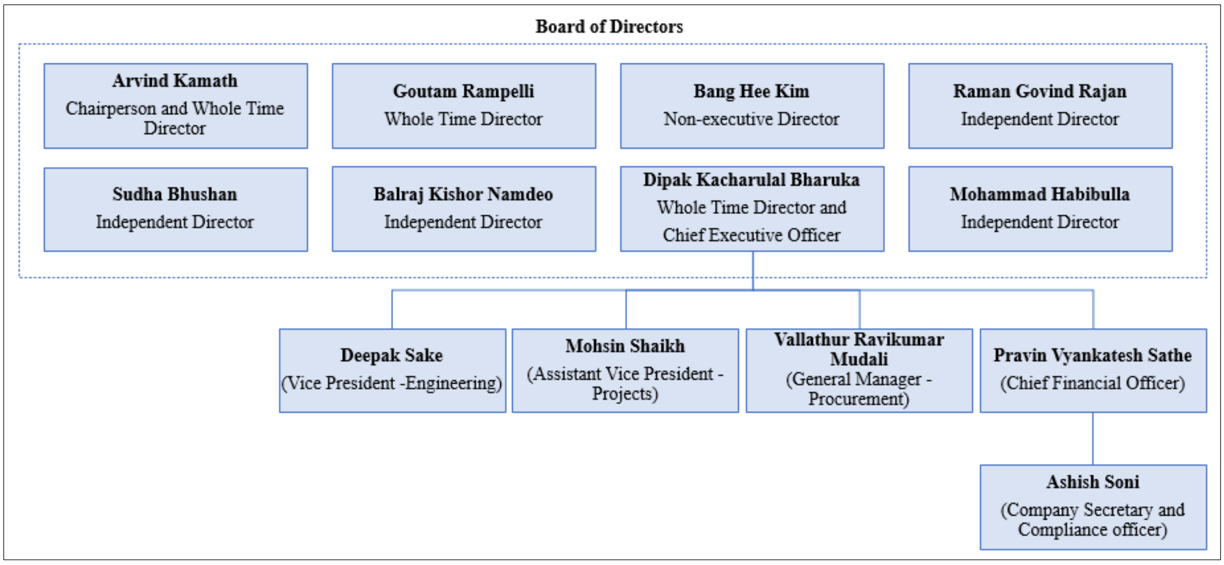
- to review and recommend potential risk involved in any new business plans and processes;

- to coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors; and

- monitor and review regular updates on business continuity; and

- Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Management Organization Structure



Key Managerial Personnel and Senior Management

Key Managerial Personnel

In addition to Arvind Kamath, Goutam Rampelli and Dipak Kacharulal Bharuka, whose details are disclosed under "– ***Brief profiles of our Directors***" on page 197, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below.

Pravin Vyankatesh Sathe is the Chief Financial Officer of our Company. He has been associated with our Company since March 20, 2023. He has experience in the finance sector. He has successfully completed his bachelor's degree of commerce from the University of Bombay. He is a member of the Institute of Chartered Accountants of India. He was previously associated with Sankalpan Infrastructure Private Limited and AT&F India Fabrication Private Limited. In Fiscal 2023, he received an aggregate compensation including deferred compensation accrued for the year of ₹ 0.13 million from our Company.

Ashish Soni is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company since February 1, 2023. He has experience in the corporate secretarial and other related compliances. He has successfully completed his bachelor's degree in commerce and LLB (Hons.) from Devi Ahilya University, Indore. He is an associate member of the Institute of Company Secretaries of India. He was previously associated with Continuum Green Energy (India) Private Limited (formerly known as Continuum Wind Energy (India Private Limited), Newgen Insurance Broking Private Limited, E-Business Dotcom Private Limited, Ruchi Global Limited, Revati Cements Private Limited, Makson Nutrition Food (India) Private Limited, National Board of Trade Limited, Ajcon Global Services Limited, R.K. Agrawal & Associates and STI India Limited. In Fiscal 2023, he received an aggregate compensation including deferred compensation accrued for the year of ₹ 0.23 million from our Company.

Senior Management

In addition to Pravin Vyankatesh Sathe and Ashish Soni, whose details are disclosed under ***"– Key Managerial Personnel and Senior Management – Key Managerial Personnel"*** above, the details of our other Senior Management as on the date of this Draft Red Herring Prospectus are set forth below:

Mohsin Shaikh is the Assistant Vice President – Projects, of our Company. He has been associated with our Company since November 28, 2011. He has experience in the engineering sector. He holds a bachelor's degree of engineering, civil branch, from the University of Pune. He was previously associated with Larsen & Toubro Limited. In Fiscal 2023, he received an aggregate compensation including deferred compensation accrued for the year of ₹ 8.81 million from our Company.

Deepak Sake is the Vice President - Engineering, of our Company. He has been associated with our Company since January 19, 2015. He has experience in the engineering sector. He has successfully completed his bachelor's degree of engineering from the North Maharashtra University, Jalgaon, and has cleared his examination in master's of engineering from Motilal Nehru Regional Engineering College, Allahabad. He was previously associated with L&T Hydrocarbon Engineering Limited. In Fiscal 2023, he received an aggregate compensation including deferred compensation accrued for the year of ₹ 10.76 million from our Company.

Vallathur Ravikumar Mudali is the General Manager, Procurement Department, of our Company. He has been associated with our Company since July 14, 2022. He has experience in the engineering sector. He holds a bachelor's degree of engineering from the Maharashtra Institute of Technology, Pune and Graduate Diploma in Materials Agreement from Indian Institute of Materials Management. He was previously associated with Nirlon Limited, H. & R. Johnson (India) Limited, Aegis Limited, Reliance Infrastructure Limited and Essar Constructions India Limited. In Fiscal 2023, he received an aggregate compensation including deferred compensation accrued for the year of ₹ 1.85 million from our Company.

Status of Key Managerial Personnel and Senior Management

All the Key Managerial Personnel and Senior Management are permanent employees of our Company.

Relationship among Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel or Senior Management are related to each other or any of the Directors.

Bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel or Senior Management are party to any bonus or profit-sharing plan of our Company.

Shareholding of Key Managerial Personnel and Senior Management in our Company

Except as disclosed below and in ***'Shareholding of our Directors in our Company',*** none of our Key Managerial Personnel and Senior Management hold any Equity Shares in our Company:

S. No.	Name of the Key Managerial Personnel/Senior Management	Number of Equity Shares	Percentage of pre-Offer Equity Share capital (in %)
1.	Deepak Sake	70,000	0.14
2.	Mohsin Shaikh	52,000	0.11

Service Contracts with Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and Senior Management have entered into a service contract with our Company pursuant to which their remuneration has been fixed.

Our Key Managerial Personnel and Senior Management are governed by the terms of their respective appointment letters / resolutions of our Board on their terms of appointment. Further, no officer of our Company, including Key Managerial Personnel and Senior Management is entitled to any benefit upon termination of employment, other than statutory benefits.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management

No contingent or deferred compensation is payable to any of our Key Managerial Personnel or Senior Management for Fiscal Year 2023.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel or Senior Management have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

Interest of Key Managerial Personnel and Senior Management

Except as disclosed above under '***Interest of Directors***', and mentioned below and to the extent of the remuneration (including any variable pay or sales-linked incentives), benefits, interest of receiving dividends on the Equity Shares held by them, if any, reimbursement of expenses incurred in the ordinary course of business, our Key Managerial Personnel and Senior Management may be interested to the extent of employee stock options that may be granted to them from time to time under the ESOP 2022 and other employee stock option schemes that may be formulated by our Company from time to time.

Except as disclosed herein, none of our Key Managerial Personnel or Senior Management have been paid any consideration of any nature from our Company, other than their remuneration.

Changes in Key Managerial Personnel or Senior Management during the last three years

Except as stated below and in " – ***Changes in our Board during the last three years***" on page 201, there has been no change in our Key Managerial Personnel or senior management during the three years immediately preceding the date of this Draft Red Herring Prospectus:

Name of Key Managerial Personnel and Senior Management	Date of Change	Reason
Pravin Vyankatesh Sathe	March 20, 2023	Appointed as Chief Financial Officer
Prashant Ghanekar	March 1, 2023	Resigned as chief financial officer, due to certain personal issues
Ashish Soni	February 1, 2023	Appointed as Company Secretary and Compliance Officer
Prashant Ghanekar	November 15, 2022	Appointed as chief financial officer
Vallathur Ravikumar Mudali	July 14, 2022	Appointed as General Manager, Procurement Department
Dipak Kacharulal Bharuka	October 25, 2021	Appointed as Chief Executive Officer

Employee stock option and stock purchase schemes

For details of the ESOP 2022 implemented by our Company, see "***Capital Structure – Employee Stock Option Schemes***" on page 84.

Payment or Benefit to Key Managerial Personnel and Senior Management 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.

OUR PROMOTER AND PROMOTER GROUP

Our Promoters

Arvind Kamath, Goutam Rampelli, Dipak Kacharulal Bharuka, Mascot Capital and JNK Heaters are the Promoters of our Company.

As on the date of this Draft Red Herring Prospectus, our Promoters, hold 45,760,000 Equity Shares, representing 94.56 % of the issued, subscribed and paid-up Equity Share capital of our Company. None of the members of our Promoter Group hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

For details on shareholding of our Promoters in our Company, see "***Capital Structure – History of build-up of Promoters' shareholding and Promoters' contribution – Build-up of Promoter's equity shareholding in our Company***" on page 77. Further for details on shareholding of the members of our Promoter Group in our Company, see "***Capital Structure - Shareholding of our Promoters and the member of our Promoter Group***" on page 79.

I. Details of our Individual Promoters

Arvind Kamath

Arvind Kamath, born on January 12, 1969, aged 54 years, is the Promoter, Chairperson and Whole Time Director of our Company. He resides at 2004 Fiona, G B Road, Hiranandani Estate, Thane, Sandozbaugh Thane, Maharashtra 400 607, India. For the complete profile of Arvind Kamath, along with the details of his educational qualification, experience in the business, positions/ posts held in past, other directorships and other ventures, see "***Our Management – Brief profiles of our Directors***" on page 197.

Arvind Kamath's PAN is ACGPK7456C.

Goutam Rampelli

Goutam Rampelli, born on October 18, 1955, aged 67 years, is the Promoter and Whole Time Director of our Company. He resides at Flat No. 1204, Yucca, Nahar Amrit Shakti, Chandivali, Mumbai, Maharashtra 400 072, India. For the complete profile of Goutam Rampelli, along with the details of his educational qualification, experience in the business, positions/ posts held in past, other directorships and other ventures, see "***Our Management – Brief profiles of our Directors***" on page 197.

Goutam Rampelli's PAN is AAHPR1717N.

Dipak Kacharulal Bharuka

Dipak Kacharulal Bharuka, born on March 15, 1976, aged 47 years, is the Promoter, Whole Time Director and a Chief Executive Officer of our Company. He resides at Flat No.102, 1st floor, BLDG No. 2 Orchid, Hiranandani Meadows Chitalsar Manpada, Kashinath Ghanekar Natygruh, Thane, Maharashtra 400 610. For the complete profile of Dipak Kacharulal Bharuka, along with the details of his educational qualification, experience in the business, positions/ posts held in past, other directorships and other ventures, see "***Our Management – Brief profiles of our Directors***" on page 197.

Dipak Kacharulal Bharuka's PAN is AFQPB6782D.

Our Company confirms that the PAN, bank account number(s), Aadhar card number(s), driving license number(s) and passport number(s), as applicable, of our Individual Promoters will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus with the Stock Exchanges.

II. Details of our Corporate Promoters

1. Mascot Capital and Marketing Private Limited

Corporate Information

Mascot Capital was incorporated as a private limited company on September 5, 2012 under the Companies Act, 1956. Its CIN is U74120MH2012PTC235355. Its registered office is situated at Unit No 401, Centrum IT Park, Plot No. C-3, S.G Barve Road, Wagle Industrial Estate, Near Mulund Checknaka, Thane (W), Thane 400 604, Maharashtra, India.

Nature of business

Mascot Capital is engaged in the business of consultancy and marketing for domestic as well as overseas principals and investing, acquiring, holding shares of group companies.

Shareholding Pattern of Mascot Capital

The following table sets forth details of the shareholding pattern of Mascot, as on the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of shares	Percentage (%) of shareholding
1.	Arvind Kamath	9,990	99.90
2.	Girish Kamath	10	0.10

Promoter of Mascot Capital

The promoter of Mascot Capital is Arvind Kamath.

Board of directors of Mascot Capital

The directors of Mascot Capital are Girish Kamath and Arvind Kamath.

Change in control of Mascot Capital

Except as disclosed below, there has been no change in the control of Mascot Capital during the last three years preceding the date of this Draft Red Herring Prospectus.

Pursuant to the share transfer form dated February 11, 2021, the control of Mascot Capital was transferred from

Prajwal Kamath (wife of Arvind Kamath) to Arvind Kamath by way transfer of 8,000 shares, constituting 100% of the equity share capital of Mascot Capital on a fully diluted basis. Thereafter, on February 15, 2021, 10 shares were transferred from Arvind Kamath to Girish Kamath to ensure compliance of the Companies Act.

2. JNK Heaters Co. Ltd

Corporate Information

JNK Heaters was incorporated on October 9, 1998, under the laws of South Korea. Its business register number is 116-81-69870 and its company identification number is 110111-1591034. Its registered office is situated at #304, 298, Beotkkot-ro, Geumcheon-gu, Seoul, 08510, Republic of Korea. The equity shares of JNK Heaters are listed on the KOSDAQ, Korea.

JNK Heaters is primarily engaged in the business of engineering that carries out the entire process of design, manufacture, and construction of industrial fired heaters.

Shareholding Pattern of JNK Heaters

The following table sets forth details of the shareholding pattern of JNK Heaters**,** as on the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of shares	Percentage (%) of shareholding
1.	Bang Hee Kim	3,521,098	15.17
2.	Sung Chul Kim	210,992	0.91
3.	Chang Yun Choi	238,500	1.03
4.	Minority shareholders	19,234,313	82.89

Promoters of JNK Heaters

The promoters of JNK Heaters are Bang Hee Kim, Sung Chul Kim and Chang Yun Choi

Board of directors of JNK Heaters

The directors of JNK Heaters are Bang Hee Kim, Sung Chul Kim, Park Jin-won, Chang Yun Choi.

Change in control of JNK Heaters

There has been no change in the control of JNK Heaters during the last three years preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that PAN, bank account number(s), as applicable, corporate registration and the address of the registrar of companies where our Corporate Promoters are registered shall be submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

Change in control of our Company

The present Promoters are not the original Promoters of our Company. There has been no change in the control of our Company in the last five years preceding the date of this Draft Red Herring Prospectus. Pursuant to a resolution passed by our Board of Directors dated June 9, 2023, Arvind Kamath, Goutam Rampelli, Mascot Capital and JNK Heaters were identified as the Promoters of our Company. Further, pursuant to a resolution passed by our Board of Directors dated July 19, 2023, Dipak Kacharulal Bharuka was identified as the Promoter of our Company. Accordingly, as on the date of this Draft Red Herring Prospectus, our Company has 5 Promoters.

Interest of our Promoters

(a) Our Promoters are interested in our Company to the extent: (i) that they have promoted our Company; (ii) they hold any direct or indirect shareholding or other securities in our Company, and any dividends or any other distributions payable in respect thereof; (iii) any directorships and managerial positions that they may hold in our Company or our Subsidiaries, and to the extent of any remuneration, reimbursement of expenses payable to them in this regard. For details of the Promoters' shareholding in our Company, see "***Capital Structure – History of build-up of Promoter's shareholding and Promoter's contribution– Build-up of Promoter's equity shareholding in our Company***" on page 77. For details of the interest of Arvind Kamath, Goutam Rampelli and Dipak Kacharulal Bharuka as Directors of our Company, see "***Our Management – Interest of Directors***" on page 200.

(b) Our Promoters have no interest in any property acquired by our Company during the three years preceding the date of this Draft Red Herring Prospectus, or proposed to be acquired, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

(c) No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are a member, in cash or shares or otherwise by any person either to induce such person to become, or to qualify such person as a director, or otherwise for services rendered by such Promoters or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company 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/sale of goods and/or services. For further details, please see "***Restated Consolidated Financial Information – Note 33 – B – Related Party Transaction***" on page 266.

Payment or benefits to our Promoters or our Promoter Group

Except as stated in this chapter, "***Our Management – Payment or benefit to Directors of our Company***" on page 199 and "***Restated Consolidated Financial Information – Note 33 – B – Related Party Transaction***" on page 266 there has been no payment or benefits given by our Company to our Promoters and members of our Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or members of our Promoter Group as on the date of this Draft Red Herring Prospectus.

Material guarantees given by our Promoters

Our Promoters have not given any material guarantees to any third parties with respect to the Equity Shares, as on the date of this Draft Red Herring Prospectus. For details regarding other guarantees given by our Promoters, see "***History and Certain Corporate Matters- Guarantees provided to third parties by our Promoters offering their Equity Shares in the Offer for Sale***" on page 183.

Disassociation by our Promoters in the three immediately preceding years

Except as stated below, our Promoters have not disassociated themselves from any company or firm during the three years preceding the date of this Draft Red Herring Prospectus:

Name of Company or firm from which Promoters have disassociated	Reasons and circumstances leading to the disassociation	Date of disassociation
Nil	Nil	Nil

Promoter Group

In addition to our Promoters, the individuals and entities that form part of the Promoter Group of our Company in terms of Regulations 2(1)(pp) of the SEBI ICDR Regulations are set out below:

Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group are as follows:

Immediate relatives of our Promoters

Name of Promoter	Name of relative	Relationship
Arvind Kamath	Muktha Kamath	Mother
	Prajwal Kamath*	Spouse
	Ananth Kamath	Brother
	Ajith Kamath	Brother
	Tanishk Kamath*	Son

Name of Promoter	Name of relative	Relationship
	Harini Sharma*	Spouse's Mother
	Ranjit Sharma*	Spouse's Brother
Goutam Rampelli	Kishtayya Rampelli	Father
	Manorama Rampelli	Spouse
	Ashok Rampalli	Brother
	Anusuya Gadicherla	Sister
	Geetha Panakanti	Sister
	Sulochna Devalla	Sister
	Dhruti Rampelli	Daughter
	Dhruva Rampelli	Daughter
	Sujata Cherukupalli	Spouse's Mother
	Rajkumar Cherukupalli	Spouse's Brother
	Srinivas Cherukupalli	Spouse's Brother
	Natraj Cherukupalli	Spouse's Brother
	Krishna Priya Sadhu	Spouse's Sister
Dipak Kacharulal Bharuka	Durgabai Bharuka	Mother
	Priya Bharuka	Spouse
	Sanjay Bharuka	Brother
	Rajkumar Bharuka	Brother
	Gopal Bharuka	Brother
	Nidhi Bharuka	Daughter
	Aastha Bharuka	Daughter
	Aruna Ashokkumar Agarwal	Spouse's Mother
	Piyush Ashokkumar Agarwal	Spouse's Brother

** Our Company had filed an exemption application dated April 27, 2023 under Regulation 300 (1) (c) of the SEBI ICDR Regulations seeking an exemption from identifying and disclosing the following as members of the Promoter Group: (i) Prajwal Kamath (wife and immediate relative of Arvind Kamath who is one of our Promoters); (ii) Tanishk Kamath (i.e., son of Prajwal Kamath and Arvind Kamath); (iii) certain relatives of Prajwal Kamath, in this case being Harini Sharma (mother of Prajwal Kamath) and Ranjit Sharma (brother of Prajwal Kamath); (iv) any body corporate in which 20% or more of the equity share capital is held by Prajwal Kamath or Tanishk Kamath or by Harini Sharma or Ranjit Sharma or a firm or any Hindu Undivided Family where Prajwal Kamath or Tanishk Kamath or Harini Sharma or Ranjit Sharma may be a member; and (v) any body corporate in which any body corporate mentioned under (iv) above holds 20% or more of the equity share capital, in accordance with the SEBI ICDR Regulations. SEBI pursuant to its letter dated June 22, 2023, has directed our Company to include Prajwal Kamath, Tanishk Kamath, Harini Sharma, Ranjit Sharma and their connected entities (as explained under (iv) and (v) above) in this case being Mascot International and Power Rubber Industries Private Limited, as part of the Promoter Group of our Promoter, Arvind Kamath and include applicable disclosures based on the information as available in the public domain. See "**Risk Factors – The immediate relatives of one of our Promoters, who are deemed to be a part of the Promoter Group under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 have not provided consent, information or any confirmations or undertakings pertaining to themselves which are required to be disclosed in relation to a member of the Promoter Group in this Draft Red Herring Prospectus.**" beginning on page 47.*

Entities forming part of the Promoter Group

The entities forming part of the Promoter Group are as follows:

i) Arvind Kamath HUF
ii) Chetra Seals Private Limited
iii) Environment & Chemistry Solution Corp.
iv) I-PLANT, Limited
v) JFK Metal Co., Ltd.
vi) JNK RAM Co., Ltd.
vii) Kal Energy India Private Limited
viii) KTech Co., Ltd.
ix) Mascot International*
x) Mascot Business Solutions Private Limited
xi) Mascot Global Private Limited
xii) Mascot Flowtech FZCO
xiii) Mascot Flowtech Private Limited
xiv) Mascot Dynamics Private Limited
xv) NIAA Ventures LLP
xvi) Porvair Filtration India Private Limited
xvii) Power Rubber Industries Private Limited*

** Our Company had filed an exemption application dated April 27, 2023 under Regulation 300 (1) (c) of the SEBI ICDR Regulations seeking* *an exemption from identifying and disclosing the following as members of the Promoter Group: (i) Prajwal Kamath (wife and immediate relative of Arvind Kamath who is one of our Promoters); (ii) Tanishk Kamath (i.e., son of Prajwal Kamath and Arvind Kamath); (iii) certain relatives of Prajwal Kamath, in this case being Harini Sharma (mother of Prajwal Kamath) and Ranjit Sharma (brother of Prajwal Kamath); (iv) any body corporate in which 20% or more of the equity share capital is held by Prajwal Kamath or Tanishk Kamath or by Harini Sharma or Ranjit Sharma or a firm or any Hindu Undivided Family where Prajwal Kamath or Tanishk Kamath or Harini Sharma or Ranjit Sharma may be a member; and (v) any body corporate in which any body corporate mentioned under (iv) above holds 20% or more of the equity share capital, in accordance with the SEBI ICDR Regulations. SEBI pursuant to its letter dated June 22, 2023, has directed our Company to include Prajwal Kamath, Tanishk Kamath, Harini Sharma, Ranjit Sharma and their connected entities (as explained under (iv) and (v) above) in this case being Mascot International and Power Rubber Industries Private Limited, as part of the Promoter Group of our Promoter, Arvind Kamath and include applicable disclosures based on the information as available in the public domain. See "**Risk Factors – The immediate relatives of one of our Promoters, who are deemed to be a part of the Promoter Group under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 have not provided consent, information or any confirmations or undertakings pertaining to themselves which are required to be disclosed in relation to a member of the Promoter Group in this Draft Red Herring Prospectus.**" beginning on page 47.*

GROUP COMPANIES

As per the SEBI ICDR Regulations, group companies of a company include such companies (other than promoters and subsidiaries of such company) (i) with which there are related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards; and (ii) other companies considered material by the board of directors of the issuer company.

Accordingly, for (i) above such companies (other than any Promoters and Subsidiaries of the Company) with which there were related party transactions as set out in the Restated Consolidated Financial Information as covered under the relevant accounting standard (i.e., Ind AS 24) have been considered for purposes of identification of Group Companies in terms of the SEBI ICDR Regulations.

In relation to (ii) above, in accordance with the Materiality Policy, for the purposes of disclosure in this Draft Red Herring Prospectus, a company (other than any promoters and subsidiaries of the Company) that form a part of the Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, and with which there were one or more related party transactions in the last completed financial year, which individually or in the aggregate, exceed 5% of revenue from operations of the Company on a consolidated basis, for the last completed financial year, shall be considered material to be disclosed as a Group Company.

Accordingly, in accordance with the SEBI ICDR Regulations and the terms of the Materiality Policy, our Board has identified the following as Group Companies of our Company:

S. No.	Group Company	Registered Office
1.	Mascot Dynamics Private Limited	403, 4th Floor, Centrum IT Park, Plot No.C.3, Near Satkar Grand Hotel, MIDC, Thane -West, Thane 400 604, Maharashtra, India
2.	Mascot Business Solutions Private Limited	Hill-Grange, B Wing/1104, Hiranandani Estate, G. B Road, Thane - West, Thane 400 607, Maharashtra, India
3.	Mascot Flowtech Private Limited	Plot No.B-32, Unit-2, Cabin 3 Additional Ambernath MIDC, Ambernath East, Thane 421 506, Maharashtra, India
4.	Porvair Filtration India Private Limited	Unit No 401,Centrum IT Park, Plot No.C-3,S.G Barve Road, Industrial Estate, Near Mulund Checknaka, Thane -West, Thane 400 604, Maharashtra, India

Details of our 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 our Group Companies 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:

S. No.	Group Company	Website
1.	Mascot Dynamics Private Limited	www.mascotdynamics.com/wp-content/uploads/2023/08/MDPL.pdf
2.	Mascot Business Solutions Private Limited	www.jnkindia.com/pdf/mbspl.pdf
3.	Mascot Flowtech Private Limited	www.jnkindia.com/pdf/mfpl.pdf
4.	Porvair Filtration India Private Limited	www.jnkindia.com/pdf/porvair.pdf

Our Company has provided link to this website 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 BRLMs or the Selling Shareholders nor any of their 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.

Nature and extent of interests of our Group Companies

In the promotion of our Company

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.

In the properties acquired by our Company in the three years preceding the date of filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

Our Group Companies do not have any interest in any property acquired by our Company in the three years preceding the date of filing this Draft Red Herring Prospectus or proposed to be acquired by it as on the date of this Draft Red Herring Prospectus.

In the transactions for acquisition of land, construction of building and supply of machinery, etc.

Except as disclosed under "***Restated Consolidated Financial Information – Note 33 – B – Related Party Transaction***" on page 266, our Group Companies do not have an interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery.

Business and other interests

Except as disclosed under "***Restated Consolidated Financial Information – Note 33 – B – Related Party Transaction***" on page 266 and in the ordinary course of business, our Group Companies do not have or currently propose to have any business or other interest in our Company.

Related Business Transactions and Significance on the financial performance of our Company

Except as set forth in "***Restated Consolidated Financial Information – Note 33 – B – Related Party Transaction***" on page 266, no other related party transactions have been entered into between our Group Companies and our Company.

Common pursuits of our Group Companies

Our Group Companies, Mascot Dynamics Private Limited and Mascot Business Solutions Private Limited, are authorized to carry out activities related to, inter alia, pumps, mechanical seals and fired heaters, by virtue of these activities being part of main objects of the memorandum of association of the relevant Group Companies. As on the date of this Draft Red Herring Prospectus, Mascot Dynamics Private Limited and Mascot Business Solutions Private Limited are not engaged in the business related to fired heaters. Accordingly, there are no common pursuits between Mascot Dynamics Private Limited, Mascot Business Solutions Private Limited and our Company, however, these Group Companies may undertake such business in the future. Our Company, Mascot Dynamics Private Limited and Mascot Business Solutions Private Limited will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

Litigation

As on the date of this Draft Red Herring Prospectus, our Group Companies are not parties to any pending litigation which will have a material impact on our Company.

DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and applicable law, including the Companies Act, 2013.

The dividend distribution policy of our Company was approved and adopted by our Board on June 9, 2023 ("**Dividend Policy**"). In terms of the Dividend Policy, the dividend, if any, will depend on a number of internal and external factors, which, amongst others, include, profits, cash flows, contractual obligations and growth and expansion plans.

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including but not limited to earning stability, past dividend trends, contractual obligations, applicable legal restrictions, overall financial position of our Company and other factors considered relevant by the Board. In addition, our Company's ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under the loan or financing documents, our Company is currently a party to or may enter into from time to time. For more information on restrictive covenants under our loan agreements, see "***Financial Indebtedness – Restrictive Covenants***" on page 283.

Except as disclosed below, our Company has not declared any dividends on the Equity Shares during the last three Fiscals until the date of this Draft Red Herring Prospectus:

Particulars	From April 1, 2023, up to the date of the DRHP	Fiscal 2023	Fiscal 2022	Fiscal 2021
Number of equity shares	48,392,000	9,600,000	600,000	600,000
Face value per equity share (in ₹)	2.00	10.00	10.00	10.00
Amount Dividend (in ₹)	14.52	14.40	6.00	6.00
Dividend per equity share (in ₹)	0.30	1.50	10.00	10.00
Rate of Dividend (%)	15.00	15.00	100.00	100.00
Mode of payment of dividend	Banking channel	Banking channel	Banking channel	Banking channel
Dividend Tax (in ₹)*	1.64	1.63	0.68	0.57

**@ 10% on resident Shareholders and @15% on NRI Shareholders except for Fiscal 2021 wherein, the TDS rate was reduced to 7.5% on resident Shareholders by the Income Tax Department in view of the COVID-19 pandemic.*

The amount of dividend paid in the past is not necessarily indicative of the dividend policy of our Company or dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid in the future on the Equity Shares. For details of risks in relation to our capability to pay dividend, see "***Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements***" on page 54.

SECTION V: FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
JNK India Limited
(Formerly known as JNK India Private Limited)
Unit No. 203, 204, 205 & 206, Opposite TMC Office,
Centrum IT Park, Near Satkar Hotel,
Thane (West), Thane – 4000 604, Maharashtra

Dear Sirs / Madam,

1. We have examined, the attached Restated Consolidated Financial Information of JNK India Limited (Formerly known as JNK India Private Limited) (the **"Company"** or the **"Holding Company"** or the **"Issuer"**) and its subsidiaries viz, JNK India Private FZE and JNK Renewable Energy Private Limited (the Company and its subsidiaries together referred to as **"the Group"**), comprising the Restated Consolidated Statements of Assets and Liabilities as at 31st March 2023, 31st March 2022 and 31st March 2021, the Restated Consolidated Statements of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statements of Changes in Equity, the Restated Consolidated Statements of Cash Flows for the years ended 31st March 2023, 31st March 2022 and 31st March 2021 and the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the **"Restated Consolidated Financial Information"**), as approved by the Board of Directors of the Company at their meeting held on 27th July, 2023 for the purpose of inclusion in the Draft Red Herring Prospectus (**"DRHP"**) prepared by the Company in connection with its proposed Initial Public Offer of equity shares including an offer for sale by certain shareholders of the Company (**"IPO"** / **"Proposed Offer"**) prepared in terms of the requirements of:

    a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (**"the Act"**);

    b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**"ICDR Regulations"**); and ·

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (**"ICAI"**), as amended from time to time (the **"Guidance Note"**).

2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India (**"SEBI"**), the stock exchanges where the equity shares of the Company are proposed to be listed ("**Stock Exchanges**") and the Registrar of Companies, Maharashtra, situated at Mumbai ("**RoC**"), in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the Management of the Company on the basis of preparation stated in Note 2 to the Restated Consolidated Financial Information.

   The respective Board of Directors' (of the companies included in the Group) responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, the ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 14th April, 2023 in connection with the Proposed IPO;

   b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; 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 IPO.

4. These Restated Consolidated Financial Information have been compiled by the Management from:
   Audited Consolidated Ind AS Financial Statements of the Group as at and for the years ended 31st March 2023, 31st March 2022 and 31st March 2021 prepared in accordance with the Indian Accounting Standards (referred to as **"Ind AS"**) as prescribed under 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 meetings held on 17th May 2023, 9th August 2022 and 25th October 2021 respectively.

5. For the purpose of our examination, we have relied on auditors' reports issued by us dated 17th May 2023, 9th August 2022 and 25th October 2021 on the consolidated financial statements of the Group as at and for the years ended 31st March 2023, 31st March 2022 and 31st March 2021, respectively as referred in paragraph 4 above.

6. As indicated in our audit reports referred in paragraph 5 above:
   We did not audit the financial statements of subsidiaries included in the Group as of and for the year ended 31st March 2023, 31st March 2022 and 31st March 2021 whose financial statements reflect total assets, total revenues and net cash flows, before consolidation adjustments, included in the Audited Consolidated Financial Statements for the relevant year as tabulated below:

(INR in Million)

Particulars	**As at and for the year ended**		
	31st March 2023	**31st March 2022**	**31st March 2021**
Total Assets	30.32	24.03	85.22
Total Revenues	138.50	103.27	193.06
Net Cash Inflows / (Outflows)	(1.64)	4.01	(16.91)

These financial statements have been audited by other auditors as set out in Appendix I whose reports have been furnished to us by the Company's Management and our audit opinions for the relevant years on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these components for the relevant years, are based solely on the reports of the other auditors.

One of these subsidiaries is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its respective country and which have been audited by other auditors under generally accepted auditing standards applicable in its respective country. The Company's Management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's Management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of these matters.

Further, the financial information of these subsidiaries included in these Restated Consolidated Financial Information, is based on such financial statements audited by the other auditors and have been restated by the Management of the Issuer to comply with the basis set out in Note 2 to the Restated Consolidated Financial Information. The restatement adjustments made to such financial statements to comply with the basis set out in Note 2 to the Restated Consolidated Financial Information, have been audited by us.

7. Based on our examination and according to the information and explanations given to us, and based on the reliance placed on auditor's report issued by other auditors as mentioned in para 6 above, we report that the Restated Consolidated Financial Information:

    a) have been prepared after incorporating adjustments for the changes in accounting policies and regrouping / reclassifications retrospectively in the financial years ended 31st March 2023, 31st March 2022 and 31st March 2021 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the year ended 31st March 2023;

    b) does not contain any qualifications requiring adjustments; and

    c) have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.

8. 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.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with SEBI, Stock Exchanges and RoC in connection with the IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. 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 without our prior consent in writing.

For CVK & Associates
Chartered Accountant
Firm Registration No: 101745W

CA K. P. Chaudhari
Partner
Membership No.: 031661

Place: Mumbai
Date: 1st August, 2023
UDIN: 23031661BGYWHT9785

Appendix I

Details of entities for the years not audited by us and name of the other auditor for the respective year ended:

Name of Subsidiary	Year Ended	Name of the Auditor	Audit Report Date
JNK India Private FZE	31st March 2023	Mosac Professional Services	2nd May, 2023
JNK India Private FZE	31st March 2022	Mosac Professional Services	1st August, 2022
JNK India Private FZE	31st March 2021	Mosac Professional Services	30th August, 2021
JNK Renewable Energy Private Limited	31st March 2023	GAMK And Associcates	4th May, 2023

JNK India Limited
(Formerly known as JNK India Private Limited)
Restated Consolidated Statement of Assets and Liabilities

(INR in Million)

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
ASSETS				
Non-Current Assets				
(a) Property, Plant & Equipment	5(a)	54.39	54.53	7.95
(b) Right of Use Assets	5(a)	149.18	142.15	25.66
(c) Intangible Assets	5(b)	3.63	4.35	1.05
(d) Financial Assets				
(i) Other Financial Assets	8	88.85	80.96	2.90
(e) Deferred Tax Assets (Net)	9	24.90	7.95	-
(f) Other Non-Current Assets	10	3.31	1.97	1.97
Total Non-Current Assets	**a**	**324.26**	**291.91**	**39.53**
Current Assets				
(a) Inventories	11	820.53	624.37	51.76
(b) Financial Assets				
(i) Investments	6	-	110.59	-
(ii) Trade Receivables	12	1,143.50	1,100.10	540.22
(iii) Cash & Cash Equivalents	13	153.93	225.19	80.10
(iv) Bank Balances other than (iii) above	13	317.88	31.90	192.22
(v) Loans & Advances	7	2.87	8.21	1.80
(vi) Other Financial Assets	8	122.07	47.88	101.68
(c) Other Current Assets	10	492.71	243.04	243.93
Total Current Assets	**b**	**3,053.49**	**2,391.28**	**1,211.71**
Total Assets	**(a+b)**	**3,377.75**	**2,683.19**	**1,251.24**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	14	96.00	96.00	6.00
(b) Other Equity	15	1,125.70	625.80	362.17
Total Equity	**c**	**1,221.70**	**721.80**	**368.17**
Liabilities				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	32.39	26.92	2.53
(ii) Lease Liabilities	17	80.50	75.15	17.80
(iii) Other Financial Liabilities	18	9.09	4.02	4.37
(b) Deferred Tax Liabilities (Net)	9	-	-	2.03
(c) Other Non-Current Liabilities	19	149.97	11.11	23.48
(d) Provisions	20	15.48	-	1.05
Total Non-Current Liabilities	**d**	**287.43**	**117.20**	**51.26**
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	305.24	32.98	86.97
(ii) Lease Liabilities	17	22.59	14.70	9.57
(iii) Trade Payables	21			
(A) total outstanding dues of micro enterprises and small enterprises;		45.74	122.76	16.48
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		351.83	330.27	232.99
(iv) Other Financial Liabilities	18	158.63	185.74	96.83
(b) Other Current Liabilities	19	844.88	1,076.55	280.04
(c) Provisions	20	77.54	49.26	86.92
(d) Current Tax Liabilities (Net)	22	62.17	31.93	22.01
Total Current Liabilities	**e**	**1,868.62**	**1,844.19**	**831.81**
Total Liabilities	**f=d+e**	**2,156.05**	**1,961.39**	**883.07**
Total Equity and Liabilities	**(c+f)**	**3,377.75**	**2,683.19**	**1,251.24**
Summary of significant accounting policies	3			

The accompanying notes (1 to 51) are an integral part of the restated consolidated financial statements

As per Our Report Of Even Date
For CVK & Associates
Chartered Accountants
Firm Registration No.: 101745W

For and on behalf of the Board of Directors of
JNK India Limited
(Formerly known as JNK India Private Limited)
CIN: U29268MH2010PLC204223

CA K. P. Chaudhari
Partner
Membership No: 031661

Arvind Kamath
Chairman & Wholetime Director
DIN : 00656181

Goutam Rampelli
Wholetime Director
DIN : 07262728

Dipak Bharuka
Whole Time Director and Chief Executive Officer
DIN: 09187979

Pravin Sathe
Chief Financial Officer

Ashish Soni
Company Secretary & Compliance Officer
M. No.: A26538

Place: Mumbai
Date: August 1, 2023

Place: Thane
Date: August 1, 2023

JNK India Limited
(Formerly known as JNK India Private Limited)
Restated Consolidated Statement of Profit and Loss

(INR in Million except earnings per share)

	Particulars	Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2021
I	Revenue from Operations	23	4,073.02	2,963.96	1,377.21
II	Other Income	24	42.43	7.40	7.32
III	**Total Income**	**a**	**4,115.45**	**2,971.36**	**1,384.53**
IV	**Expenses**				
	Purchase of Stock- in- Trade		1,601.74	1,502.98	302.68
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	25	(196.16)	(572.61)	(48.08)
	Project Expenses	26	1,097.26	704.49	279.36
	Employee Benefit Expenses	27	532.38	414.48	326.26
	Finance Costs	28	42.12	37.65	13.47
	Depreciation and Amortization Expenses	29	65.82	29.86	18.59
	Other Expenses	30	345.18	376.25	264.21
	Total Expenses	**b**	**3,488.34**	**2,493.10**	**1,156.49**
V	**Profit / (Loss) before exceptional items and tax (III-IV)**	**c=a-b**	**627.11**	**478.26**	**228.04**
VI	Exceptional Items	d	-	-	(0.05)
VII	**Profit / (Loss) before tax (V-VI)**	**e=c-d**	**627.11**	**478.26**	**228.09**
VIII	**Tax Expense :**				
	Current Tax Expense	31	180.44	128.41	59.41
	Deferred Tax Expense / (Income)		(16.95)	(9.98)	3.92
	Total Tax Expense	**f**	**163.49**	**118.43**	**63.33**
IX	**Profit / (Loss) For The Year (VII-VIII)**	**g=e-f**	**463.62**	**359.83**	**164.76**
X	**Other Comprehensive Income:**				
	Items that will not be reclassified to Profit or Loss:				
	-Remeasurement gains / (loss) of Defined benefit plans		(0.04)	-	-
	-Exchange difference on translation		-	-	-
	Total Other Comprehensive Income for the year	h	**(0.04)**	**-**	**-**
XI	**Total Comprehensive Income for the year (IX+X)**	g+h	**463.58**	**359.83**	**164.76**
XII	**Earnings Per Share (Face value of Rs. 2 each)**	32			
	(1) Basic		9.66	7.50	3.43
	(2) Diluted		9.51	7.50	3.43

Summary of significant accounting policies 3

The accompanying notes (1 to 51) are an integral part of the restated consolidated financial statements

As per Our Report Of Even Date
For CVK & Associates
Chartered Accountants
Firm Registration No.: 101745W

For and on behalf of the Board of Directors of
JNK India Limited
(Formerly known as JNK India Private Limited)
CIN: U29268MH2010PLC204223

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Partner
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Chairman & Wholetime Director
DIN : 00656181

Goutam Rampelli
Wholetime Director
DIN : 07262728

Dipak Bharuka
Whole Time Director and Chief Executive Officer
DIN: 09187979

Pravin Sathe
Chief Financial Officer

Ashish Soni
Company Secretary & Compliance Officer
M. No.: A26538

Place: Mumbai
Date: August 1, 2023

Place: Thane
Date: August 1, 2023

JNK India Limited
(Formerly known as JNK India Private Limited)
Restated Consolidated Statement of Cash Flows

(INR in Million)

Particulars		For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Cash Flows From Operating Activities				
Profit before income tax		627.11	478.26	228.09
Adjustments for Non Cash Items:				
Depreciation and Amortization Expense		65.82	29.86	18.59
Write Back of Trade Payables		-	-	(0.92)
Bad Debts Written Off		0.03	0.82	28.73
Bad Debts Provision		2.22	16.32	2.21
Notional Interest		(0.11)	(0.11)	(0.19)
Notional Expenses		0.11	0.20	0.21
Fixed Assets Written Off		2.77	-	-
Employee Benefit Expenses (ESOP)		50.72	-	-
Adjustments for Non Operating Items:				
Finance Charges Incurred		25.38	16.47	13.48
Interest Income		(7.81)	(6.12)	(4.82)
Foreign Exchange Rate Fluctuation (Gain) / Loss		(7.61)	21.17	6.44
Changes in Working Capital:				
(Increase) / Decrease in Trade Receivables		(38.04)	(601.32)	(364.79)
(Increase) / Decrease in Inventories		(196.16)	(572.61)	(48.08)
(Increase) / Decrease in Non-Current Assets & Current Assets		(319.86)	82.64	(292.38)
Increase / (Decrease) in Trade Payables		(55.46)	208.03	174.66
Increase / (Decrease) in Other Current Liabilities		(114.85)	872.70	350.60
Increase / (Decrease) in Provisions		43.72	(38.68)	52.34
Increase / (Decrease) in Borrowings		272.27	(54.00)	85.12
Cash Generated From Operations:		**350.25**	**453.63**	**249.29**
Income Taxes (Paid) / Refund		(150.20)	(118.51)	(49.65)
Net Cash From Operating Activities	**a**	**200.05**	**335.12**	**199.64**
Cash Flows From Investing Activities				
Sale / (Purchase) of Property, Plant and Equipment		(72.04)	(190.95)	(40.07)
Sale / (Purchase) of Intangible Assets		(2.68)	(5.28)	(0.06)
Interest on Deposits		7.81	6.12	4.82
Fixed Deposits (Added) / Matured		(293.87)	51.40	(132.07)
Sale / (Purchase) of Investments		110.59	(110.59)	-
Net Cash Used In Investing Activities	**b**	**(250.19)**	**(249.30)**	**(167.38)**
Cash Flows From Financing Activities				
Addition / (Repayment) of Long Term Borrowings		5.47	24.39	(1.35)
Finance Charges Incurred		(25.38)	(16.47)	(13.48)
Increase in Lease Liabilities		13.24	57.35	17.80
Dividend Paid		(14.40)	(6.00)	(6.00)
Net Cash From Financing Activities	**c**	**(21.07)**	**59.27**	**(3.03)**
Net Increase / (Decrease) in Cash and Cash Equivalents (d=a+b+c)		**(71.21)**	**145.09**	**29.23**
Cash and Cash Equivalents at Beginning of the Year		**225.19**	**80.10**	**50.87**
Exchange differences on translation of foreign operations		(0.05)	-	-
Cash and Cash Equivalents at End of the Year		**153.93**	**225.19**	**80.10**

As per Our Report Of Even Date
For CVK & Associates
Chartered Accountants
Firm Registration No.: 101745W

For and on behalf of the Board of Directors of
JNK India Limited
(Formerly known as JNK India Private Limited)
CIN: U29268MH2010PLC204223

CA K. P. Chaudhari
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Pravin Sathe
Chief Financial Officer

Ashish Soni
Company Secretary & Compliance Officer
M. No.: A26538

Place: Mumbai
Date: August 1, 2023

Place: Thane
Date: August 1, 2023

JNK India Limited

(Formerly known as JNK India Private Limited)

Restated Consolidated Statement of Changes in Equity

(INR in Million)

A) Equity Share Capital

1. April, 2022 to March, 2023

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
96.00	-	96.00	-	96.00

2. April, 2021 to March, 2022

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
6.00	-	6.00	90.00	96.00

3. April, 2020 to March, 2021

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
6.00	-	6.00	-	6.00

B) Other Equity

1. April, 2022 to March, 2023

	Reserves and Surplus			
Particulars	**Foreign Currency Translation Reserve**	**ESOP Reserve**	**Retained Earnings**	**Total**
Balance at the beginning of the current reporting period	-	-	625.80	625.80
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	**-**	**-**	**625.80**	**625.80**
Additions during the year	-	50.72	463.62	514.34
Dividends	-	-	(14.40)	(14.40)
Bonus Issue	-	-	-	-
Total Comprehensive Income for the current year	-	-	(0.04)	(0.04)
Any Other Changes	-	-	-	-
Balance at the end of the current reporting period	**-**	**50.72**	**1,074.98**	**1,125.70**

2. April, 2021 to March, 2022

	Reserves and Surplus			
Particulars	**Foreign Currency Translation Reserve**	**ESOP Reserve**	**Retained Earnings**	**Total**
Balance at the beginning of the previous reporting period	-	-	362.17	362.17
Changes in accounting policy or prior period errors	-	-	-	-

Restated balance at the beginning of the previous reporting period	**-**	**-**	**362.17**	**362.17**
Additions during the year	-	-	359.83	359.83
Dividends	-	-	(6.00)	(6.00)
Bonus Issue	-	-	(90.00)	(90.00)
Total Comprehensive Income for the previous year	-	-	-	-
Any Other Change	-	-	(0.20)	(0.20)
Balance at the end of the previous reporting period	**-**	**-**	**625.80**	**625.80**

3. April, 2020 to March, 2021

	Reserves and Surplus			
Particulars	**Foreign Currency Translation Reserve**	**ESOP Reserve**	**Retained Earnings**	**Total**
Balance at the beginning of the previous reporting period	-	-	204.33	204.33
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the previous reporting period	**-**	**-**	**204.33**	**204.33**
Additions during the year	-	-	164.76	164.76
Dividends	-	-	(6.00)	(6.00)
Bonus Issue	-	-	-	-
Total Comprehensive Income for the previous year	-	-	-	-
Any Other Change	-	-	(0.92)	(0.92)
Balance at the end of the previous reporting period	**-**	**-**	**362.17**	**362.17**

As per Our Report Of Even Date
For CVK & Associates
Chartered Accountants
Firm Registration No.: 101745W

For and on behalf of the Board of Directors of
JNK India Limited
(Formerly known as JNK India Private Limited)
CIN: U29268MH2010PLC204223

CA K. P. Chaudhari
Partner
Membership No: 031661

Arvind Kamath
Chairman & Wholetime Director
DIN : 00656181

Goutam Rampelli
Wholetime Director
DIN : 07262728

Dipak Bharuka
Whole Time Director and Chief Executive Officer
DIN: 09187979

Pravin Sathe
Chief Financial Officer

Ashish Soni
Company Secretary & Compliance Officer
M. No.: A26538

Place: Mumbai
Date: August 1, 2023

Place: Thane
Date: August 1, 2023

JNK INDIA LIMITED

NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL INFORMATION

NOTE 1: CORPORATE INFORMATION

JNK India Limited (JNK), the Company, was incorporated in 2010 as private limited company. The Company got converted into a public limited company on 26th May 2023. The Company and its subsidiaries viz, JNK India Private FZE and JNK Renewable Energy Private Limited (together referred to as "the Group") are in the business of Technology based EPC Contracts and Solutions in Renewable Energy respectively. The Group's main activity consists of Designing, Engineering, Manufacture, Fabrication, Procurement, Erection and Commissioning of fired heaters and related products.

JNK Heaters Co. Ltd., which is one of the leading Technology based EPC contractors in Korea, holds 26% of the shareholding in the Company.

The Company's registered office is at Unit No. 203 to 206, Opp. TMC Office, Centrum IT Park, Near Satkar Hotel, Thane (West) – 4000604, Maharashtra.

The CIN of the Company is U29268MH2010PLC204223.

Subsidiaries:

JNK India Private FZE was incorporated in Nigeria in the fiscal 2020.

It is mainly engaged in providing Erection Commissioning services in the field of Fired Heaters.

JNK Renewable Energy Private Limited was incorporated in the fiscal 2023.

It is mainly engaged in providing Solar Power Solutions.

NOTE 2: BASIS OF PREPARATION OF RESTATED CONSOLIDATED FINANCIAL INFORMATION

STATEMENT OF COMPLIANCE:

The Restated Consolidated Financial Information of the group comprises the Restated Consolidated Balance Sheet as at 31st March 2023, 31st March 2022, 31st March 2021; the related Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, and the Restated Consolidated Statement of Cash Flows for the year ended 31st March 2023, 31st March 2022, 31st March 2021 and the Significant accounting policies and Restated Consolidated Other Financial Information (together referred to as 'Restated Consolidated Financial Information').

The Restated Consolidated Financial Information have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the Restated Consolidated Financial Information.

The Restated Consolidated Financial Information comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The Restated Consolidated Financial Information has been prepared for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of:

- Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act");
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

The Restated Consolidated Financial Information has been compiled by the Management from:

- Audited Consolidated Financial Statements of the Group as at and for year ended 31st March 2023, 31st March 2022 and 31st March 2021 prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Act and other accounting principles generally accepted in India. Further,
- there were no changes in accounting policies during the period of these Financial Statements;
- there were no material amounts which have been adjusted for, in arriving at profit of the respective periods; and
- there were no material adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Audited Consolidated Financial Statements of the Group as at and for the year ended 31st March, 2023 and requirements of the SEBI Regulations.

The Restated Consolidated Financial Information of the Group for the year ended 31st March 2023, 31st March 2022 and 31st March 2021 were approved for issue in accordance with the resolution of the Board of Directors on July 27, 2023.

HISTORICAL COST CONVENTION

This Restated Consolidated Financial Information are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) which are measured at fair value or amortised cost;
- defined benefit plans and
- share- based payments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

USE OF ESTIMATES

Preparation of the restated consolidated financial information requires the use of certain critical accounting judgements, estimates and assumptions. It also requires the management to exercise judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the restated consolidated financial information are disclosed in Note 4.

The Restated Consolidated Financial Information is presented in Indian Rupees in Million, the national currency of India which the Group has selected as its functional currency.

"0" or "-" in the Restated Consolidated Financial Information indicates value below the rounding off conversion of INR Million.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES

i. Principles of Consolidation

The restated consolidated financial information incorporate the financial information of the Company and its subsidiaries. For this purpose, an entity which is controlled by the Company is treated as subsidiary.

The Company together with its subsidiaries constitute the Group. Control exists when the Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Income and expenses of a subsidiary acquired are included in the restated consolidated Statement of Profit and Loss from the date the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

In current case the restated consolidated financial information are prepared for the group where JNK India Private Limited is a Parent Company and JNK India Pvt FZE and JNK Renewable Energy Pvt Ltd are its subsidiaries.

All intra-group assets, liabilities, income, expenses and unrealised profits / losses on intra-group transactions are eliminated on consolidation.

The Restated Consolidated Financial Information is prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any, to the extent possible unless otherwise stated, are made in the Restated Consolidated Financial Information.

The list of subsidiary companies which are included in the consolidation are as under:

Name of the Subsidiary Company	**Ownership in %**			**Country of Incorporation**
	As at 31st March, 2023	**As at 31st March, 2022**	**As at 31st March, 2021**	
JNK India Pvt FZE	100	100	100	Nigeria
JNK Renewable Energy Pvt Ltd*	100	-	-	India

* The company is incorporated on 17th June, 2022.

ii. Cash Flow Statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method as set out in Indian Accounting Standard (IND AS) -7 "Statement of Cash Flows".

Under the indirect method, the net profit is adjusted for the effects of:

a. transactions of a non-cash nature
b. any deferrals or accruals of past or future operating cash receipts or payments and
c. items of income or expense associated with investing or financing cash flows.

Cash and cash equivalents comprise cash at bank and in hand and demand deposits with banks and are reflected as such in the cash flow statement. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

iii. Property, Plant & Equipment

Property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant equipment are ready for use, as intended by the Management. Freehold land is carried at cost and is not depreciated.

The Group depreciates property, plant and equipment, other than leasehold improvements, over their estimated useful lives using the written down value method. Leasehold improvements are depreciated over the tenure of Lease Term. The useful lives of material assets are estimated as follows:-

Particulars	**Years**
Plant and Equipment	10
Furniture and Fixtures	10
Office Equipment	5
Others	
Temporary Office	5
Temporary Construction	5
Assets at Project site	Project Period
Computer software	3
Computers	3

If significant parts of an item of Property, Plant & Equipment have different useful lives then they are accounted for as separate items (major components) of Property, plant & Equipment. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date are classified as capital advances under other non-current assets and the costs of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably.

Repairs and maintenance costs are recognized while computing net profit, in the Statement of Profit and Loss, when incurred. The cost and its corresponding accumulated depreciation are eliminated from the financial information upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Gains or losses arising from de-recognition of tangible assets 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.

iv. Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets having finite lives are amortized over their respective individual estimated useful lives, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the profit and loss when the asset is derecognized.

v. Impairment of Non-Financial Assets

The carrying amounts of Property, Plant and Equipment, Intangible Assets and investments in subsidiary companies are reviewed for impairment at the end of each financial year and also whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

vi. Current / Non Current Classification

Ind AS requires that an entity shall present current and non-current assets, and current and non-current liabilities, as separate classifications in its balance sheet.

Any asset or liability is classified as current if it satisfies any of the following conditions:

a. it is expected to be realized or settled or is intended for sale or consumption in the Group's normal operating cycle which is ascertained by the Group as 12 months;
b. it is expected to be realized or settled within twelve months from the reporting date;
c. in the case of an asset,
   - it is held primarily for the purpose of providing services; or
   - it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
d. in the case of a liability, the Group does not have an unconditional right to defer settlement of liability for at least twelve months from the reporting date.

All other assets and liabilities are classified as non-current.

vii. Financial Instruments

A. Financial Assets

Financial assets include investments in equity and debt securities, cash and cash equivalents, trade receivables, employee and other advances and eligible current and non-current assets.

All financial assets, except Trade Receivables are recognized initially at fair value.

Subsequent to initial recognition, financial assets are measured as described below:

a. Investments:

i. <u>Financial instruments measured at amortized cost:</u>

Debt instruments that meet the following criteria are measured at amortized cost (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition):

(a) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

(b) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

ii. Financial instruments measured at fair value through other comprehensive income (FVTOCI):

Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition)

(a) The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial asset; and

(b) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Interest income is recognized in statement of profit and loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognized in other comprehensive income. When the investment is disposed of, the cumulative gain or loss previously accumulated in reserves is transferred to statement of profit and loss.

iii. Financial instruments measured at fair value through profit or loss (FVTPL):

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in statement of profit and loss. The gain or loss on disposal is recognized in statement of profit and loss. Interest income is recognized in statement of profit and loss for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognized when the Group’s right to receive dividend is established.

b. Trade Receivables

Trade receivables that do not contain a significant financing component are initially recognized at transaction price. They are subsequently measured at amortised cost less any impairment losses. Due to their short term maturity, the carrying amount approximate fair value. Expected credit losses are estimated by adopting the simplified approach using a provision matrix reflecting current condition and forecast of future economic condition.

c. Other Financial Assets

Other financial assets, cash and cash equivalents and other assets. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses. For most of these assets the carrying amounts approximate fair value due to their short term maturity.

Impairment of Financial Assets:

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss and credit risk exposure on the financial assets that are debt instruments measured at amortized costs e.g. loans, deposits, trade receivables, contractual receivables and bank balances. The Company follows 'simplified approach' for recognition of impairment allowance. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment allowance based on 12-month. The Company considers current and anticipated future economic conditions relating to industries of the customer and the countries where it operates. ECL impairment allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of profit and loss under the head 'other expenses'. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Derecognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for de-recognition. If the Group retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a borrowing for the proceeds received.

B. Financial Liabilities

Financial liabilities include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

All financial liabilities are recognized initially at fair value.

Subsequent to initial recognition financial liabilities are measured as described below:

Trade and Other Payables

Trade and other payables, which consist of Trade Creditors and Borrowings are subsequently carried at amortized cost using the effective interest method. For Trade and other payables, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

A financial liability (or a part of a financial liability) is derecognized from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

viii. Cash & Cash Equivalents

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

ix. Inventories

Inventories are assets held for sale in the ordinary course of business or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories held as on the reporting date are valued at the lower of cost and estimated net realizable value. In some cases, manufacturing work-in-progress is valued at lower of specifically identifiable cost and proportionate overheads or net realisable value. The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of inventories is assigned by using the first-in, first-out (FIFO) formula. When inventories are sold or consumed in rendering services, the carrying amount of those inventories is recognized as an expense in the period in which the related revenue is recognized.

x. Borrowing Costs

Borrowing costs include Interest and other incidental costs.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

In case of general borrowings, the borrowing costs are capitalised as per the Indian Accounting Standard 23.

Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted and is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Borrowing costs which are not directly attributable to the acquisition, construction production or development of a qualifying asset are recognised as an expense in the period in which they are incurred.

xi. Government Grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

A government grant may take the form of a transfer of a non-monetary asset, such as land or other resources, for the use of the entity. In these circumstances the fair value of the non-monetary asset is assessed and both grant and asset are accounted for at that fair value.

xii. Employee Benefits

A. Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service.

B. Post-employment benefits:

a. Provident Fund scheme and Employee State Insurance Scheme:

Eligible employees receive benefits of a state run provident fund and insurance scheme. These are defined contribution plans. Both the eligible employee and the Group make monthly contributions to provident fund plan and the insurance scheme equal to a specified percentage of the covered employees' salary. There are no other obligations other than the contribution payable to the relevant fund/ scheme.

b. Gratuity scheme

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity plan provides a lump sum payment to the vested employees at retirement, death, incapacitation or termination of employment of an amount based on the respective employees' salary and tenure with the Group. Liabilities with regard to Gratuity are determined in accordance with the actuarial valuation.

The Group has opted for a scheme and a fund run by LIC for gratuity.

C. Share-based payment

Equity share-based payment (ESOP) are governed by ESOP scheme of the company. The fair value of ESOP granted to employees is recognised as an employee expense, with a corresponding increase in equity.

xiii. Revenue Recognition

The Group recognizes revenue in accordance with Accounting Standard Ind AS 115, as per which revenue should be recognized when the performance obligation is satisfied.

Performance obligation is a promise in a contract with customer to transfer to customer either:

- A good or service (or a bundle of goods or services) which is distinct or
- A series of goods or services that are substantially the same and that have same pattern of transfer to the customer.

The Group needs to identify the transaction price. Transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods and services to a customer, excluding amounts collected on behalf of third parties.

Such a transaction price needs to be allocated to performance obligations in a contract.

An entity transfers control of a good or service over time and therefore satisfies a performance obligation and recognizes revenue over time if any of the following criteria is met:

(a) The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs, or

(b) The entity creates and enhances an asset which is controlled by customer as it is created or enhanced, or

(c) The entity's performance does not create an asset with alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

In any other case, revenue is recognized at a point of time.

A. General Policy

Revenue is recognized when it has approval and commitment from both parties, the rights of the parties and payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Group recognizes revenue from contracts with customers when it satisfies performance obligation by transferring promised goods or services to a customer. The revenue is recognized to the extent of the transaction price allocated to the performance obligation satisfied.

B. EPC Contracts

Engineering, Procurement and Construction (EPC) contracts are contracts specifically negotiated for the construction of plants and systems, involving design, engineering, fabrication, supply, erection and commissioning thereof.

The Group recognizes revenue over time as it performs because EPC contracts involve continuous transfer of control to the customer.

The Group identifies performance obligations regarding distinct goods or services, if any, within the context of EPC contracts most of which involve products or services that do not have an alternative use and the customer controls the work in process. The contracts contain clauses such as customer's ownership over goods and drawings, customer's right to termination of contract and in that event, the rights of the Group to payment towards performance obligations within the overall EPC Contract already fulfilled, including some profit corresponding thereto.

The Group uses cost-based measure of progress (or input method) for indivisible works contracts containing a single performance obligation, wherein the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated profits, are recorded proportionally as costs are incurred.

C. Sale of Goods

Revenue from sale of goods is recognized when the control of the same is transferred to the customer and it is probable that the Group will collect the consideration to which it is entitled for the exchanged goods.

D. Service Contracts

Revenue from rendering of services is recognized over time as the customer receives the benefit of the Group's performance and the Company has an enforceable right to payment for services transferred.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

E. Contract Balances:

(i) Contract Assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration and are transferred to Trade receivables on completion of milestones and its related invoicing. Contract assets are recorded in balance sheet as unbilled revenue and Retention Money Receivable from Customers.

(ii) Trade Receivables:

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

(iii) Contract Liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group satisfies the performance obligation. Contract liabilities are recorded in balance sheet as Advance from Customers and Retention Money Payable to Vendors.

xiv. Expenditure

Expenses are accounted on accrual basis.

xv. Taxes on Income

Tax expense for the year comprises current tax and deferred tax.

Current Tax is determined as the amount of tax payable in respect of the taxable income for the period in accordance with Income Tax Act, 1961.

Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the restated consolidated financial information. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

xvi. Provision

Provision involving substantial degree of reliable estimation in measurement is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation.

xvii. Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

xviii. Foreign Currency Transactions

Since functional currency of the Company is Indian Rupee (INR) which is also the presentation currency, restated consolidated financial information are prepared in INR.

Transactions denominated in foreign currencies entered into by the Company are initially recorded at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies at the year-end are restated at the closing rates. 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.

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in profit or loss.

xix. Earnings per share

Basic earnings per equity share are computed by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares is adjusted for events such as bonus issue, bonus element in a right issue, share split and reserve share splits (consolidation of shares) that have changed the number of equity shares.

Diluted earnings per equity share are computed by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the year adjusted for the effects of all dilutive potential equity shares.

xx. Derivative Financial Instruments

Derivative financial instruments are those which create rights and obligations that have the effect of transferring between the parties to the instrument one or more of the financial risks inherent in an underlying primary financial instrument.

Derivative financial instruments are recognized and measured at fair value. Attributable transaction costs are recognized in the statement of profit and loss as cost.

Subsequent to initial recognition, derivative financial instruments are measured as described below:

a. Cash flow hedges

Changes in the fair value of the derivative hedging instruments designated as a cash flow hedge are recognized in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of profit and loss and reported within foreign exchange gains / (losses), net within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, such cumulative balance is recognized in the statement of profit and loss.

b. Other Derivative Instruments

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognized in the statement of profit and loss and reported within foreign exchange gains, net within results from operating activities.

Changes in fair value and gains / (losses) on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance expense.

xxi. Leases

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

xxii. Share Based Payments:

Equity Settled Transactions (ESOP)

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in ESOP reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

xxiii. Valuation of interest in subsidiary

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Group's balance sheet. On disposal of such investments, the difference bet disposal proceed and the carrying amounts of the investments are recognised in the statement of profit and loss.

xxiv. Dividends

Dividend to equity shareholders is recognized as a liability in the period in which the dividends are approved by the equity shareholders. Interim dividends that are declared by the Board of Directors without the need for equity shareholders' approvals are recognized as a liability and deducted from shareholders' equity in the year in which the dividends are declared by the Board of directors.

xxv. Exceptional items

The Group considers exceptional items to be those which derive from events or transactions which are significant for separate disclosure by virtue of their size or incidence in order for the user to obtain a proper understanding of the Group's financial performance. These items include, but are not limited to,

acquisition costs, impairment charges, restructuring costs and profits and losses on disposal of subsidiaries, contingent consideration and other one-off items which meet this definition. To provide a better understanding of the underlying results of the period, exceptional items are reported separately in the Statement of Profit and Loss.

NOTE 4: ESTIMATES AND JUDGEMENTS

i. Use of Estimates

The preparation of the restated consolidated financial information in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the restated consolidated financial information and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period and actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the restated consolidated financial information in the period in which changes are made and, if material, their effects are separately disclosed in the notes to the financial statements.

ii. **Significant Estimates**

In particular, information about major areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the restated consolidated financial information is given in the following notes:

a. **Stage Of Completion**

EPC Contracting is a complex business involving many activities and is a team effort the success of which depends of effectiveness many sub-vendors and service providers. Assessing the stage of completion for the purpose of revenue recognition, valuation of work in progress and inventory; is subject to substantial judgement and subjective opinions which vary considerably. Since EPC contracts are high value contracts, slight difference in opinion and judgement leads to considerable difference in financial results.

b. **Warrantees**

The business of the Group requires giving performance guaranties and maintenance during warranty period. The circumstances which may involve expenditure on this account are completely unpredictable and considerable degree of estimation is involved in ascertaining the same. This impacts the provision for warrantees.

c. **Taxes**

The major tax jurisdiction for the Group is India. Significant judgments are involved in determining the tax liabilities including judgment on whether tax positions adopted by the Group are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods through a lengthy litigation process, at the end of which even if the Group wins, huge expenditure gets incurred in litigation which has an impact on the financial results.

d. **Impairment**

Testing for impairment, of assets in general and intangible assets in particular is a very difficult task because there is no objective way of doing the same. It involves use of significant estimates and assumptions regarding economic conditions, growth rates and market conditions. Slight error or inaccuracy in such estimates or assumptions can have a material impact on the financial results of the Group.

e. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

NOTE 5(a): PROPERTY, PLANT & EQUIPMENT

The changes in the carrying value of the property, plant and equipment for the year ended 31st March, 2023

Particulars	Plant and Equipment	Plant and Equipment (FZE)	Office Equipment	Furniture and Fixtures	Office Building	Land Development	Others		Right of Use	Total
							Computers	Temporary Constructions		
Gross Carrying Value as on 1st April,2022	**36.86**	**10.65**	**3.05**	**10.50**	**3.99**	**12.86**	**12.51**	**1.90**	**164.95**	**257.27**
Additions during the year:										
a. Other additions	15.07	2.41	0.81	3.18	11.20	9.88	4.53	0.26	25.31	**72.65**
b. Other adjustments (Foreign Currency Translation)	-	0.04	-	-	-	-	-	-	-	**0.04**
Deductions during the year:										
a. Other deductions	4.71	-	0.08	0.03	-	1.64	5.50	0.21	-	**12.17**
Gross Carrying Value as on 31st March, 2023	**47.22**	**13.10**	**3.78**	**13.65**	**15.19**	**21.10**	**11.54**	**1.95**	**190.26**	**317.79**
Accumulated Depreciation as on 1st April, 2022	**11.98**	**10.38**	**1.67**	**2.72**	**0.91**	**0.66**	**8.63**	**0.84**	**22.80**	**60.59**
Depreciation for the current year:										
a. Other assets	9.67	2.72	0.92	3.12	6.38	16.90	4.03	0.74	18.28	**62.76**
b. Accumulated Depreciation on Deletions	2.92	-	0.04	0.01	-	0.72	5.25	0.19	-	**9.13**
Accumulated Depreciation as on 31st March, 2023	**18.73**	**13.10**	**2.55**	**5.83**	**7.29**	**16.84**	**7.41**	**1.39**	**41.08**	**114.22**
Carrying Value as on 31st March, 2023	**28.49**	**-**	**1.23**	**7.82**	**7.90**	**4.26**	**4.13**	**0.56**	**149.18**	**203.57**

The changes in the carrying value of the property, plant and equipment for the year ended 31st March, 2022

Particulars	Plant and Equipment	Plant and Equipment (FZE)	Office Equipment	Furniture and Fixtures	Office Buidling	Land Development	Others		Right of Use	Total
							Computers	Temporary Constructions		
Gross Carrying Value as on 1st April, 2021	**13.24**	**7.90**	**1.24**	**1.43**	-	-	**8.12**	**0.21**	**34.18**	**66.32**
Additions during the year:										
a. Other additions	23.62	2.75	1.81	9.07	3.99	12.86	4.39	1.69	130.77	**190.95**
Deductions during the year:										
a. Other deductions										
Gross Carrying Value as on 31st March, 2022	**36.86**	**10.65**	**3.05**	**10.50**	**3.99**	**12.86**	**12.51**	**1.90**	**164.95**	**257.27**
Accumulated Depreciation as on 1st April, 2021	7.24	7.85	1.04	1.24	-	-	6.63	0.19	8.52	**32.71**
Depreciation for the current year:										
a. Other assets	4.74	2.53	0.63	1.48	0.91	0.66	2.00	0.65	14.28	**27.88**
Accumulated Depreciation as on 31st March, 2022	**11.98**	**10.38**	**1.67**	**2.72**	**0.91**	**0.66**	**8.63**	**0.84**	**22.80**	**60.59**
Carrying Value as on 31st March, 2022	**24.88**	**0.27**	**1.38**	**7.78**	**3.08**	**12.20**	**3.88**	**1.06**	**142.15**	**196.68**

The changes in the carrying value of the property, plant and equipment for the year ended 31st March, 2021

Particulars	Plant and Equipment	Plant and Equipment (FZE)	Office Equipment	Furniture and Fixtures	Office Buidling	Land Development	Others		Right of Use	Total
							Computers	Temporary Constructions		
Gross Carrying Value as on 1st April, 2020	**13.24**	**4.21**	**0.98**	**1.32**	-	-	**6.30**	**0.21**	**-**	**26.26**
Additions during the year:										
a. Other additions	-	3.69	0.26	0.11	-	-	1.82	-	34.18	**40.06**
Deductions during the year:										
a. Other deductions	-	-	-	-	-	-	-	-	-	**-**
Gross Carrying Value as on 31st March, 2021	**13.24**	**7.90**	**1.24**	**1.43**	**-**	**-**	**8.12**	**0.21**	**34.18**	**66.32**
Accumulated Depreciation as on 1st April, 2020	4.95	3.42	0.73	0.94	-	-	4.90	0.19	-	**15.13**
Depreciation for the current year:										
a. Other assets	2.29	4.43	0.31	0.30	-	-	1.73	-	8.52	**17.58**
b. Accumulated Depreciation on Deletions										
Accumulated Depreciation as on 31st March, 2021	**7.24**	**7.85**	**1.04**	**1.24**	**-**	**-**	**6.63**	**0.19**	**8.52**	**32.71**
Carrying Value as on 31st March, 2021	**6.00**	**0.05**	**0.20**	**0.19**	**-**	**-**	**1.49**	**0.02**	**25.66**	**33.61**
										33.61

Notes:

a. Refer to Note 16 for information on property, plant and equipment pledged as security by the Company.

b. For Capital Commitments, Refer Note 50(ii).

c. The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

NOTE 5(b): INTANGIBLE ASSETS

The changes in the carrying value of intangible assets for the year ended 31st March, 2023

Particulars	Software
Gross Carrying Amount as on 1st April, 2022	**13.46**
Additions during the year	2.68
Deductions during the year	6.36
Gross Carrying amount as on 31st March, 2023	**9.78**
Accumulated Amortization as on 1st April, 2022	**9.11**
Amortization charged during the year	3.06
Accumulated Amortization on Deletions	6.02
Accumulated amortization as on 31st March, 2023	**6.15**
Carrying Value as on 31st March, 2023	**3.63**

The changes in the carrying value of intangible assets for the year ended 31st March, 2022

Particulars	Software
Gross Carrying Value as on 1st April, 2021	**8.18**
Additions during the year	5.28
Deductions during the year	-
Gross Carrying Value as on 31st March, 2022	**13.46**
Accumulated Depreciation as on 1st April, 2021	**7.13**
Amortization charged during the year	1.98
Accumulated Depreciation as on 31st March, 2022	**9.11**
Carrying Value as on 31st March, 2022	**4.35**

The changes in the carrying value of intangible assets for the year ended 31st March, 2021

Particulars	Software
Gross Carrying Value as on 1st April, 2020	**8.12**
Additions during the year	0.06
Deductions during the year	-
Gross Carrying Value as on 31st March, 2021	**8.18**
Accumulated Depreciation as on 1st April, 2020	**6.12**
Amortization charged during the year	1.01
Accumulated Depreciation as on 31st March, 2021	**7.13**
Carrying Value as on 31st March, 2021	**1.05**

NOTE 6 : INVESTMENTS		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Current:				
Investment in Mutual Funds				
Investment at Fair Value through Profit & Loss:				
Units of Mutual Funds (Unquoted)		-	110.59	-
Total Current Investments		**-**	**110.59**	**-**
Aggregate Carrying Value of Unquoted Investment		**-**	**110.59**	**-**

NOTE 7 : LOANS & ADVANCES	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Current:			
Loan to Related Parties (Unsecured, considered good) (Refer Note No. 33)	-	-	-
Loans and Advances to Employees (Unsecured, considered good)	2.87	8.21	1.80
Total Current Loans	**2.87**	**8.21**	**1.80**

Note: Disclosures required by Section 186 (4) of Companies Act, 2013:

A. Amount of loans / advances in the nature of loans outstanding repayable as per below terms:

Name, Purpose for which the loan is proposed to be utilised by the recipient & Interest Rate	As at 31st March, 2023		
	Outstanding Amount	**% to the total loans and advances**	**Maximum amount outstanding during the year**
Current:			
a) Mascot Dynamics Pvt Ltd (Unsecured, considered good)	-	100.00%	5.00
Purpose: For Working Capital			
Interest Rate: 11.5% p.a.			

Name, Purpose for which the loan is proposed to be utilised by the recipient & Interest Rate	As at 31st March, 2022		
	Outstanding Amount	**% to the total loans and advances**	**Maximum amount outstanding during the year**
Current:			
a) Mascot Dynamics Pvt Ltd (Unsecured, considered good)	-	-	-
Purpose: For Working Capital			
Interest Rate: 11.5% p.a.			

Name, Purpose for which the loan is proposed to be utilised by the recipient & Interest Rate	As at 31st March, 2021		
	Outstanding Amount	**% to the total loans and advances**	**Maximum amount outstanding during the year**
Current:			
a) Mascot Dynamics Pvt Ltd (Unsecured, considered good)	-	-	-
Purpose: For Working Capital			
Interest Rate: 11.5% p.a.			

NOTE 8 : OTHER FINANCIAL ASSETS		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Non Current:				
Security Deposits (Unsecured, considered good)		4.58	4.29	2.15
Deposits with Banks (Maturity more than 12 months)		-	21.71	-
Contract Assets				
Retention Money Receivable from Customers		84.27	54.96	0.75
Total Non-Current Other Financial Assets		**88.85**	**80.96**	**2.90**
Current:				
Security Deposits (Unsecured, considered good)	(a)	5.08	3.06	18.11
Contract Assets				
Retention Money Receivable from Customers		101.28	46.82	84.22
Expected credit loss allowance		(3.56)	(2.00)	(0.65)
	(b)	**97.72**	**44.82**	**83.57**
Amount Due from Customers (Unbilled Revenue)	(c)	19.27	-	-
Total Current Other Financial Assets	(a+b+c)	**122.07**	**47.88**	**101.68**

(i) Movement in Expected Credit Loss Allowance:

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Opening Expected Credit Loss Allowance	2.00	0.65	0.35
Add: Additional provision made	1.88	1.89	0.56
Less: Reversal of provision	0.32	0.54	0.26
Closing Expected Credit Loss Allowance	**3.56**	**2.00**	**0.65**

NOTE 9 : DEFERRED TAX ASSETS (NET)	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Opening Balance	7.95	(2.03)	1.90
Property, Plant & Equipment: Impact of difference between WDV as per Company Law & Taxation Law	9.72	1.99	(1.99)
Gratuity: Impact of difference between expenses as per Company Law & Taxation Law	0.33	0.23	0.05
Depreciation & Finance charges (ROU asset): Impact of difference between amounts as per Company Law & Taxation Law	4.60	5.19	(2.70)
Provision for Bad & Doubtful debts: Impact of difference between amounts as per Company Law & Taxation Law	6.62	6.07	(1.91)
Company Incorporation Expenses: Impact of difference between amounts as per Company Law & Taxation Law	0.05	-	-
Business Loss: Impact of difference between amounts as per Company Law & Taxation Law	0.90	-	-
Total Deferred Tax Assets	**30.17**	**11.45**	**(4.65)**
Deferred Tax Liability			
Lease Expense: Impact of difference between amounts as per Company Law & Taxation Law	(5.27)	(3.50)	2.62
Net Deferred Tax Assets / (Liabilities)	**24.90**	**7.95**	**(2.03)**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off income tax assets and liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

NOTE 10: OTHER ASSETS	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Non Current:			
Capital Advances (Unsecured, considered good)	0.60	-	-
Balance with Government Authorities	1.25	0.71	0.71
Other*	1.46	1.26	1.26
Total Non-Current Other Assets	**3.31**	**1.97**	**1.97**
Current:			
Advance to Vendors (Unsecured, considered good)	254.01	176.42	165.19
Advance to Related Parties (Unsecured, considered good) (Refer Note No. 33)	0.80	0.38	-
Prepaid Expenses	22.39	14.51	9.51
Other**	215.51	51.73	69.23
Total Current Other Assets	**492.71**	**243.04**	**243.93**

* It includes VAT and Income Tax Refund Receivable
** It includes GST Input Tax Credit

NOTE 11: INVENTORIES	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Raw Materials (Valued at FIFO)	445.64	624.37	51.76
Work-in-Progress	374.89	-	-
	820.53	**624.37**	**51.76**

The cost of inventories recognised as an expense during the year is disclosed in Note No. 25

NOTE 12: TRADE RECEIVABLES	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
From related parties- Unsecured (Refer Note No. 33)	574.15	997.65	265.74
From others- Unsecured	592.11	124.55	281.61
	1,166.26	**1,122.20**	**547.35**
Expected credit loss allowance	(22.76)	(22.10)	(7.13)
	1,143.50	**1,100.10**	**540.22**

(i) General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 7 to 120 days and certain retention money to be released at the end of the project as per the relevant contract terms. In certain contracts, short term advances are received before the performance obligation is satisfied. In some cases, retentions are substituted with bank guarantees.

(ii) Ageing Analysis:

As at 31st March, 2023

Particulars	**Outstanding for following periods from date of transaction**					
	Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables — considered good	1,062.25	42.05	21.20	12.83	21.70	**1,160.03**
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables — credit impaired	-	-	0.22	1.30	3.27	**4.79**
(iv) Disputed Trade Receivables—considered good	-	-	0.35	-	1.09	**1.44**
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
Grand Total	**1,062.25**	**42.05**	**21.77**	**14.13**	**26.06**	**1,166.26**
Expected credit loss allowance						(22.76)
Total Trade Receivable						**1,143.50**

As at 31st March, 2022						
Particulars	Outstanding for following periods from date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	976.74	76.97	43.26	13.96	11.27	**1,122.20**
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
Grand Total	**976.74**	**76.97**	**43.26**	**13.96**	**11.27**	**1,122.20**
Expected credit loss allowance						(22.10)
Total Trade Receivable						**1,100.10**

As at 31st March, 2021						
Particulars	Outstanding for following periods from date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	513.05	8.41	14.37	8.23	3.29	**547.35**
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
Grand Total	**513.05**	**8.41**	**14.37**	**8.23**	**3.29**	**547.35**
Expected credit loss allowance						(7.13)
Total Trade Receivable						**540.22**

(iii) Movement in Expected Credit Loss Allowance

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Opening Expected Credit Loss Allowance	22.10	7.13	5.21
Add: Additional provision made	2.69	20.84	3.60
Less: Reversal of provision	2.03	5.87	1.68
Closing Expected Credit Loss Allowance	**22.76**	**22.10**	**7.13**

NOTE 13 : CASH & CASH EQUIVALENTS	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Cash & Cash Equivalents:			
Cash on Hand	0.76	0.81	0.80
Balances with Banks:			
In current accounts	18.09	134.25	79.30
In cash credit accounts (debit balance)	129.77	0.01	-
In deposit accounts (Refer Note A below)	321.83	92.70	192.20
Funds in Transit	-	50.00	-
Sub-Total	**470.45**	**277.77**	**272.30**
Less: Fixed deposits having maturity more than 3 months and less than 12 months shown under other bank balances	316.52	30.87	192.20
Less: Fixed deposits having maturity more than 12 months shown under other financial assets (Refer Note No. 8)	-	21.71	-
Total	**153.93**	**225.19**	**80.10**
Other Bank Balances			
In deposit accounts (Maturity more than 3 months and less than 12 months)	316.52	30.87	192.20
Interest Accrued on Fixed Deposits	1.36	1.03	0.02
	317.88	**31.90**	**192.22**

Note:

A. The details of Fixed deposits pledged with banks as given below:

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Fixed deposits pledged with banks as security against credit facilities	315.94	52.58	192.20
Fixed deposits pledged with bank as security against overdraft facility for subsidiary company	-	-	-
Fixed deposits pledged with clients as security	-	-	-
Total	**315.94**	**52.58**	**192.20**

NOTE 14 : EQUITY SHARE CAPITAL	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
AUTHORISED			
2,00,00,000 (FY 21-22 1,00,00,000 & FY 20-21 20,00,000) Equity Shares of Rs.10/- each	200.00	100.00	20.00
	200.00	**100.00**	**20.00**
ISSUED, SUBSCRIBED AND PAID UP CAPITAL			
96,00,000 (FY 21-22 96,00,000 & FY 20-21 6,00,000) Equity Shares of Rs.10/- each fully paid	96.00	96.00	6.00
	96.00	**96.00**	**6.00**

a. Reconciliation of Shares outstanding as at the beginning and at the end of the year.

Particulars	As at 31st March, 2023		As at 31st March, 2022		As at 31st March, 2021	
	Number	INR	Number	INR	Number	INR
At the beginning of the year	96,00,000	96.00	6,00,000	6.00	6,00,000	6.00
Add: Shares Issued during the year	-	-	90,00,000	90.00	-	-
At the end of the year	**96,00,000**	**96.00**	**96,00,000**	**96.00**	**6,00,000**	**6.00**

b. Terms and Rights attached to each class of shares:

The company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company’s residual assets on winding up.

The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity share capital of the company.

Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid.
Failure to pay any amount called up on shares may lead to their forfeiture.
On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after meeting all liabilities, in proportion to the number of equity shares held.

c. Details of Shareholders holding more than 5 % of Shares

Name of the Shareholders	As at 31st March, 2023		As at 31st March, 2022		As at 31st March, 2021	
	Number	%	Number	%	Number	%
Mascot Capital & Marketing Pvt Ltd	45,12,000	47%	45,12,000	47%	3,12,000.00	52%
JNK Heaters Co Ltd (Korea)	24,96,000	26%	24,96,000	26%	1,56,000.00	26%
Goutam Rampelli	11,52,000	12%	11,52,000	12%	72,000.00	12%
Dipak Bharuka	9,60,000	10%	9,60,000	10%	60,000.00	10%
	91,20,000	**95%**	**91,20,000**	**95%**	**6,00,000.00**	**100%**

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents the legal ownerships of shares.

d. Shares held by promoters at the end of the year

Promoter name	% Change during the year		0%		1411%	
	As at 31st March, 2023		As at 31st March, 2022		As at 31st March, 2021	
	Number	%	Number	%	Number	%
Mascot Capital & Marketing Pvt Ltd	45,12,000	47%	45,12,000	47%	3,12,000	47%
JNK Heaters Co Ltd (Korea)	24,96,000	26%	24,96,000	26%	1,56,000	26%
Goutam Rampelli	11,52,000	12%	11,52,000	12%	72,000	12%
	81,60,000	**85%**	**81,60,000**	**85%**	**5,40,000**	**85%**

Note on Bonus Shares, ESOPs and Share Split:

In FY 21-22, the Company has issued 90,00,000 equity shares of Rs. 10/- each by way of Bonus Shares to all the existing shareholders in the ratio of 15:1 i.e. 15 bonus shares for every 1 share held.; (FY 22-23 - Nil ; FY 20-21 - Nil).

78,400 of Rs. 10 each number of ESOPs were exercised on 12th April, 2023.

The company has passed a resolution on 14th April, 2023 sub-dividing the nominal value of the share from Rs. 10 per share to Rs. 2 per share. Accordingly, the number of shares in the Authorised Share Capital has increased from 2,00,00,000 equity shares to 10,00,00,000 equity shares. Correspondingly, number of paid-up shares has increased from 96,00,000 equity shares to 4,80,00,000 equity shares.

On the said date, the position regarding ESOP changed as under:
Originally Granted & Vested 1,96,000 Shares of Rs. 10 each.
48,000 shares of CEO surrender.
After subdivision 7,40,000 ESOP shares of Rs. 2 each.
Including the ESOPs, total number of equity shares issued, subscribed and paid-up as on that date was 4,87,40,000 of Rs. 2 each.

NOTE 15 : OTHER EQUITY		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
ESOP Reserve				
At the Beginning of the Year		-	-	-
Employee Benefit Expenses (ESOP)		50.72	-	-
At the End of the Year	(a)	**50.72**	**-**	**-**
Foreign Currency Translation Reserve				
At the Beginning of the Year		-	-	-
Additions During the Year		-	-	-
At the End of the Year	(b)	**-**	**-**	**-**
Retained Earnings				
At the Beginning of the Year		625.80	362.17	204.33
Additions During the Year		463.62	359.83	164.76
Bonus Issue		-	(90.00)	-
Dividend Paid		(14.40)	(6.00)	(6.00)
Prior Period Adjustments		-	(0.20)	(0.92)
Remeasurement Benefits of Defined Benefit Plans		(0.04)	-	
At the End of the Year	(c)	**1,074.98**	**625.80**	**362.17**
	(a+b+c)	**1,125.70**	**625.80**	**362.17**

NOTE 16: BORROWINGS	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Non-Current:			
Secured			
Term Loan	36.22	28.53	4.38
Less: Current Maturities of long term borrowings	3.83	1.61	1.85
Total Non-Current Borrowings	**32.39**	**26.92**	**2.53**
Current:			
Current maturities of Non-current Borrowings	3.83	1.61	1.85
Secured			
Working Capital Loan			
From Bank	301.41	31.37	85.12
Total Current Borrowings	**305.24**	**32.98**	**86.97**

Nature of Borrowing	Terms of Repayment	Interest Rate	Nature of Security
Non-Current Borrowing			
Term Loan for Vehicle, GECL	Repayable in 24-60 equated monthly installments	7.40% - 9.50%	Assets acquired under term loan, Book Debts, Inventories
Current Borrowing			
Working Capital Loan	Repayable in 12 months	8.65%	Refer below note a.

Note:

a. Working Capital Loans are secured against Inventory, Book Debts, Plant and Machinery, Land and Fixed Deposits held in the name of company

b. All the above credit facilities are guaranteed by Mr. Arvind Kamath, Mr. Goutam Rampelli, Mr. Dipak Bharuka, Mrs Priya Bharuka, Mascot Capital & Marketing Pvt Ltd and Mascot Business Solution Pvt Ltd.

c. Funds raised on short term basis have not been utilised for long term purposes .

d. Borrowed funds were applied for the purpose for which the loans were obtained.

e. Bank returns / stock statements filed by the Company with its bankers or financial institutions are in agreement with books of account.

f. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

g. The Company do not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.

NOTE 17 : LEASE LIABILITIES	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Non-Current:			
Office Leases	103.09	89.85	27.37
Less: Considered under current liabilities	22.59	14.70	9.57
Total Non-Current Lease Liabilities	**80.50**	**75.15**	**17.80**
Current:			
Office Leases	22.59	14.70	9.57
Total Current Lease Liabilities	**22.59**	**14.70**	**9.57**

NOTE 18 : OTHER FINANCIAL LIABILITIES	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Non-Current:			
Contract Liabilities			
Retention money payable to vendors	9.09	4.02	4.37
Total Non-Current Other Financial Liabilities	**9.09**	**4.02**	**4.37**
Current:			
Contract Liabilities			
Retention money payable to vendors	47.83	74.34	8.74
Employee Dues	51.21	57.18	43.10
Directors Dues (Refer Note No. 33)	59.59	54.22	44.99
Total Current Other Financial Liabilities	**158.63**	**185.74**	**96.83**

NOTE 19 : OTHER LIABILITIES	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Non-Current:			
Contract Liabilities			
Advance Received from Customers	149.97	11.11	23.48
Total Non-Current Other Liabilities	**149.97**	**11.11**	**23.48**
Current:			
Statutory Dues	177.71	80.13	114.57
Other Current Liabilities	0.18	1.25	0.55
Contract Liabilities			
Advance Received from Customers	504.74	995.17	164.92
Due to Customers	162.25	-	
Total Current Other Liabilities	**844.88**	**1,076.55**	**280.04**

NOTE 20: PROVISIONS	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Non-Current:			
Provision for Warranty	15.48	-	1.05
Total Non-Current Provisions	**15.48**	**-**	**1.05**
Current:			
Provision for Employee Benefits			
Group Gratuity	1.34	1.00	0.60
Bonus	3.00	2.50	1.00
Other Provisions			
Provision for Warranty	6.56	12.93	4.73
Provision for Expenses	64.52	32.83	80.59
Provision for Sales Tax Amnesty Dues	2.12	-	-
Total Current Provisions	**77.54**	**49.26**	**86.92**

(i) Movement in Warranty Provision

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Balance at the beginning	12.93	5.78	1.59
Add: Additional provision recognised	9.11	7.15	4.19
Less: Unused amount reversed	-	-	-
Less: Utilised during the year	-	-	-
Balance at the end	**22.04**	**12.93**	**5.78**

NOTE 21: TRADE PAYABLES	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
a) Total outstanding dues of micro enterprises and small enterprises	45.74	122.76	16.48
b) Total outstanding dues of creditors other than micro enterprises and small enterprises			
Due to Related Parties (Refer Note No. 33)	65.02	13.77	8.77
Others	286.81	316.50	224.22
	397.57	**453.03**	**249.47**

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

(i) Ageing Analysis:

	As at 31st March, 2023				
Particulars	**Outstanding for following periods from date of transaction**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed - Micro and Small Enterprises	44.46	0.04	-	1.24	**45.74**
(ii) Undisputed - Others	336.66	7.61	3.90	3.66	**351.83**
(iii) Disputed - Micro and Small Enterprises	-	-	-	-	**-**
(iv) Disputed - Others	-	-	-	-	**-**
Total	**381.12**	**7.65**	**3.90**	**4.90**	**397.57**

	As at 31st March, 2022				
Particulars	**Outstanding for following periods from date of transaction**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed - Micro and Small Enterprises	120.18	1.34	-	1.24	**122.76**
(ii) Undisputed - Others	310.56	16.19	1.36	2.16	**330.27**
(iii) Disputed - Micro and Small Enterprises	-	-	-	-	**-**
(iv) Disputed - Others	-	-	-	-	**-**
Total	**430.74**	**17.53**	**1.36**	**3.40**	**453.03**

	As at 31st March, 2021				
Particulars	**Outstanding for following periods from date of transaction**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed - Micro and Small Enterprises	13.75	1.49	1.24	-	**16.48**
(ii) Undisputed - Others	230.62	0.21	2.17	(0.01)	**232.99**
(iii) Disputed - Micro and Small Enterprises	-	-	-	-	**-**
(iv) Disputed - Others	-	-	-	-	**-**
Total	**244.37**	**1.70**	**3.41**	**(0.01)**	**249.47**

NOTE 22 : CURRENT TAX LIABILITIES (NET)	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Provision for Tax Payable (Net of Advance Tax, TDS & TCS)	62.17	31.93	22.01
	62.17	**31.93**	**22.01**

NOTE 23 : REVENUE FROM OPERATIONS	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2021
a) Sale of Products			
Domestic Goods	952.11	484.87	421.73
Export	1,305.50	1,143.29	116.35
b) Sale of Services			
Domestic Supply	312.94	245.04	77.45
Export	1,494.96	1,014.81	590.28
Sale of Services in Nigeria and Other	-	-	162.18
(i)	**4,065.51**	**2,888.01**	**1,367.99**
Geography-wise revenue information			
Domestic	1,265.05	729.91	499.18
Export*	2,800.46	2,158.10	868.81
	4,065.51	**2,888.01**	**1,367.99**
** includes Sale of Services in Nigeria*			
Product-wise revenue information			
Heating Equipment	3,359.68	2,612.00	1,215.93
Flares, Incinerators and Others	705.83	276.01	152.06
	4,065.51	**2,888.01**	**1,367.99**
Disaggregate revenue information			
Supply of Goods	2,257.61	1,628.16	538.08
Engineering Service	65.31	291.13	184.61
Erection & Commissioning Charges	682.07	395.68	616.49
Works Contract Charges	288.31	181.91	28.81
Freight, Insurance & Inspection Charges	772.21	391.13	-
	4,065.51	**2,888.01**	**1,367.99**
c) Other Operating Revenues			
Duty Drawback Received	4.84	3.02	0.27
Duty Credit Scrip Sold	2.67	0.16	8.95
Other Income	-	72.77	-
(ii)	**7.51**	**75.95**	**9.22**
(i+ii)	**4,073.02**	**2,963.96**	**1,377.21**

NOTE 24 : OTHER INCOME	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2021
a) Interest Income:			
Interest on Fixed Deposits	7.81	6.12	4.82
Interest on Loan Received	0.01	-	0.07
b) Other Non-Operating income:			
Bad Debts Recovered	29.43	0.07	-
Profit on Mutual Fund Redemption	0.82	0.59	-
Expenses Provision Write Back	-	0.38	0.07
Sale of Scrap	3.95	-	-
Notional Interest Income	0.11	0.11	0.19
Notice Pay Recovery	0.30	0.09	0.08
Gain on Foreign Exchange Fluctuation	-	-	1.17
Write back of Trade Payables	-	-	0.92
Miscellaneous Income	-	0.04	-
	42.43	**7.40**	**7.32**

NOTE 25 :CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Raw Material:			
Opening Stock	624.37	51.76	3.68
Less: Closing Stock	445.64	624.37	51.76
(i)	**178.73**	**(572.61)**	**(48.08)**
Work-In-Progress:			
Opening Stock	-	-	-
Less: Closing Stock	374.89	-	-
(ii)	**(374.89)**	**-**	**-**
(Increase)/ Decrease in Inventories (i+ii)	**(196.16)**	**(572.61)**	**(48.08)**

NOTE 26 : PROJECT EXPENSES	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Freight Charges	510.20	311.87	-
Fabrication Charges	102.27	63.20	-
Transportation Charges	92.48	55.83	9.33
Labour Charges	55.89	52.22	54.16
Manpower Cost	48.48	24.67	8.52
Other Project Expenses	48.38	31.12	27.08
Technical Service charges	44.85	9.12	4.49
Inspection Testing Charges	29.43	15.86	3.79
Clearing & Forwarding Charges	26.16	17.95	2.01
Crane Hire	24.84	18.95	86.60
Erection & Commissioning Charges	23.63	39.99	57.21
Refractory Application Works	22.24	25.18	9.58
Detailed Engineering, Design & Drafting Charges	16.52	5.30	3.74
Insurance	15.08	11.20	10.68
Diesel Consumption	14.50	8.61	-
Site Expenses	11.29	13.42	1.61
Project Consumables	11.02	-	-
Liquidated Damages	-	-	0.56
	1,097.26	**704.49**	**279.36**

NOTE 27 : EMPLOYEE BENEFIT EXPENSES	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(i) Salaries and Wages:			
Salaries	303.60	245.43	179.18
Director's Remuneration	153.40	151.60	135.60
(ii) Contribution to Provident Fund and Other Funds:			
Provident Fund	10.39	7.16	4.68
Gratuity Scheme	1.52	0.91	0.92
Employees State Insurance Fund	0.02	0.08	0.08
Employee Deposit Linked Insurance	0.12	-	-
Maharashtra Labour Welfare Fund	0.02	0.02	0.01
Profession Tax	0.01	-	-
(iii) Employee Stock Option Scheme (ESOP)			
Employee Benefit Expenses (ESOP)	50.72	-	-
(iii) Staff Welfare Expenses			
Ex Gratia	4.24	3.98	1.62
Staff Welfare	4.67	2.80	2.42
Staff Insurance	3.67	2.50	1.75
	532.38	**414.48**	**326.26**

NOTE 28 : FINANCE COSTS	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2021
a) Interest			
Interest on Overdraft / Cash Credit Facility	6.68	1.70	0.12
Interest on Leases	6.63	6.33	2.20
Interest on Car Loan	0.36	0.34	0.50
Interest on Inter Corporate Deposit	0.04	0.19	-
b) Other Borrowing Costs			
Bank Guarantee Charges	24.35	6.01	0.62
Stamp Duty Charges	4.50	0.52	-
Loan Processing Fees	3.45	-	2.04
Bank Charges	2.85	0.91	0.38
Exchange Fluctuations Loss	(7.61)	21.17	6.44
Facility Fees	0.28	-	0.98
LC Amendment Charges	0.21	0.02	0.01
LC Issuance Charges	0.20	0.46	0.02
Credit Rating Fees	0.18	-	-
CC Renewal Charges	-	-	0.16
	42.12	**37.65**	**13.47**

NOTE 29 : DEPRECIATION & AMORTIZATION EXPENSES	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation of Tangible Assets	44.48	13.60	9.06
Amortization of Intangible Assets	3.06	1.98	1.01
Amortization of Leases	18.28	14.28	8.52
	65.82	**29.86**	**18.59**

NOTE 30 : OTHER EXPENSES	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Legal, Professional & Consultancy Charges	161.29	121.39	140.17
Other Expenses	46.23	26.32	45.17
Traveling & Conveyance	44.04	27.46	15.53
Rent	28.50	37.29	13.09
Rates & Taxes	12.31	6.95	4.93
Petrol & Fuel	9.33	7.06	4.90
Warranty Expenses	9.11	7.16	-
Commission Charges	8.39	116.69	31.25
Repairs & Maintenance	7.50	3.71	2.53
CSR Expenses	5.42	2.92	1.61
Business Promotion Expenses	3.13	1.54	0.71
Assets Written Off	2.77	-	-
Provision for Bad Debts	2.22	16.32	2.21
Sales Tax Amnesty Dues	2.12	-	-
Handling Charges	1.72	0.57	0.29
Statutory Audit Fees	0.93	0.75	1.62
Insurance	0.17	0.12	0.20
	345.18	**376.25**	**264.21**

NOTE 31 : CURRENT TAX EXPENSE	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current Year Tax	180.00	128.41	59.41
Prior Period Taxes	0.44	-	-
	180.44	**128.41**	**59.41**

(All amounts in INR in Millions, except share data and where otherwise stated)

NOTE 32: EARNINGS PER SHARE

Particulars	FY 2022-2023	FY 2021-2022	FY 2020-2021
Profit attributable to equity shareholders (Rs.)	463.62	359.83	164.76
Weighted Average number of Equity Share Outstanding during the year	4,80,00,000	4,80,00,000	4,80,00,000
Nominal value per share (Rs.)	**2.00**	**2.00**	**2.00**
Basic EPS (Rs.)	**9.66**	**7.50**	**3.43**
Profit attributable to equity shareholders (Rs.)	463.62	359.83	164.76
Weighted Average number of Equity Share Outstanding during the year	4,80,00,000	4,80,00,000	4,80,00,000
Add: Adjustment for Employee Stock Options (Refer Note 45)	7,40,000	-	-
Weighted Average number of Equity Share Outstanding for Diluted EPS	4,87,40,000	4,80,00,000	4,80,00,000
Nominal value per share (Rs.)	**2.00**	**2.00**	**2.00**
Diluted EPS (Rs.)	**9.51**	**7.50**	**3.43**

Note:

Share Split and Bonus Issue:

The basic and diluted earning per share for the current period and previous periods presented have been calculated / restated after considering the share split and bonus issue and appropriate adjustments to outstanding options granted to employees under the ESOP scheme (Refer note 14).

NOTE 33: RELATED PARTY DISCLOSURES

A. Related Party Relationships:

Related Party Name	Relationship	Ownership Interest (in %)		
		FY 2022-2023	FY 2021-2022	FY 2020-2021
Mascot Capital & Marketing Pvt Ltd	Entity with Significant Influence	47.00%	47.00%	52.00%
JNK Heaters Co. Ltd (Korea)	Entity with Significant Influence	26.00%	26.00%	26.00%
Mascot Business Solutions Pvt Ltd	Entity with Joint or Common Control	-	-	
JNK Heaters Co. Ltd (Project Office, India)	Entity with Joint or Common Control	-	-	
Mascot Business Solutions Pvt Ltd	Entity with Joint or Common Control	-	-	
Mascot Dynamics Pvt Ltd	Entity with Joint or Common Control	-	-	
Mascot Flowtech Pvt Ltd	Entity with Joint or Common Control	-	-	
Porvair Filtration India Pvt Ltd	Entity with Joint or Common Control	-	-	
Kal Energy India Pvt Ltd	Entity with Joint or Common Control	-	-	
Dipak Bharuka	CEO (Key Managerial Personnel)	10.00%	10.00%	10.00%
Arvind Kamath	Wholetime Director	-	-	
Bang Hee Kim	Director	-	-	
Goutam Rampelli	Wholetime Director	12.00%	12.00%	12.00%
Priya Bharuka	Relative of Key Managerial Personnel	-	-	

B. Related Party Transactions:

Transactions with the related parties as defined in the Indian Accounting Standard 24 are given below:

i. Key Management Personnel Compensation:

Related Party Name	Relationship	Nature of transactions	FY 2022-2023	FY 2021-22	FY 2020-21
Arvind Kamath	Wholetime Director	Director's Remuneration	93.48	92.40	82.00
Goutam Rampelli	Wholetime Director	Director's Remuneration	59.92	59.20	53.60
Bang Hee Kim	Director	Professional Services	59.92	23.20	14.80
Dipak Bharuka	CEO (KMP)	Remuneration	54.44	48.91	47.30
Total Compensation			**267.76**	**223.71**	**197.70**

ii. Transactions with Related Parties:

Related Party Name	Relationship	Nature of transactions	FY 2022-2023	FY 2021-2022	FY 2020-2021
JNK Heaters Co.Ltd (Korea)	Entity with Significant Influence	Sale of Goods	1,282.41	1,034.33	42.86
		Dividend Paid	3.18	-	-
		Purchase of Goods	151.16	-	-
		Sale of Service	850.05	629.33	447.77
		Advances Received in Course of Business	298.63	1,409.66	83.81
		Technical Service Charges	34.25	-	-

JNK Heaters Co. Ltd (Project Office, India)	Entity with Joint or Common Control	Sale of Goods	651.39	459.77	-
		Advances Received in Course of Business	566.04	207.46	149.74
		Sale of Engineering, Erection & Works Contract Services	9.80	65.54	256.15
		Reimbursement of Expenses	0.25	0.61	-
		Construction Charges Income	13.00	45.54	-
Mascot Dynamics Pvt. Ltd	Entity with Joint or Common Control	Loan Taken	35.00	20.00	-
		Interest on Loan Taken	0.04	0.19	-
		Duty Credit Scrips Sold	1.26	-	8.95
		Loan Given	5.00	-	30.00
		Interest on Loan Receivable	0.01	-	-
		Loan Repaid	35.00	-	-
		Loan Given Received Back	5.00	-	-
Arvind Kamath	Wholetime Director	Director's Remuneration	93.48	92.40	82.00
		Reimbursement of Expenses	1.83	0.02	0.02
Goutam Rampelli	Wholetime Director	Director's Remuneration	59.92	59.20	53.60
		Reimbursement of Expenses	0.26	0.10	0.04
		Dividend Payment	1.73	-	-
		Sale of Car	0.61	-	-
Bang Hee Kim	Director	Professional Fees Expenses	59.92	23.20	14.80
Dipak Bharuka	CEO (KMP)	Remuneration including Bonus & Incentives	54.44	48.91	47.30
		Reimbursement of Expenses	1.63	0.24	0.32
		Rent Paid	1.35	1.01	-
		Business Advance	2.12	0.60	-
		Dividend Paid	1.44	-	-
Mascot Capital & Marketing Pvt Ltd	Entity with Significant Influence	Dividend Paid	6.77	-	-
		Professional Fees Expenses	-	0.11	3.42
Priya Bharuka	Relative of Key Managerial Personnel	Professional Fees Expenses	-	4.25	4.00
		Rent Paid	1.35	1.01	-
Mascot Business Solutions Pvt Ltd	Entity with Joint or Common Control	Professional Fees Expenses	0.33	0.52	-
Mascot Flowtech Pvt Ltd	Entity with Joint or Common Control	Technical Service Expenses	1.03	-	-
Porvair Filtration India Pvt Ltd	Entity with Joint or Common Control	Sale of Goods	-	-	0.04
Total			**4,229.68**	**4,104.00**	**1,224.82**

C. Transactions within the group (these transactions got eliminated in Restated Consolidated Financial Information)*

Related Party Name	Relationship	Nature of transactions	FY 2022-2023	FY 2021-2022	FY 2020-2021
JNK India Private FZE	Wholly Owned Subsidiary	Reimbursement of Expenses	2.33	5.44	4.30
		Erection Service Expenses	115.63	30.16	30.01
		Advances Given in course of Business	11.66	0.37	33.55
		Investment in Subsidiary	-	0.10	-
JNK Renewable Energy Pvt Ltd	Wholly Owned Subsidiary	Investment in Subsidiary	1.00	-	-
		Loan Given	21.77	-	-
		Interest on Loan (Income)	0.24	-	-
Total			**152.63**	**36.07**	**67.86**

*** As per Schedule VI (Para 11 (I) (A) (i) (g)) of ICDR regulations**

D. Related Party Balances:

Following are the related party outstanding balances:

Related Party Name	Relationship	Nature of balances	FY 2022-2023	FY 2021-2022	FY 2020-2021
JNK Heaters Co.Ltd (Korea)	Entity with Significant Influence	Trade Payable	31.16	1.36	1.36
		Trade Receivable	188.00	760.90	57.77
		Advance Received in Course of Business	8.19	748.80	88.59
JNK Heaters Co. Ltd (Project Office, India)	Entity with Joint or Common Control	Trade Receivable	386.15	236.75	207.97
		Advance Received in Course of Business	505.93	192.23	97.63
		Reimbursement of Expenses (Paid)	1.48	1.30	-
Arvind Kamath	Wholetime Director	Director's Remuneration & Incentives	38.98	33.49	27.51
		Reimbursement of Expenses (Paid)	0.32	-	-
Goutam Rampelli	Wholetime Director	Director's Remuneration & Incentives	20.61	20.73	17.48
		Reimbursement of Expenses (Paid)	-	0.26	0.16
		Advance Given in Course of Business	0.11	-	-
Bang Hee Kim	Director	Professional Fees Payable	32.29	1.57	2.82
Dipak Bharuka	CEO (KMP)	Remuneration & Incentives	-	12.78	15.77
		Remuneration	14.40	-	-
		Reimbursement of Expenses (Paid)	-	0.20	0.18
		Advance Given	0.69	0.38	-
Mascot Dynamics Pvt. Ltd	Entity with Joint or Common Control	Loan Receivable	-	-	-
Mascot Capital & Marketing Pvt Ltd	Entity with Significant Influence	Professional Services	-	-	0.05
Priya Bharuka	Relative of Key Managerial Personnel	Professional Services	-	4.32	2.43
		Rent Paid	0.12	-	-
Mascot Business Solutions Pvt. Ltd	Entity with Joint or Common Control	Professional Services Payable	0.03	0.41	-
Total			**1,228.46**	**2,015.48**	**519.72**

E. Terms and Conditions:

a) Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

b) All the credit facilities of INR 301.41 Million (P.Y. INR 31.37 Million) and are guaranteed by Mr Arvind Kamath, Mr Goutam Rampelli, Mr. Dipak Bharuka, Mrs. Priya Bharuka, Mascot Capital & Marketing Pvt Ltd and Mascot Business Solution Pvt Ltd. Term loan of INR 36.22 Million as on 31st March, 2023 (INR 28.53 Million as on 31st March, 2022) comprises of car loans and GECL Loan which is part of the credit facilities availed.

NOTE 34 : CONTINGENT LIABILITIES

Claims Against the company not acknowledged as debts

Contingent Liabilities	FY 2022-2023	FY 2021-2022	FY 2020-2021
Income Tax (AY 2020-21)	0.28	0.28	0.28
Income Tax (AY 2013-14)	2.00	2.00	2.00
CST (F.Y. 2011-12)	Nil	10.53	10.53

The Income Tax demands for AY 2020-21 has been raised on account of late payment of employee contribution to Provident Fund.The company has submitted online responses disagreeing with the Demand stating that the contribution has been paid to respective funds before the due date for filing return of income and the same should be allowed.

The Income Tax Demands for AY 2013-14 relate to disallowance of TDS Credit pertaining to income booked in the relevant Assessment Years but appearing in Form 26AS of the subsequent Assessment Years. The company has submitted online responses disagreeing with the Demands.

The CST Demand of Rs. 10.53 Million for FY 2011-12 was due to disallowance of Sales u/s 6(2) of the CST Act, 1956. The said demand is settled for Rs. 2.12 Million as per Maharashtra Sales Tax Amensty Scheme.

NOTE 35: PAYMENTS MADE TO THE AUDITOR

Particulars	FY 2022-2023	FY 2021-2022	FY 2020-2021
As Auditors	1.03	0.60	0.60
For Taxation Matters	0.40	0.15	0.15
For Other Services	0.32	0.08	-
For Reimbursement of Expenses	-	-	-
Total	**1.75**	**0.83**	**0.75**

NOTE 36 : FAIR VALUE MEASUREMENT

Particulars	FY 2022-2023					
	Carrying Amount	Amortised Cost	FVTPL	Level of input used in		
				Level 1	Level 2	Level 3
Financial Assets						
Investments	-	-	-	-	-	-
Loans	2.87	2.87	-	-	-	-
Trade Receivables	1,143.50	1,143.50	-	-	-	-
Cash & Cash Equivalents and Other Bank Balances	471.81	471.81	-	-	-	-
Other Financial Assets	210.92	210.92	-	-	-	-
	1,829.10	**1,829.10**	**-**	**-**	**-**	**-**
Financial Liabilities						
Borrowings	337.63	337.63	-	-	-	-
Lease Liability	103.09	103.09	-	-	-	-
Trade Payables	397.57	397.57	-	-	-	-
Other Financial Liabilities	167.72	167.72	-	-	-	-
	1,006.01	**1,006.01**	**-**	**-**	**-**	**-**

Particulars	FY 2021-2022					
	Carrying Amount	Amortised Cost	FVTPL	Level of input used in		
				Level 1	Level 2	Level 3
Financial Assets						
Investments	-	-	-	-	-	-
Loans	8.21	8.21	-	-	-	-
Trade Receivables	1,100.10	1,100.10	-	-	-	-
Cash & Cash Equivalents and Other Bank Balances	257.09	257.09	-	-	-	-
Other Financial Assets	128.84	128.84	-	-	-	-
	1,494.24	**1,494.24**	**-**	**-**	**-**	**-**
Financial Liabilities						
Borrowings	59.90	59.90	-	-	-	-
Lease Liability	89.85	89.85	-	-	-	-
Trade Payables	453.03	453.03	-	-	-	-
Other Financial Liabilities	189.76	189.76	-	-	-	-
	792.54	**792.54**	**-**	**-**	**-**	**-**

Particulars	FY 2020-2021					
	Carrying Amount	Amortised Cost	FVTPL	Level of input used in		
				Level 1	Level 2	Level 3
Financial Assets						
Investments	-	-	-	-	-	-
Loans	1.80	1.80	-	-	-	-
Trade Receivables	540.22	540.22	-	-	-	-
Cash & Cash Equivalents and Other Bank Balances	272.32	272.32	-	-	-	-
Other Financial Assets	104.58	104.58	-	-	-	-
	918.92	**918.92**	**-**	**-**	**-**	**-**

Financial Liabilities						
Borrowings	89.50	89.50	-	-	-	-
Lease Liability	27.37	27.37	-	-	-	-
Trade Payables	249.47	249.47	-	-	-	-
Other Financial Liabilities	101.20	101.20	-	-	-	-
	467.54	**467.54**	-	-	-	-

Fair value of financial assets and financial liabilities measured at amortised cost.

The carrying amounts of trade receivables, loans, advances, cash and other bank balances are considered to be the same as their fair values due to their short term nature. The carrying amounts of long term loans given with fixed rate of interest are considered at fair value.

The carrying amount of trade and other payables are considered to be the same as their fair values due to their short term nature.The carrying amonts of borrowings with floating rate of interest are considered to be close to fair value.

NOTE 37 : CAPITAL MANAGEMENT

The primary objective of capital management of the Company is to maximise Shareholder value. The Company monitors capital using Debt-Equity ratio which is total debt divided by total equity. For the purposes of capital management, the Company considers the following components of its Balance Sheet to manage capital:

Total equity includes General reserve, Retained earnings, Share capital and Security premium.
Total debt includes current debt plus non-current debt.

The Debt-Equity ratio at the end of the reporting period are as under:

Particulars	**FY 2022-2023**	**FY 2021-2022**	**FY 2020-2021**
Non-Current Borrowing	112.89	102.07	20.33
Current Borrowing	327.83	47.68	96.54
Total Debt	440.72	149.75	116.87
Total Equity	1,221.70	721.80	368.17
Adjusted Net Debt to Adjusted Equity Ratio	0.36	0.21	0.32

NOTE 38 : FINANCIAL RISK MANAGEMENT

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board oversee the management of these financial risks through its Risk Management Committee as per Company's existing policy.

The Company has exposure to the following risks arising from financial instruments: -

A. Credit risk

i. Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks and other financial instruments. Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed upon. Details of the same have been discussed below.

ii. Exposure to Risk

a. Trade Receivables

The Company extends credit to customers in the normal course of business. The Company considers factors such as financial conditions / market practices, credit track record in the market, analysis of historical bad debts and past dealings for extension of credit to customers. Individual credit limits are set accordingly. The Company monitors the payment track record of the customers and ageing of receivables. Outstanding customer receivables are regularly monitored. The Company considers the concentration of risk with respect to trade receivables including retention money as low.

b. Change in allowance for Bad and Doubtful Debts

Particulars	**FY 2022-2023**	**FY 2021-2022**	**FY 2020-2021**
As at the beginning of the year	24.10	7.78	5.56
Add: Provisions during the year	4.57	22.73	4.16
Less: Utilised during the year	2.35	6.41	1.94
As at the end of the year	**26.32**	**24.10**	**7.78**

Provision Matrix used in case of Trade Receivables including Retention money

Categories	Historical Provision Rates (Representative)
Less than 6 months	0%
More than 6 months but less than 1 year	1%
More than 1 year but less than 2 years	1%
More than 2 years but less than 3 years	2%
More than 3 years	100%

c. Other Financial Instruments

The Company considers factors such as track record, size of the institution, market reputation, financial strength/rating and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions from which the Company has also availed borrowings.

B. Liquidity Risk

i. Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables and other financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. It maintains adequate sources of financing including loans, debt and other borrowings.

ii. Exposure to Risk:

The company has sufficient Bank balance to discharge it's immediate cash flows.

As at 31st March, 2023

Particulars	Note No.	Carrying Amount	Less than 1 year	Between 1 to 5 years	Exceeding 5 years	Total
Borrowings	16	337.63	305.24	32.39	-	337.63
Lease Liability	17	103.09	22.59	80.50	-	103.09
Trade Payables	21	397.57	397.57	-	-	397.57
Other Liabilities	19	994.85	844.88	149.97	-	994.85
Total		**1,833.14**	**1,570.28**	**262.86**	**-**	**1,833.14**

As at 31st March, 2022

Particulars	Note No.	Carrying Amount	Less than 1 year	Between 1 to 5 years	Exceeding 5 years	Total
Borrowings	16	59.90	32.98	26.92	-	59.90
Lease Liability	17	89.85	14.70	75.15	-	89.85
Trade Payables	21	453.03	453.03	-	-	453.03
Other Liabilities	19	1,087.66	1,076.55	11.11	-	1,087.66
Total		**1,690.44**	**1,577.26**	**113.18**	**-**	**1,690.44**

As at 31st March, 2021

Particulars	Note No.	Carrying Amount	Less than 1 year	Between 1 to 5 years	Exceeding 5 years	Total
Borrowings	16	89.50	86.97	2.53	-	89.50
Lease Liability	17	27.37	9.57	17.80	-	27.37
Trade Payables	21	249.47	249.47	-	-	249.47
Other Liabilities	19	303.52	280.04	23.48	-	303.52
Total		**669.86**	**626.05**	**43.81**	**-**	**669.86**

C. Market Risk -

i. Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

ii. Exposure to Risk

a. Interest Rate Risk

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Sensitivity of Interest Rates:

Impact on Profit / (Loss) before tax

Loans Taken

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Increase in 100 basis points of interest rates	3.05	0.33	0.87
Decrease in 100 basis points of interest rates	(3.05)	(0.33)	(0.87)

B. Foreign Currency Risk

The Company has entered into contracts wherein the revenue is receivable in foreign currency. These are not hedged.

The following table details the Company's sensitivity to a 1% increase and decrease in the Rupee against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rate.

Sensitivity of Foreign Exchange Rates

Impact on Profit / (Loss) before tax

Trade Receivables:

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Increase in 1% USD/INR	3.75	7.97	1.90
Increase in 1% EURO/INR	-	0.04	0.14
Decrease in 1% USD/INR	(3.75)	(7.97)	(1.90)
Decrease in 1% EURO/INR	-	(0.04)	(0.14)

Trade Payables:

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Increase in 1% USD/INR	(2.06)	(1.84)	(0.34)
Increase in 1% EURO/INR	-	-	-
Decrease in 1% USD/INR	2.06	1.84	0.34
Decrease in 1% EURO/INR	-	-	

C. Other Price Risk

The Company's investments are susceptible to market price risk arising from uncertainties about future values of the investments. These securities are unquoted. The Company manages the price risk through diversification and by placing limits on individual and total equity / mutual fund instruments. Company is not exposed to significant price risks.

NOTE 39 : TRADE PAYABLE – DETAILS RELATING TO MICRO, SMALL AND MEDIUM ENTERPRISES

Particulars	FY 2022-2023	FY 2021-2022	FY 2020-2021
The principal amount remaining unpaid to any supplier as at the end of accounting year under MSMED Act, 2006	45.74	122.76	16.48
The Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount and unpaid	-	1.71	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year	-	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006	-	-	-

NOTE 40 : REVENUE FROM CONTRACTS WITH CUSTOMERS AS PER IND AS 115

i) Revenue by category of contracts:

Particulars	FY 2022-2023	FY 2021-2022	FY 2020-2021
Over a period of time basis	1,807.90	1,259.85	829.91
At a point-in-time basis	2,257.61	1,628.16	538.08
Total revenue from contracts with customers	**4,065.51**	**2,888.01**	**1,367.99**

ii) Revenue by geographical market:

Particulars	FY 2022-2023	FY 2021-2022	FY 2020-2021
Within India	1,265.05	729.91	499.18
Outside India	2,800.46	2,158.10	868.81
Total revenue from contracts with customers	**4,065.51**	**2,888.01**	**1,367.99**

iii) Contract balances:

Particulars	FY 2022-2023	FY 2021-2022	FY 2020-2021
Trade Receivables (Note 12)	1,143.50	1,100.10	540.22
Retention Money Receivable from Customers (Contract Asset) (Note 8)	181.99	99.78	84.32
Unbilled Revenue (Contract Asset) (Note 8)	19.27	-	-
Retention money payable to vendors (Contract Liability) (Note 18)	56.92	78.36	13.11
Customer Advances (Contract Liability) (Note 19)	654.71	1,006.28	188.40
Due to Customer (Contract Liability) (Note 19)	162.25	-	-

Contract assets primarily relate to the Company’s rights to consideration for work completed at the reporting date from contracts. The Contract assets are transferred to Trade receivables on completion of milestones.

The contract liabilities relate to customer advances where performance obligations are yet to be fulfilled as per the contracts. The fulfilment of the performance obligations will extinguish these liabilities and revenue will be recognised, with no impact on the Company’s cash positions on specific projects.

iv) Revenue recognised in the reporting period that was included in the contract liabilities balance at the beginning of the year:

Particulars	FY 2022-2023	FY 2021-2022	FY 2020-2021
Customer Advance	1,390.56	869.70	122.37

NOTE 41 : DISCLOSURE ON SEGMENT REPORTING AS PER IND AS 108

The company is engaged in Fired Heaters products. Considering the nature of company’s business and operations as well as reviews of operating results by the Chief Operating Decision Makers, the company has identified Fired Heaters and related products as only responsibile segment in accordance with the requirements of Ind AS 108 operating segment.

The Board of Directors of the Company has identified Chief Executive Officer as the chief operating decision maker of the Company.
Management has determined the operating segments as mentioned above based on the reports reviewed by the CEO.

Since company operates in a single segment (business activity) of Fired Heaters and related products, disclosure regarding operating segments is not given.

Disclosure regarding Geographical Areas is as follows:

A. INFORMATION ON REVENUE

Particulars	FY 2022-2023	FY 2021-2022	FY 2020-2021
REVENUE FROM COUNTRY OF DOMICILE - INDIA			
From Sale of Goods	952.11	484.87	421.73
From Sale of Services	312.94	245.04	77.45
Sub-total (a)	**1,265.05**	**729.91**	**499.18**
REVENUE FROM FOREIGN COUNTRIES			
From Sale of Goods in Following Countries:			
South Korea	1,301.18	1,034.33	42.85
Nigeria	4.32	108.96	73.50
Sub-total (b)	**1,305.50**	**1,143.29**	**116.35**
Sale of Services in Following Countries:			
South Korea	868.32	629.33	447.77
Italy	32.17	-	-
Nigeria	594.47	385.48	304.69
Sub-total (c)	**1,494.96**	**1,014.81**	**752.46**
Sub-total (d=b+c)	**2,800.46**	**2,158.10**	**868.81**
Total Revenue from Operations (a+d)	**4,065.51**	**2,888.01**	**1,367.99**

B. INFORMATION ON NON-CURRENT ASSETS

Particulars	FY 2022-2023	FY 2021-2022	FY 2020-2021
Non-Current Assets In Country Of Domicile**	299.36	283.69	39.48
Non-Current Assets In Foreign Countries**	-	0.27	0.05

** Excluding Deferred Tax Assets

NOTE 42 : DISCLOSURE ASSOCIATED WITH GRATUITY

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

1. Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

2. Interest risk:

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

3. Longevity risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

4. Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31st March, 2023.

A. Change in Defined Benefit Obligation

Particulars	FY 2022-2023	FY 2021-2022	FY 2020-2021
Defined Benefit Obligation at the beginning			
Current Service Cost	1.52	0.60	-
Past Service Cost	3.89	3.29	-
(Gain) / Loss on settlements	-	-	-
Interest Expense	-	-	-
Benefit Payments from Plan Assets	-	-	-
Benefit Payments from Employer	-	-	-
Settlement Payments from Plan Assets	-	-	-
Settlement Payments from Employer	-	-	-
Other (Employee Contribution, Taxes, Expenses)	(0.05)	(0.05)	-
Increase / (Decrease) due to effect of any business combination / divesture / transfer)	-	-	-
Increase / (Decrease) due to Plan combination	-	-	-
Remeasurements - Due to Demographic Assumptions	-	-	-
Remeasurements - Due to Financial Assumptions	-	-	-
Remeasurements - Due to Experience Adjustments	0.05	0.05	-
Defined Benefit Obligation at the end	**5.41**	**3.89**	**-**

B. Change in Fair Value of Plan Assets

Particulars	FY 2022-2023	FY 2021-2022	FY 2020-2021
Fair Value of Plan Assets at the beginning	2.89	2.25	-
Interest Income	0.29	0.18	-
Employer Contributions	1.27	0.50	-
Employer Direct Benefit Payments	-	-	-
Employer Direct Settlement Payments	-	-	-
Benefit Payments from Plan Assets	-	-	-
Benefit Payments from Employer	-	-	-
Settlement Payments from Plan Assets	-	-	-
Settlement Payments from Employer	-	-	-
Other (Employee Contribution, Taxes, Expenses)	(0.05)	(0.05)	-
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	-	-	-
Increase / (Decrease) due to Plan combination	-	-	-
Remeasurements - Return on Assets (Excluding Interest Income)	0.01	0.01	-
Fair Value of Plan Assets at the end	**4.41**	**2.89**	**-**

Weighted Average Asset Allocations at end of current period

Particulars	FY 2022-2023	FY 2021-2022	FY 2020-2021
Banks	0%	0%	-
Bonds	0%	0%	-
Gilts	0%	0%	-
Insurance Policies	100%	100%	-
Total	**100%**	**100%**	**-**

Figures in above tables for FY 2022-23 have been estimated by the management in the absense of precise details regarding acturial valuation. The difference, if any, is not expected to be material .

NOTE 43 : RATIOS

Particulars	Items included	FY 2022-2023	FY 2021-2022	% Increase /(Decrease)	Remarks
Current Ratio (as a proportion)	Current Assets / Current Liabilities	1.63	1.32	24%	
Debt – Equity Ratio (as a proportion)	Total Debt / Shareholder's Equity	36.07%	20.76%	74%	Debt Equity ratio has gone up due to additional loans taken to meet additional business requirements.
Debt Service Coverage Ratio (as a times)	Earnings available for debt service / Debt Service	46.75	56.93	-18%	
Return on Equity Ratio (as a percentage)	[Net profit after taxes – Preference dividend] / Average Equity Shareholders Funds	47.71%	66.00%	-28%	Due to increase in share capital from bonus issue in FY 2021-2022.
Inventory turnover ratio (as a times)	Cost of Goods Sold or Sales / Average Inventory	5.63	8.54	-34%	Reduction due to additional inventory for additional business.
Trade Receivables turnover ratio (as a times)	Net Credit Sales / Average Accounts Receivable	3.62	3.53	3%	
Trade payables turnover ratio (as a times)	Net Credit Purchases / Average Trade Payables	3.77	4.30	-12%	
Net capital turnover ratio (as a times)	Net Sales / Average Working Capital	3.43	4.92	-30%	Due to increase in working capital.
Net profit ratio (as a percentage)	Net profit / Sales	11.40%	12.45%	-8%	
Return on Capital employed (as a percentage)	Earnings before interest and taxes / Capital Employed	42.46%	59.07%	-28%	Due to increase in total equity and borrowings
Return on investment (as a percentage)	Earnings from Investment / Investments	1.49%	1.07%	39%	Due to change in rate of interest.

Particulars	Items included	FY 2021-2022	FY 2020-2021	% Increase /(Decrease)	Remarks
Current Ratio (as a proportion)	Current Assets / Current Liabilities	1.32	1.27	4%	
Debt – Equity Ratio (as a proportion)	Total Debt / Shareholder's Equity	21%	32%	-35%	Due to increase in equity
Debt Service Coverage Ratio (as a times)	Earnings available for debt service / Debt Service	56.93	81.86	-30%	Due to increase in interest amount
Return on Equity Ratio (as a percentage)	[Net profit after taxes – Preference dividend] / Average Equity Shareholders Funds	66.00%	56.76%	16%	
Inventory turnover ratio (as a times)	Cost of Goods Sold or Sales / Average Inventory	8.54	49.39	-83%	Reduction due to additional inventory for additional business.
Trade Receivables turnover ratio (as a times)	Net Credit Sales / Average Accounts Receivable	3.53	3.64	-3%	
Trade payables turnover ratio (as a times)	Net Credit Purchases / Average Trade Payables	4.30	1.86	131%	Reduction in credit purchases.
Net capital turnover ratio (as a times)	Net Sales / Average Working Capital	4.92	5.88	-16%	
Net profit ratio (as a percentage)	Net profit / Sales	12.45%	12.04%	3%	
Return on Capital employed (as a percentage)	Earnings before interest and taxes / Capital Employed	59.07%	59.12%	0%	
Return on investment (as a percentage)	Earnings from Investment / Investments	1.07%	0.00%	NA	

NOTE 44 : CORPORATE SOCIAL RESPONSIBILITY

Particulars	FY 2022-2023	FY 2021-2022	FY 2020-2021
a) Amount required to be spent by the company during the year	5.49	2.91	1.43
b) Amount of expenditure incurred	5.42	2.92	1.61
c) Shortfall at the end of the year	0.07	(0.01)	(0.18)
d) Total of previous years shortfall	-	-	
e) Reason for shortfall	In FY 2020-2021, excess CSR amount was spent which is adjusted here.	Not Applicable	Not Applicable
f) Nature of CSR activities	1.Medical Camp held 2. Donations to patients 3. Free Scholarship 4. Medical Treatment	1. Protection of Flora & Fauna, conservation of natural resources 2. Promoting health care including preventive health care 3. Promoting education	1. Protection of Flora & Fauna, conservation of natural resources 2. Promoting education
g) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Not Applicable	Not Applicable	Not Applicable
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	Not Applicable	Not Applicable	Not Applicable

NOTE 45 : ESOP

During the Financial year ended March 31, 2022, the Management of the Company has approved the "JNK EMPLOYEES STOCK OPTION PLAN, 2022. According to the said plan, the selected employees have been granted 2,21/1000000,200 ESOPs. The salient features of this Plan are as follows:

I. GRANT DETAILS		
Description	**Grant Date**	**No of options**
Total Options granted	31st March,2022	2,21,000
Less: Lapsed		25,000
Less: Surrender		48,000
Total Options effective		**1,48,000**

II. VESTING DETAILS		
Description	**Grant Date**	**No of options**
40% at the end of One year from Grant Date	31st March, 2023	78,400
30% at the end of Second year from Grant Date	31st March, 2024	34,800
30% at the end of Third year from Grant Date	31st March, 2025	34,800
Total		**1,48,000**

III. EXERCISE DETAILS		
Number of options	**Last Date for Exercise**	**Exercise Price**
Exercise of 78,400 Option	30th April, 2023	Rs. 10/- per option
Exercise of Next 34,800 Option	30th April, 2024	Rs. 10/- per option
Exercise of Balance 34,800 Option	30th April, 2025	Rs. 10/- per option

IV. Key assumptions used to estimate the fair value of options granted during the year ended 31 March 2023:

Scheme	FY 2022-2023
Risk Free Rate of Return	7.34%
Industry Beta	1.00
Equity Risk Premium	8.25%
Cost of Equity	15.59%
WACC	13.84%
Model Used	Discounted Cash Flow (DCF)

ESOP pricing is done at fair value of equity shares as computed by an approved Merchant Banker using Discounted Cash Flow (DCF) method which is considered appropriate in view of exercise period being very short and expectation of early exercise.

NOTE 46 : ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY

As at 31st March, 2023				
Name of the Enterprise	**Holding Company**	**Subsidiaries**		**Total**
	JNK India Pvt Ltd	**JNK India Pvt FZE (Foreign)**	**JNK Renewable Energy Pvt Ltd (Indian)**	
Net Assets i.e., Total Assets Minus Total Liabilities				
% of Consolidated Net Assets	100.02%	0.21%	-0.23%	**100.00%**
INR	1,221.98	2.53	(2.81)	**1,221.70**
Share in Profit or Loss				
% of Consolidated Profit or Loss	100.14%	0.47%	-0.61%	**100.00%**
INR	464.25	2.18	(2.81)	**463.62**
Share in Other Comprehensive Income (OCI)				
% of Consolidated OCI	100.00%	0.00%	0.00%	**100.00%**
INR	(0.04)	-	-	**(0.04)**
Share in Total Comprehensive Income				
% of Consolidated Total Comprehensive Income	100.14%	0.47%	-0.61%	**100.00%**
INR	464.21	2.18	(2.81)	**463.58**

As at 31st March, 2022			
Name of the Enterprise	**Holding Company**	**Subsidiaries**	**Total**
	JNK India Pvt Ltd	**JNK India Pvt FZE (Foreign)**	
Net Assets i.e., Total Assets Minus Total Liabilities			
% of Consolidated Net Assets	99.95%	0.05%	**100.00%**
INR	721.43	0.37	**721.80**
Share in Profit or Loss			
% of Consolidated Profit or Loss	99.91%	0.09%	**100.00%**
INR	359.50	0.33	**359.83**
Share in Other Comprehensive Income (OCI)			
% of Consolidated OCI	0.00%	0.00%	**0.00%**
INR	-	-	**-**
Share in Total Comprehensive Income			
% of Consolidated Total Comprehensive Income	99.91%	0.09%	**100.00%**
INR	359.50	0.33	**359.83**

As at 31st March, 2021			
Name of the Enterprise	**Holding Company**	**Subsidiaries**	**Total**
	JNK India Pvt Ltd	**JNK India Pvt FZE (Foreign)**	
Net Assets i.e., Total Assets Minus Total Liabilities			
% of Consolidated Net Assets	99.99%	0.01%	**100.00%**
INR	368.13	0.04	**368.17**
Share in Profit or Loss			
% of Consolidated Profit or Loss	99.98%	0.02%	**100.00%**
INR	164.72	0.04	**164.76**
Share in Other Comprehensive Income (OCI)			
% of Consolidated OCI	0.00%	0.00%	**0.00%**
INR	-	-	**-**
Share in Total Comprehensive Income			
% of Consolidated Total Comprehensive Income	99.98%	0.02%	**100.00%**
INR	164.72	0.04	**164.76**

NOTE 47 : CODE ON SOCIAL SECURITY

The Code on Social Security, 2020 (‘Code’) has been notified in the Official Gazette in September 2020 which could impact the contribution by the Company towards certain employment benefits. The effective date from which the changes and rules would become applicable is yet to be notified. Impact of the changes will be assessed and accounted in the relevant period of notification of relevant provisions.

NOTE 48 : EVENTS AFTER THE REPORTING PERIOD:

1. The company has passed a resolution on 16th March, 2023 for converting company from private limited to public limited.

2. The company has passed a resolution on 16th March, 2023 for division of shares from the face value of Rs. 10 to face value of Rs. 2.

3. 78,400 number of ESOPs stand vested on 31st March, 2023 and 78,400 number has been exercised by 12th April, 2023.
Out of the ESOPs not yet vested, 48,000 number of ESOPs were surrendered and cancelled.

4. The company has declared and paid dividend of Rs. 14.52 Million.

NOTE 49 : APPROVAL OF RESTATED CONSOLIDATED FINANCIAL INFORMATION

The restated consolidated financial information are approved for issue by the Audit Committee and Board of Directors at their meeting held on July 27, 2023.

NOTE 50 : STATUTORY INFORMATION / COMPLIANCE

(i) The Company does not have any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(ii) Estimated amount of contracts remaining to be executed on capital account and not provided for is Nil (Previous Year Nil).

(iii) The Company does not have any such 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.)

(iv) The Company has not traded or invested in Crypto Currency or Virtual Currency during the three financial year ended 31st March, 2023, 31st March , 2022 and 31st March, 2021.

(v) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (45 of 1988) and rules made thereunder.

(vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(vii) The Company has not entered with any Scheme(s) of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

(viii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(ix) The Company 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 Company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

NOTE 51: STATEMENT OF ADJUSTMENTS TO RESTATED CONSOLIDATED FINANCIAL INFORMATION

Part A. Statement of adjustments to restated consolidated financial information

1. Reconciliation between audited equity and restated equity

Particulars	**As at 31st March, 2023**	**As at 31st March, 2022**	**As at 31st March, 2021**
Total Equity (as per audited Financial statements)	1,223.82	721.80	368.17
Adjustments:			
(i) Audit qualifications	-	-	-
(ii) Adjustments due to change in accounting policy / prior period items / other adjustments (Sales Tax Amnesty Dues - Event after balance sheet date)	2.12	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-
Total adjustments (i + ii + iii)	2.12	-	-
Total Equity as per restated consolidated summary statement of assets and liabilities	**1,221.70**	**721.80**	**368.17**

2. Reconciliation between audited profit and restated profit

Particulars	**As at 31st March, 2023**	**As at 31st March, 2022**	**As at 31st March, 2021**
Profit after tax (as per audited Financial statements)	465.74	359.83	164.76
Adjustments:			
(i) Audit qualifications	-	-	-
(ii) Adjustments due to change in accounting policy / prior period items / other adjustments (Sales Tax Amnesty Dues - Event after balance sheet date)	2.12	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-
Total adjustments (i + ii + iii)	2.12	-	-
Restated profit after tax	**463.62**	**359.83**	**164.76**

Since the group has prepared financials for all the three years as per Ind AS, there are no differences in the audited figures and the restated figures.

Part B: Non-adjusting events

Audit qualifications for the respective years, which do not require any adjustments in the restated consolidated summary statements are as follows:

There are no audit qualification in auditor's report for the financial year ended 31st March 2023, 31st March 2022 and 31st March 2021.

Part C: Material regrouping

Appropriate re-groupings have been made in the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss and restated consolidated statement of cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Ind AS financial information of the Group for the financial year ended 31st March 2023 prepared in accordance with amended Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

Signatures to Notes 1 to 51

As per Our Audit Report of even date

For CVK & Associates	**For and on behalf of the Board of Directors of**		
Chartered Accountants	**JNK India Limited**		
Firm Registration No:101745W	(Formerly known as JNK India Private Limited)		
	CIN: U29268MH2010PLC204223		
CA K. P. Chaudhari	**Arvind Kamath**	**Goutam Rampelli**	**Dipak Bharuka**
Partner	Chairman & Wholetime Director	Wholetime Director	Whole Time Director and Chief Executive Officer
Membership No: 031661	DIN : 00656181	DIN :0726272	DIN: 09187979
	Pravin Sathe	**Ashish Soni**	
	Chief Financial Officer	Company Secretary & Compliance Officer	
		M. No.: A26538	
Place: Mumbai	Place: Thane		
Date: August 1, 2023	Date: August 1, 2023		

OTHER FINANCIAL INFORMATION

The audited standalone financial statements of our Company for the years ended March 31, 2023, March 31, 2022, and March 31, 2021, together with all the annexures, schedules and notes thereto (collectively, the "**Standalone Financial Statements**") are available www.jnkindia.com/material-documents.html. Our Company does not have a material subsidiary, as on the date of this Draft Red Herring Prospectus. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Standalone Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Standalone Financial Statements and the reports thereon should not be considered as part of information that any investor should consider in order to subscribe for or purchase any securities of our Company, its Subsidiaries or any entity in which it or its shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision.

The details of accounting ratios derived from our Restated Consolidated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below:

(in ₹, except share data)

Particulars	For Fiscal 2023	For Fiscal 2022	For Fiscal 2021
Earnings per Equity Share			
- Basic EPS (in ₹)	9.66	7.50	3.43
- Diluted EPS (in ₹)	9.51	7.50	3.43
RoNW (in %)	47.71	66.03	56.96
NAV per Equity Share (in ₹)	25.45	15.04	7.67
EBITDA (in ₹ million)	735.05	545.77	260.15

Notes:

1. *Basic EPS (in ₹) = Restated profit for the year attributable to Equity Shareholders / weighted average number of Equity Shares during the year*
2. *Diluted EPS (in ₹) = Restated profit for the year attributable to Equity Shareholders / weighted average number of Equity Shares adjusted for effects of dilutions during the year*
3. *RoNW = Restated profit for the year attributable to Equity Shareholders divided by Average Net Worth (Average of current year and previous year Net Worth).*
4. *Net Worth for the purposes of point 3, is calculated as per Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits and 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, as applicable.*
5. *NAV = Restated Net Worth at the end of the year divided by numbers of Equity Share outstanding during the respective year.*
6. *EBITDA = Profit for the year (including other income) + tax expense + finance cost + depreciation and amortisation*

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 18 for Fiscals 2023, 2022 and 2021, see "***Restated Consolidated Financial Information – Note 33 – B – Related Party Transaction***" on page 266.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at March 31, 2023, derived from our Restated Consolidated Financial Information and as adjusted for the Offer. This table below should be read in conjunction with the sections titled "***Risk Factors***", "***Financial Information***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", on pages 28, 221 and 285, respectively.

(₹ in million, except ratios)

Particulars	Pre-Offer as March 31, 2023	As adjusted for the proposed Offer[1]
Borrowings		
Current borrowings (**I**) *	305.24	[●]
Non-current borrowings (including current maturity of long term debt) (**II**) #	32.39	[●]
Total Borrowings (I) + (II) = (A)	337.63	[●]
		[●]
Equity		[●]
Equity Share Capital	96.00	[●]
Other equity	1,125.70	[●]
Total Equity (B)	1,221.70	[●]
		[●]
Capitalisation (A) + (B)	1,559.33	[●]
		[●]
Non-current borrowings (including current maturity of long term debt) /equity (%)	2.65	[●]
Total borrowings/ equity (%)	27.64	[●]

Notes:

[1] The corresponding post Offer capitalization data is not determinable at this stage pending the completion of the book building process and hence have not been furnished. To be updated upon finalization of the Offer Price.

**excludes current maturity of long term debt*

[#]does not include non-fund based banking facilities like bank guarantees given by our Company.

FINANCIAL INDEBTEDNESS

Our Company avails fund based and non-fund based facilities in the ordinary course of its business for purposes such as, *inter alia*, meeting our working capital requirements and business requirements.

For details of the borrowing powers of our Board, see "***Our Management - Borrowing Powers***" on page 202.

Set forth below is a brief summary of our aggregate outstanding borrowings amounting to ₹ 1,204.90 million, as on June 30, 2023, on a consolidated basis.

(in ₹ million)

Category of Borrowing	Sanctioned Amount (to the extent applicable)	Amount outstanding as on June 30, 2023
Secured Loan		
(a) Fund based facilities		
Term loans	25.50	25.69
Cash Credit (Working capital facilities)#	350.00	374.07
Car loans	15.71	9.77
(b) Non-fund based facilities		
Bank guarantee# (in ₹)	1,124.50	622.09
Bank guarantee# (in foreign currency)		(USD 1.74 million) 144.05
Sub-total borrowings	**1,515.71**	**1,175.67**
Letter of Credit (in foreign currency)@	Nil	(USD 0.36 million) 29.23
Unsecured Loan	-	-
Total borrowings	**1,515.71**	**1,204.90**

 # SBI - interchangeability of ₹ 150 million from fund based working capital (cash credit) to non-fund based working capital (bank guarantee)
HDFC – interchangeability of ₹ 100 million from non fund base (bank guarantee) to fund base (cash credit)
HDFC - interchangeability of ₹ 50 million from fund base (cash credit) to non fund base (bank guarantee)
@ letter of credit is against 100% margin by way of fixed deposits
**As certified by Statutory Auditor, by way of their certificate dated August 17, 2023.*

Key terms of our secured borrowings are disclosed below:

- ***Interest rate***: Interest rate charged by the lenders for our borrowings typically provide for a floating rate of interest linked to the applicable lending rates, except the borrowing availed from HDFC Bank Limited that provide for fixed rates of interest of 1.3% per annum and MCLR-1 Y+1% per annum. The interest rates are primarily linked to the various benchmarks such as the marginal cost lending rate or external benchmark lending rate.

- ***Tenor***: The tenor of our borrowings typically ranges from 12 months to five years with one year of claim period and are typically repayable on demand.

- ***Security***: In terms of our borrowings where security needs to be created, we are typically required to create security by way of charge on movable assets (both present and future), current assets, receivables, all stock in trade (both present and future), all the book debts and plant and machinery. Further, our Directors have provided guarantees in relation to borrowings availed by our Company.

- ***Repayment***: Our fund based facilities are repayable on demand.

- ***Prepayment:*** Loan availed by our Company have prepayment provisions which allows for prepayment of the outstanding loan amount and sometimes carry a pre-payment penalty on the pre-paid amount or on the outstanding amount subject to terms and conditions stipulated under the loan documents.

- ***Penal Interest:*** We are typically bound to pay additional interest to our lender for defaults in the payment of interest or other monies due and payable which shall be decided by the lender from time to time.

- ***Restrictive Covenants:*** As per the terms of our loan agreements, certain corporate actions for which our Company requires prior written consent of the lenders include:

    a) Conversion of a Company from private to a public company;

    b) Change in capital structure;

    c) Formulation of any scheme of amalgamation or reconstruction;

d) Undertaking any further capital expenditure except being funded by company's own resources;

e) Change in the management setup;

f) Any new project or scheme of expansion or acquisition of fixed assets if such investment results in breach of financial covenant(s) or diversion of working capital funds for financing long-term assets;

g) Transfer of controlling interest or making any drastic change in the management set-up including resignation of promoter directors including the KMP.

- ***Consequences of occurrence of events of default:*** In terms of our borrowing arrangements, the following, *inter alia*, are the consequences of occurrence of events of default, whereby our lenders may:

a) Disclose or publish our Company's name and its directors/partners/proprietors as defaulters/wilful defaulters;

b) Apply and/or appropriate and/or set off any credit balance standing upon any account of the Company with any branch of the lender in India or abroad and in whatever currency first in or towards satisfaction of any sum (whether of principal, interest or otherwise) due to the lender; and

c) in the name of our Company as the attorney of the Company to do all such acts and execute all such documents as the lender may consider necessary or expedient in this regard

This is an indicative list and there may be additional terms that may require the consent of the relevant lender, the breach of which may amount to an event of default under various borrowing arrangements entered into by us, and the same may lead to consequences other than those stated above.

We have obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Offer, including, *inter alia,* effecting a change in our shareholding pattern, effecting a change in the composition of our Board and amending our constitutional documents.

For risks in relation to the financial and other covenants required to be complied with in relation to our borrowings, see "***Risk Factors - Inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business and results of operations***" on page 42.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations, and our assessment of the factors that may affect our prospects and performance in future periods, together with our Restated Consolidated Financial Information for the Fiscals 2023, 2022 and 2021 including the notes thereto and reports thereon, each included in this Draft Red Herring Prospectus.

*Our Restated Consolidated Financial Information have been prepared under Indian Accounting Standards ("**Ind AS**") notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 to the extent applicable. Our Restated Consolidated Financial Information has been compiled by the Company from the audited consolidated financial statements of the Company for the respective years. For further information, please see the "**Financial Information - Restated Consolidated Financial Information**" which on page 221.*

Ind AS differs in certain material respects from Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which our financial statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS.

*This discussion and analysis contains forward-looking statements that reflect our current views with respect to future events and our financial performance, which are subject to numerous risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements. As such, you should also read "**Forward-Looking Statements**" and "**Risk Factors**" and beginning on pages 18 and 28, respectively, which discuss a number of factors and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year.*

*Our Company's order book as of a particular date is calculated based on the aggregate contract value of our on-going projects as of such date reduced by the value of work executed by us until such date, subject to certain adjustments including foreign exchange fluctuations and other contractual terms ("**Order Book**").*

*Our Company caters to the companies which own and operate oil and gas refineries, petrochemical complexes, fertilizer plants or other chemical plants i.e., asset owners / manufacturers ("**End Customers**"). Our Company also caters to the companies contracted with such asset owners / manufacturers for engineering, procurement and construction of either full or part of their oil and gas refineries, petrochemical complex, fertilizer plants or other chemical plants ("**Contracting Customers**", and together with End Customers, the "**Customers**"). Unless otherwise indicated, any reference made in this section to Customers includes both End Customers and Contracting Customers.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Opportunities In Heating Equipment, Waste Gas Handling/Emission, Control Systems, And Renewable Energy Systems" dated August 14, 2023, (the "**F&S Report**"), prepared and issued by Frost & Sullivan (India) Private Limited ("**Frost and Sullivan**"), which was exclusively commissioned and paid for by our Company for the Offer, and was prepared and released by Frost and Sullivan, who were appointed by us pursuant to the proposal dated February 28, 2023 and the engagement letter dated March 2, 2023. The data included herein includes excerpts from the F&S Report which may have been re-arranged by us for the purposes of presentation. The F&S Report forms part of the material contracts for inspection and is accessible on the website of our Company at www.jnkindia.com/industry-report.html. The F&S Report does not omit any material facts, information, or relevant details that may have an adverse impact on the investors. Frost and Sullivan are an independent service provider and are not related to our Company or its Directors, Promoters, Subsidiaries, Key Managerial Personnel or Senior Management, whether directly or indirectly in any manner. For details, see "**Certain Conventions, Presentation of Financial Information, Industry and Market Data – Industry and Market Data**" beginning on page 16.*

*In this section, unless the context otherwise indicates, references to "we", "us", "our" and similar terms are to our Company together with its Subsidiaries. For further information relating to various defined terms in the section, please see "**Definitions and Abbreviations**" on page 1.*

Overview

We are one of the leading Heating Equipment companies in India in terms of new order booking between Fiscal 2021 to Fiscal 2023 and have capabilities in thermal designing, engineering, manufacturing, supplying, installing and commissioning process fired heaters, reformers and cracking furnaces. *(Source: F&S Report)* We are one of the well-recognized process fired heater companies in India, having a market share of approximately 27% in the Indian Heating Equipment market, in terms of new order booking in Fiscal 2023. (*Source: F&S Report)*

A process fired heater is a type of industrial heater used to heat fluids or gases directly by burning a fuel source such as natural gas or propane. Reformers are devices used to convert hydrocarbons, such as natural gas or naphtha, into synthesis gas or syngas, which is a mixture of hydrogen and carbon monoxide. Further, cracking furnaces are used to break down large hydrocarbon molecules into smaller ones, which can then be used to produce a variety of products, including fuels, chemicals, and plastics. The process of breaking down hydrocarbons is known as cracking, and it typically involves heating the hydrocarbon feedstock in the presence of a catalyst. *(Source: F&S Report)* The process fired heaters, reformers and cracking furnaces (together, the "**Heating Equipment**") are required in process industries such as oil and gas refineries, petrochemicals, fertilizers, hydrogen and methanol plants etc.

In India, we have completed projects in, amongst others, Andhra Pradesh, Assam, Bihar, Karnataka, Kerala, Maharashtra, Tamil Nadu, West Bengal and globally have completed projects in Nigeria and Mexico. Further, we have ongoing projects in Gujarat, Odisha, Haryana, Rajasthan in India and globally in Oman, Algeria, and Lithuania. Further, we have successfully completed projects which were based in far-reaching locations, which included our projects in India at Numaligarh, Assam; Kochi, Kerala; Barauni, Bihar; and overseas at Lagos, Nigeria. In recognition of our efforts, we have been accorded incentives by our Customers for early completion of projects in India and overseas. Further, in March 2022, we were recognised for our safety compliance by one of the private refinery companies of a multinational industrial conglomerate from Nigeria and were awarded a certificate of appreciation towards '*Safety Compliance and Campaign Performance*'. Also, in November 2022, we were awarded a certificate of appreciation by the same refinery company, for providing four million safe manhours without a lost time incident and recognising our effective contribution towards installation of process fired heaters.

Our business model involves collaboration with our Customers, from the initial consultation, specification and design stage to the final installation of the Heating Equipment. We believe, that due to our long standing relationship with our Customers and our capability to provide customized solutions with a proven track record in product development and execution catering to the diverse needs of our Customers, we have a competitive advantage, since there are very few competitors with similar capabilities (*Source: F&S Report*). As of March 31, 2023, we have served 17 Customers in India and seven Customers overseas. Further, seven out of the 12 oil refining companies in India, are our Customers and we have supplied or are in the process of supplying Heating Equipment to 11 of the 24 operating oil refineries across India. *(Source: F&S Report)* Some of our domestic Customers include Indian Oil Corporation Limited, Tata Projects Limited, Rashtriya Chemicals & Fertilizers Limited and Numaligarh Refinery Limited. Further we have catered to overseas Customers such as a leading EPC company in Europe, a leading oil & gas exploration & production company in Oman and a middle east arm of European EPC company in oil and gas. Also we have enjoyed repeat orders from certain large domestic Customers such as Rashtriya Chemical & Fertilizers Limited, Tata Projects Limited, Numaligarh Refinery Limited and Indian Oil Corporation Limited. Likewise, we have executed 17 projects for JNK Heaters catering to their Customers in the overseas markets. JNK Heaters has also installed process fired heaters for its customer in Lagos, Nigeria, where one of the biggest refineries in the world (Dangote Refinery) is operated, having a capacity of 32.7 million metric tonnes per annum. *(Source: F&S Report)*

Since our inception, we have been working closely with JNK Heaters a KOSDAQ listed company. The relationship between our Company and JNK Heaters is both independent and collaborative in nature. While for certain projects our Company is able to participate independently and acquire projects in Heating Equipment, for certain projects we partner as a global joint engineering and implementing partner for JNK Heaters. JNK Heaters is also one of the Corporate Promoters of our Company with a shareholding of 25.79% as of the date of this Draft Red Herring Prospectus. Further, to strengthen our commercial understanding, we have entered into a Co-operation Agreement with JNK Heaters, which governs our relationship in relation to, amongst others, marketing and geography of operations. For further details, please see "***History and Certain Corporate Matters – Summary of key agreements and shareholders' agreements – Key terms of other subsisting material agreements***" on page 193.

Heating equipment such as process fired heaters and reformers are used in a typical refinery and are also an effective and efficient heating solution for a wide range of industrial applications, but proper design, installation, and operation are critical to ensure safe and reliable performance. *(Source: F&S Report)* Process fired heaters are the critical equipment in a refinery. Around 10 – 20 process fired heaters are used in any typical refinery. Of all the process fired heaters, four applications such as the CDU, VDU, delayed coker unit and catalytic reforming units are the most critical and the capex for these heaters is also high when compared with the other heater application areas in the refinery. Other applications for process fired heaters are hydrotreaters, hydrocrackers, FCC, etc. *(Source: F&S Report)*. Key processes where process fired heaters are used in a refinery are CDU, VDU, FCCU, hydrocracker unit, visbreaker unit, delayed coker unit, catalytic reforming unit, hydrotreating unit and bitumen blowing unit. *(Source: F&S Report)* Further, various Heating Equipment such as process fired heaters, reformers and cracking furnaces are used in a petrochemical plant as well. Reformers and cracking furnaces are the most critical equipment in a petrochemical plant *(Source: F&S Report)* Process fired heaters and reformers are also used primarily in the ammonia plant of an integrated urea plant. Reformers are the most critical equipment in an ammonia plant. Reformers are used in ammonia production, which is later converted into urea. *(Source: F&S Report)*

Considering that we are manufacturing process fired heaters for oil and gas refineries and petrochemical industries already, in order to cater to the increased demand for flares and incinerators systems both in domestic as well as overseas market due to emission control norms getting stricter, we have diversified into flares and incinerators systems as well. Flare systems are important safety devices used in refinery and petrochemical facilities to burn excess hydrocarbon gases which cannot be removed or recycled. Flare system is a gas combustion device used in industrial plants such as petroleum refineries, chemical plants, natural gas processing plants, at oil or gas production sites with oil wells, gas wells, offshore oil and gas rigs, and landfills. Flare systems provide for the safe disposal of gaseous wastes. Flaring of gasses is intermittent in nature and is required whenever there is excess pressure in the system. (*Source: F&S Report*) Further, all SRUs have thermal incinerators to treat the tail gas effluent from the SRUs prior to emitting the waste gas to the atmosphere. (*Source: F&S Report*) While flaring systems are used across refinery, petrochemical and fertilizer plants, incinerators are primarily used in the refinery in the SRU for tail gas incineration. (*Source: F&S Report*).

Further, in pursuit of our inorganic initiatives we keep evaluating opportunities in acquiring technology and know-how with an aim to enhance our presence in newer product categories and deepen our penetration in the target markets. We intend to expand our Customer network in some of the overseas markets including Europe for us to capitalise on the untapped opportunities. We propose to continue to pursue inorganic growth opportunities in relatively larger markets such as Italy, Middle East and Africa. Further, our Company is also evaluating tie-ups / arrangements with players having technology know-how in areas such as flares and incinerators systems and electrolyser technology for hydrogen generation.

We are also working on building capabilities in renewable sector with green hydrogen. We are building capabilities in renewable sector with onsite hydrogen production, hydrogen fuel stations and Solar PV-EPC which forms part of green hydrogen value chain.

All of our products are fabricated as per the Customer's requirements in accordance with applicable standards. Fabrication is undertaken in our in-house fabrication facilities and/or through third party fabricators. One of our premises is situated at multi-product special economic zone at Mundra, Gujarat, where fabrication is undertaken for export purposes only. It spreads over approximately 20,243 square meters with an installed capacity of 5,000 metric tonnes of fabrication and modularization per annum. Further, on situational basis and based on the requirement of our projects, we take certain facilities on lease basis and once the project is completed the facility is shut down and all the equipment and machinery is shifted to other facilities for other projects. This ensures project optimisation while providing us with logistical efficiency. One such facility is situated at Jajpur, Odisha, where fabrication is undertaken for one of our Customer's refinery. It is spread, over approximately 16,187 square meters with a capacity of 1,000 metric tonnes of fabrication and modularization per annum.

We are an ISO 9001:2015, 14001:2015, 45001:2018 certified Company led by a qualified and experienced management team. Our Promoters and Directors, Arvind Kamath, Goutam Rampelli, Dipak Kacharulal Bharuka and our Director Bang Hee Kim have an extensive experience in the Heating Equipment industry and have been instrumental in the evolution of our business. Our Promoters are supported by an experienced management team comprising Deepak Sake (Vice President – Engineering), Mohsin Shaikh (Assistant Vice President, Projects) and Vallathur Ravikumar Mudali (General Manager, Procurement Department) with a cumulative experience of over 38 years in the development and execution of projects in Heating Equipment industry.

Key Performance Indicators

For Fiscals 2021 to 2023, our revenue from operations, EBITDA and profit after tax had grown at a CAGR of 71.97%, 68.09% and 67.75%, respectively, demonstrating growth in our financial performance in recent years. The following table sets forth certain of our financial and revenue related metrics as of and for the years/periods indicated:

Serial No	Particulars	Fiscal		
		2023	2022	2021
Financial related KPIs				
1	Revenue from operations (in ₹ million)	4,073.02	2,963.96	1,377.21
2	EBITDA (in ₹ million)	735.05	545.77	260.15
3	PAT (in ₹ million)	463.62	359.83	164.76
4	EBITDA Margin (in %)	18.05%	18.41%	18.89%
5	PAT Margin (in %)	11.38%	12.14%	11.96%
6	RoCE (in %)	57.17%	83.25%	71.90%
7	RoE (%)	47.71%	66.03%	56.96%
Revenue related KPIs				
1	Total Order Book (in ₹ million)	8,682.70	5,434.57	1,435.76

FACTORS AFFECTING RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our results of operations and financial condition are affected by a number of important factors, including:

Demand for Heating Equipment

We are one of the leading Heating Equipment companies in India in terms of new order booking between Fiscal 2021 to Fiscal 2023 and have capabilities in thermal designing, engineering, manufacturing, supplying, installing and commissioning process fired heaters, reformers and cracking furnaces. *(Source: F&S Report).* We are one of the well-recognized process fired heater companies in India, having a market share of approximately 27% in the Indian Heating Equipment market, in terms of new order booking in Fiscal 2023. (*Source: F&S Report)* We commenced operations in 2010 and have a successful project competition track record of over 10 years.

India is the third largest oil consumer in the world and the oil demand is expected to reach 11 million barrels per day by calendar year 2045. (*Source: F&S Report*) India is expected to be one of the largest contributors to non-OECD petroleum consumption globally *(Source: F&S Report).* Consumption of petrol products from April 2022 to October 2022 is 126.12 million metric tonnes. There are 18 refinery projects expected to be commissioned by Fiscal 2031 with a cumulative capacity of 124.0 MMTPA *(Source: F&S Report).*

Petrochemicals are key elements in the Indian industrial segment and a major driver for economic growth *(Source: F&S Report)*. In calendar year 2020, the per capita consumption of polymers in India was around 12 kilograms, while the global average was 37 kilograms *(Source: F&S Report)*. Driven by increased domestic consumption and global demand, the Indian petrochemical sector has invested in capacity additions to benefit from the market opportunities. The acceptance of petrochemicals in diverse industries such as healthcare, construction, agriculture, textiles, automotive, etc. is expected to accelerate the demand for petrochemical production in India. *(Source: F&S Report)*

India is an agricultural economy and about 80% of the people depend on agriculture. India surpassed China to become the most populous country in calendar year 2023. With the growing population, there is a need to increase agricultural production and diversify agricultural base *(Source: F&S Report).* The government is focussing on irrigation, adoption of new agricultural technologies, credit facilities to farmers and the use of various agriculture input like better quality seeds, efficient and balanced use of fertilizers and insecticides to improve the yield. Fertiliser is one of the main agriculture inputs for increasing food grain production. It strengthens the soil and enhances its fertility *(Source: F&S Report).* Chemical fertilizers are the most used fertilizers in India and Urea is the major fertilizer used in India and accounts for about 60% of the total fertilizer consumption in India *(Source: F&S Report)*. Local production of urea is not able to meet the domestic demand and about 30% of the demand is met through imports. India is planning capacity additions in this segment to reduce its import dependency and has a target to become self-reliant by calendar year 2025. There are about four urea projects expected to be commissioned by Fiscal 2026 *(Source: F&S Report*).

We obtain majority portion of our revenues from sales of Heating Equipment. The table below shows our revenue from sale of Heating Equipment for Fiscals 2023, 2022 and 2021, respectively.

Product category	Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Revenue from operations (in ₹ million)	% of revenue from operations	Revenue from operations (in ₹ million)	% of revenue from operations	Revenue from operations (in ₹ million)	% of revenue from operations
Heating Equipment	3,359.68	82.49	2,612.00	88.13	1,215.93	88.29

As of March 31, 2023, we have served 17 Customers in India and seven Customers overseas. Further, seven out of the 12 oil refining companies in India, are our Customers and we have supplied or are in the process of supplying Heating Equipment to 11 of the 24 operating oil refineries across India. *(Source: F&S Report).* In India, we have completed projects in, amongst others, Andhra Pradesh, Assam, Bihar, Karnataka, Kerala, Maharashtra, Tamil Nadu, West Bengal and globally have completed projects in Nigeria and Mexico. Further, we have ongoing projects in Gujarat, Odisha, Haryana, Rajasthan in India and globally in Oman, Algeria, and Lithuania. Further, we have successfully completed projects which were based in far-reaching locations, which included our projects in India at Numaligarh, Assam; Kochi, Kerala; Barauni, Bihar; and overseas at Lagos, Nigeria. Any slowdown in the Indian or the global Heating Equipment markets due to any reasons including recession, pandemic or any other geo-political reasons may adversely impact our growth prospects and the results of operations.

Sale of our Heating Equipment may decline because of several factors including but not limited to, loss of our market share, increase in competition, change in technology, pricing pressures and a decline or slowdown in oil and gas refineries, petrochemical and fertilizers industries Any or all these factors may have an adverse effect on our business prospects, and sales of our products could decline substantially. Further, our business is heavily dependent on the capital expenditure of oil and gas refineries, petrochemical and fertilizers industries as they are the end Customers for Heating Equipment. Any fluctuations in the oil and gas prices, whether in India or overseas, would create an impact on the capital expenditure plans of oil and gas refineries, petrochemical and fertilizers industries. Such fluctuations may lead our Customers in oil and gas refineries, petrochemical and fertilizers industries to cancel, downsize or defer their capital expenditure plans thus impacting demand for Heating Equipment There can be no assurance that such lack of demand for our high revenue generating products, i.e., our process fired heaters and reformers furnaces could potentially be offset by sales of our other products.

Imposition of liquidated damages and invocation of performance bank guarantees/indemnity bonds by our Customers

Our ability to meet specific Customer demands depends on our ability to design, engineer, manufacture, supply, install and commission Heating Equipment, within short timeframes. Any failure to adhere to a contractually agreed schedule, for reasons other than the agreed force majeure events could result in imposition of liquidated damages on us. Payment of liquidated damages on account of delay in supply of products or failure to submit the required performance bank guarantees or failure to install the equipment or commission the product, as required under the contract, is a standard clause forming part of most of our contracts and the maximum amount payable for such liquidated damages varies from contract-to-contract basis. There have been instances in the past where we were not able to meet the scheduled timelines on account of revision in the timelines by the Customers and delay in the supply chain and accordingly our milestones of payments were impacted and consequently, we had to pay liquidated damages. The table below shows the liquidated damages paid by us for Fiscals 2023, 2022 and 2021, respectively:

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Liquidated damages (in ₹ million)	Nil	Nil	0.56
As a % of total expenses	Nil	Nil	0.05

We cannot guarantee that in future we will not default any of the existing terms of our contracts resulting in the payment of liquidated damages. While there have been no instances in past where our contracts were terminated on account of delay in supply, there can be no guarantee that our Customers would not terminate contracts on account of delay in supply along with payment of liquidated damages. The incurring of such liabilities pursuant to the imposition of liquidated damages as well as invocation of such performance bank guarantees in relation to our contracts could have an adverse effect on our business, operations, revenues and earnings.

Terms of our contracts with our Customers

We are in the business of designing, engineering, manufacturing, supplying, installing and commissioning Heating Equipment. We obtain most of our business through a competitive bidding process in which we compete for contracts based on, among other factors, pricing, technical capabilities, inclusion of our name in the vendor list of the Customer, reputation for quality, financing capabilities and past track record. Most of our on-going projects are from Contracting Customers while some are from End Customer from some private players and public sector undertakings. Such contracts involve certain specifications, including, design plans, timelines, material quality, end finishing of the structure, etc to be followed strictly as provided by the Customer. Though we are generally empowered to make practical operating decisions for development of the project, we may be required to make certain decisions in consultation with our Customers. These arrangements may limit our flexibility to make certain decisions in relation to the projects. In the event of any delay in the completion of the project within the envisaged time frame, we may be required to indemnify and compensate the Customer with whom we have entered into an agreement with. Any disputes that may arise between us and the parties involved in the agreement may cause delay in completion, suspension or complete abandonment of the projects we undertake. This may have a material adverse effect on our business operations, financial condition and reputation.

Our bidding and execution capabilities

We are in the business of designing, engineering, manufacturing, supplying, installing and commissioning Heating Equipment. We obtain most of our business through a competitive bidding process in which we compete for contracts based on, among other factors, pricing, technical capabilities, inclusion of our name in the vendor list of the Customer, reputation for quality, financing capabilities and past track record. This process therefore involves pre-qualifying for bids based on our technical and financial strengths, and an evaluation of the nature and value of contracts executed in the past to determine a company's eligibility to bid for new projects. A contract is awarded based on our ability to meet the qualification criteria and on the quote of the work order submitted. We are required to continuously improve on our operational and technical efficiency which includes amongst others, efficient equipment and material sourcing and efficient project planning. Our ability to qualify for bidding larger projects, efficient project planning and timely execution would enable growth of our business and would determine our overall performance, which is likely to impact our profitability. For further information, please see "***Risk Factors - Bidding for a tender involves cost estimations for the bidding process. Inability to accurately estimate the cost or match the prices quoted by our competitors, may lead to loss of tender creating an adverse impact on our business, results of operations, financial condition and cash flows***" on page 38.

Dependence on our in-house engineering and technical teams for project execution

We have a team of experienced engineers and technicians who work closely with our Customers to understand their specific needs and provide solutions that meet or exceed their expectations. As of March 31, 2023, we have 69 employees in the engineering department with capabilities of detailed engineering in process, mechanical, structural, electrical, instrumentation, piping and civil engineering. Further, as of March 31, 2023, our business development, sales and marketing team consist of seven personnel who are responsible for sales of our products. Our ability to effectively execute and manage projects is crucial to our continued success. The designing and engineering of projects in this segment is technically complex, time consuming and resource intensive because of unique project requirements. We are therefore required to constantly upgrade our technical abilities to offer our Customers the full range of services at a competitive cost and without compromising on quality. If we are unable to recruit, train and retain a sufficient number of technically qualified employees, then our ability to maintain our competitiveness and grow our business could be negatively affected. We may be unable to bid for projects for lack of technical qualification and our competitors may get an advantage due to our incapability in bidding for projects requiring technical capabilities which we are not capable of providing. Further, as we expect to continue to expand our operations and develop new products, we will need to continue to attract and retain experienced management personnel. Also, loss of skilled employees from our engineering and technician teams may affect our ability and capability to execute projects and may also affect our growth prospects. For further information, please see "***Risk Factors - We are dependent on our Promoters, Directors, Key Managerial Personnel and Senior Management, including other employees with technical expertise. Any loss of or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition***" on page 34.

Ability to effectively execute and expand our Order Book

Our Company's Order Book as of a particular date is calculated based on the aggregate contract value of our on-going projects as of such date reduced by the value of work executed by us until such date, subject to certain adjustments including foreign exchange fluctuations and other contractual terms. The manner in which we calculate and present our Company's Order Book information may vary from the manner in which such information is calculated and presented by other companies, including our competitors. The Order Book information included in this Draft Red Herring Prospectus is not audited and does not necessarily indicate our future earnings. For risk related to Order Book, please see "***Risk Factors – The number of orders we have***

received in the past, our current Order Book and our growth rate may not be indicative of the number of orders we will receive in future. The order wins and any delays in execution of our orders expose us to time and cost overruns and variability in revenue, materially and adversely impacting our revenue from operations, cash flows and financial conditions” on page 29.

Our Order Book and the new projects that we bid for win and will continue to bid for in the future will have an effect on the revenues we will earn in the future. For instance, our revenue from operations for Fiscals 2021 to 2023, had grown at a CAGR of 71.97%. In Fiscals 2023, 2022 and 2021, our revenue from operations was ₹ 4,073.02 million, ₹ 2,963.96 million and ₹ 1,377.21 million respectively. This growth in our revenue from operations is in conjunction with the growth in our Order Book. Our Order Book increased from ₹ 1,435.76 million as on March 31, 2021 to ₹ 8,682.70 million as on March 31, 2023 on account of strong order wins of ₹ 6,284.95 million during Fiscal 2022 and ₹ 7,712.74 million during Fiscal 2023. This has led to our Order Book to Sales ratio doubling from 1.04 times for Fiscal 2021 to 2.13 times for Fiscal 2023. Further, during Fiscal 2021, we won orders from one of the private refinery companies of a multinational industrial conglomerate from Nigeria and a government owned refinery project in Rajasthan. During Fiscal 2022, through JNK Heaters, we won orders for Heating Equipment from a refinery company in Mexico and we also received orders for Heating Equipment from Indian Oil Corporation Limited. In Fiscal 2023, we managed to secure order from Numaligarh Refinery Limited (Assam), Indian Oil Corporation Limited and few overseas orders from Customers in Oman and Lithuania. For further details, please see “***Our Business – Order Book***” on page 164. In addition, our project implementation schedule may vary due to various factors that may be beyond our control, including availability of raw materials, approval of designs from the clients and timely commencement of work. These depend on various factors such as the value of these projects, the timeline for completion and payments to be made as per the agreed timelines. Accordingly, the realization of our Order Book and the effect on our results of operations may vary significantly from reporting period to reporting period depending on factors such as the nature of such contracts, actual performance of such contracts, as well as the stage of completion of such contracts as of the relevant reporting date. The value of the orders we receive and our ability to execute them in a timely manner therefore impacts our future performance. As our Order Book expands, the modified terms of payments for new projects may necessitate higher working capital requirements and therefore impact our financial performance. Any cancellation of orders or termination/ deferment of ongoing projects by our Customers may result in a reduction of our future revenue. Any delay in payments that are due and payable to us will affect our operations and have an impact on our cash flows. This may result in an increase in our working capital borrowings thereby affecting our business and results of operations.

Revenue from JNK Heaters

Since our inception, we have been working closely with JNK Heaters. The relationship between our Company and JNK Heaters is both independent and collaborative in nature. While for certain projects our Company is able to participate independently and acquire projects in Heating Equipment, for certain projects we partner as a global joint engineering and implementing partner for JNK Heaters. Further, to strengthen our commercial understanding, we have entered into a Co-operation Agreement with JNK Heaters, which governs our relationship in relation to, amongst others, marketing and geography of operations. For further details, please see “***History and Certain Corporate Matters - Summary of key agreements and shareholders’ agreements - Key terms of other subsisting material agreements***” on page 193.

We derive a significant portion of our revenue from operations from orders from Contracting Customers. We have received projects through Contracting Customers such as Tata Projects Limited and JNK Heaters. However, we derive a significant portion of our revenue from orders from JNK Heaters. In Fiscal 2023, Fiscal 2022 and Fiscal 2021, our revenue from JNK Heaters was ₹ 2,215.23 million, ₹ 2,188.96 million and ₹ 751.00 million respectively, which constituted 54.39%, 73.85% and 54.53% of our revenue from operations for the respective periods. Further, our Order Book value in relation to orders with JNK Heaters as a Contracting Customer, as of March 31, 2023 was ₹ 1,522.93 million, constituting 17.54% of the total Order Book value as of March 31, 2023, as of March 31, 2022 was ₹ 4,196.05 million, constituting 77.21% of the total Order Book value as of March 31, 2022 and as of March 31, 2021 was ₹ 1,050.39 million, constituting 73.16% of the total Order Book value as of March 31, 2021. There can be no assurance that we will be able to procure new contracts or retain the existing contracts from JNK Heaters. Further, inability of JNK Heaters to obtain new contracts due to reasons beyond our control would also impact our prospects of getting further business, adversely affecting our operations, cash flows and financial conditions. Also, there cannot be any guarantee that the relation between our Company and JNK Heaters would remain cordial and in case of any conflict between JNK Heaters and our Company, we may not receive contracts from JNK Heaters which may create an adverse impact on our business, revenue from operations and financial conditions.

We are eligible to bid and secure majority of the large contracts for process heaters and reformers independently in India and benefit from our relationship with JNK Heaters to secure global contracts. However, we are gradually reducing our dependence on JNK Heaters, which is evident from the fact that our Order Book value in relation to JNK Heaters has reduced from ₹4,196.05 million as of March 31, 2022, which was 77.21% of our total Order Book value to ₹1,522.93 million as of March 31, 2023, which was 17.54% of our total Order Book value.

Availability of financing on favorable terms

As of June 30, 2023, we had total outstanding borrowings of ₹ 1,204.90 million. Our projects are working capital intensive, we need to finance the purchase of materials and equipment and the performance of engineering, designing installation and other work on projects before payments are received from Customers and any increase in interest expense may have an adverse effect on our results of operations and financial condition. We are also required to deposit performance bank guarantee for our projects. Our finance costs are dependent on various external factors, including Indian and global credit markets and, in particular, interest rate movements and adequate liquidity. We believe that we have been able to maintain relatively stable finance costs. Our ability to avail financial facilities or to maintain our finance costs at optimum levels will continue to have a direct impact on our profitability, results of operations and financial condition.

Raw materials cost and availability

The primary raw materials required for manufacturing of our products are structural steel, tubes, pipes, fittings, burners. We procure our raw materials domestically as well as internationally from a wide and diverse network of suppliers, based on our requirements on an on-going basis. Pricing of our raw materials can be volatile due to several factors beyond our control, including global demand and supply, general economic and political conditions, transportation and labour costs, labour unrest, natural disasters, competition, import duties, tariffs and currency exchange rates, and there are uncertainties inherent in estimating such variables, regardless of the methodologies and assumptions that we may use. Volatility in commodity prices in particular, the cost of steel can significantly affect our cost of raw materials. Steel prices fluctuate based on a number of factors, such as, the availability and cost of raw material inputs, fluctuations in domestic and international demand and supply of steel and steel products, international production and capacity, fluctuation in the volume of steel imports, transportation costs, protective trade measures and various social and political factors, in the economies in which the steel producers sell their products and are sensitive to the trends of particular industries, such as, the construction and machinery industries. Further, volatility in fuel prices can also affect commodity prices worldwide which may increase our raw material costs.

The table below indicates the cost of raw materials consumed in Fiscals 2023, 2022 and 2021 respectively:

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Cost of goods used (in ₹ million)	1,405.58	930.37	254.60
As % of our revenue from operations	34.51	31.39	18.49
As % of our total expenses	40.29	37.32	22.01

Suppliers of our raw materials are predetermined by our Customers and most of the times we have to opt for the suppliers from a preferred list of suppliers provided by our Customers, 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 a reasonable cost, or at all.

We also import certain of our components such as burners, pressure parts, pipes and tubes required in the manufacturing process. We generally import these components from China and certain parts of Europe such as Spain, Italy, Netherlands and Luxembourg. We do not have any long-term contracts or a fixed price with our foreign suppliers, and any fluctuation in the price of the components would create an adverse impact on our expenditure on imports. Further, loss of any of our foreign suppliers due to lack of any long-term contractual obligations, may adversely affect our flow of operations. Further, most of our procurement contracts with suppliers are at a fixed price with certain of our contracts having an exchange rate variation clause. On account of this, our ability to pass on increased raw material costs is limited. Furthermore, any increase in the cost of raw materials which results in an increase in prices of our products, may reduce demand for our products and thereby affect our margins and profitability. For further information, please see "***Risk Factors - Availability and cost of raw materials may adversely affect our business, results of operations, financial condition and cash flows***" on page 45.

Pace of research and development and technological advancements driven by industry standards

The products and services need of our Customers, change from time to time, and may render our products and technologies obsolete. Our ability to anticipate changes in technology and regulatory standards, understand industry trends and requirements, changes in Customer preferences and to successfully develop and introduce new and enhanced products to create new or address unidentified needs among our current and potential Customers in a timely manner, is a significant factor in our ability to remain competitive. This depends on a variety of factors, including execution of internal and external performance plans; availability of supplier and internally produced parts and materials; performance of suppliers; hiring and training of qualified personnel; achieving cost and production efficiencies; identification of emerging regulatory and technological trends in our target end markets; validation and performance of innovative technologies; the level of Customer interest in new technologies and products; and the costs and Customer acceptance of the new or improved products. We do not have any R&D facility and may have to rely on one of our Corporate Promoters, JNK Heaters for any new technological development. While we continue to focus on developing newer technology to upgrade our existing products further, there can be no assurance that our in-house R&D efforts will result in new technologies and capabilities being developed on a timely basis or meet the demands of our Customers as effectively and competitively. Any failure on our part to successfully introduce new technologies and upgrades may have an adverse effect on our business, results of operations and financial condition. We may also be required to make significant investments in R&D, which may strain our resources and may not provide results that can be monetized.

Competition

The Indian heating equipment market is closely competed among seven companies with our Company and Thermax Limited being the most prominent and comparable players. Bharat Heavy Electricals Limited is also a participant however, its revenue from heating equipment is comparatively lower compared to its other flagship businesses. Other participants in the Indian heating equipment market are, Esteem Projects Private Limited, Heurtey Petrochem Solutions, TR Engineering, and ITT Engineering India. *(Source: F&S Report)* While the Heating Equipment market has high barriers to entry as the engineering of industrial process fired heaters requires a complex understanding of various oil products, our competitors may win market share from us by providing lower cost solutions to our Customers, or by offering technologically advanced products. However, our capabilities in thermal designing, engineering, manufacturing, supplying, installing and commissioning Heating Equipment to companies forming part of some highly regulated industries, acts as a significant entry barrier to new entrants (*Source: F&S Report*). For further information on our competition, see "***Our Business – Competition***" on page 176.

Our success depends on our ability to develop and deliver advanced products, utilizing our R&D technologies, to help our Customers operate more effectively and efficiently. We may incur significant expenses in preparing to meet anticipated Customer requirements that we may not be able to recover or pass on to our Customers. Even if our offerings address industry and Customer needs, our competitors may be more responsive to these needs and more successful at selling their products.

Further, as we intend to selectively pursue strategic investment and acquisition opportunities that complement our growth strategy or strengthen or establish our presence in our targeted domestic and overseas markets, we may face significant competition in these regions.

SIGNIFICANT ACCOUNTING POLICIES

i. Principles of Consolidation

The restated consolidated financial information incorporate the financial information of the Company and its subsidiaries. For this purpose, an entity which is controlled by the Company is treated as subsidiary.

The Company together with its subsidiaries constitute the Group. Control exists when the Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Income and expenses of a subsidiary acquired are included in the restated consolidated Statement of Profit and Loss from the date the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

In current case the restated consolidated financial information are prepared for the group where JNK India Private Limited is a Parent Company and JNK India Pvt FZE and JNK Renewable Energy Pvt Ltd are its subsidiaries.

All intra-group assets, liabilities, income, expenses and unrealised profits / losses on intra-group transactions are eliminated on consolidation.

The Restated Consolidated Financial Information is prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any, to the extent possible unless otherwise stated, are made in the Restated Consolidated Financial Information.

The list of subsidiary companies which are included in the consolidation are as under:

Name of the Subsidiary Company	Ownership in % As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	Country of Incorporation
JNK India Private FZE	100	100	100	Nigeria
JNK Renewable Energy Pvt Ltd*	100	-	-	India

** The company is incorporated on June 17, 2022.*

ii. Cash Flow Statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method as set out in Indian Accounting Standard (IND AS) -7 “Statement of Cash Flows”.

Under the indirect method, the net profit is adjusted for the effects of:

a. transactions of a non-cash nature
b. any deferrals or accruals of past or future operating cash receipts or payments and
c. items of income or expense associated with investing or financing cash flows.

Cash and cash equivalents comprise cash at bank and in hand and demand deposits with banks and are reflected as such in the cash flow statement. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

iii. Property, Plant and Equipment

Property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant equipment are ready for use, as intended by the management. Freehold land is carried at cost and is not depreciated.

The Group depreciates property, plant and equipment, other than leasehold improvements, over their estimated useful lives using the written down value method. Leasehold improvements are depreciated over the tenure of Lease Term. The useful lives of material assets are estimated as follows:-

Particulars	**Years**
Plant and Equipment	10
Furniture and Fixtures	10
Office Equipment	5
Others	
Temporary Office	5
Temporary Construction	5
Assets at Project site	Project period
Computer software	3
Computers	3

If significant parts of an item of Property, Plant and Equipment have different useful lives then they are accounted for as separate items (major components) of Property, plant and Equipment.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date are classified as capital advances under other non-current assets and the costs of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably.

Repairs and maintenance costs are recognized while computing net profit, in the Statement of Profit and Loss, when incurred. The cost and its corresponding accumulated depreciation are eliminated from the financial information upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Gains or losses arising from de-recognition of tangible assets 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.

iv. Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets having finite lives are amortized over their respective individual estimated useful lives, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the profit and loss when the asset is derecognized.

v. Impairment of Non-Financial Assets

The carrying amounts of Property, Plant and Equipment, Intangible Assets and investments in subsidiary companies are reviewed for impairment at the end of each financial year and also whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

vi. Current / Non-Current Classification

Ind AS requires that an entity shall present current and non-current assets, and current and non- current liabilities, as separate classifications in its balance sheet.

Any asset or liability is classified as current if it satisfies any of the following conditions:

a. it is expected to be realized or settled or is intended for sale or consumption in the Group's normal operating cycle which is ascertained by the Group as 12 months;

b. it is expected to be realized or settled within twelve months from the reporting date;

c. in the case of an asset,

- it is held primarily for the purpose of providing services; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

d. in the case of a liability, the Group does not have an unconditional right to defer settlement of liability for at least twelve months from the reporting date.

All other assets and liabilities are classified as non-current.

vii. Financial Instruments

A. Financial Assets

Financial assets include investments in equity and debt securities, cash and cash equivalents, trade receivables, employee and other advances and eligible current and non-current assets.

All financial assets, except Trade Receivables are recognized initially at fair value.

Subsequent to initial recognition, financial assets are measured as described below:

(a) Investments:

i. Financial instruments measured at amortized cost:

Debt instruments that meet the following criteria are measured at amortized cost (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition):

(a) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
(b) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

ii. Financial instruments measured at fair value through other comprehensive income (FVTOCI):

Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition)

(a) The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial asset; and

(b) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding. Interest income is recognized in statement of profit and loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognized in other comprehensive income. When the investment is disposed of, the cumulative gain or loss previously accumulated in reserves is transferred to statement of profit and loss.

iii. <u>Financial instruments measured at fair value through profit or loss (FVTPL):</u>

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in statement of profit and loss. The gain or loss on disposal is recognized in statement of profit and loss. Interest income is recognized in statement of profit and loss for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognized when the Group's right to receive dividend is established.

(b) Trade Receivables

Trade receivables that do not contain a significant financing component are initially recognized at transaction price. They are subsequently measured at amortised cost less any impairment losses. Due to their short term maturity, the carrying amount approximate fair value. Expected credit losses are estimated by adopting the simplified approach using a provision matrix reflecting current condition and forecast of future economic condition.

(c) Other Financial Assets

Other financial assets, cash and cash equivalents and other assets. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses. For most of these assets the carrying amounts approximate fair value due to their short term maturity.

Impairment of Financial Assets:

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss and credit risk exposure on the financial assets that are debt instruments measured at amortized costs e.g. loans, deposits, trade receivables, contractual receivables and bank balances. The Company follows 'simplified approach' for recognition of impairment allowance. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment allowance based on 12-month. The Company considers current and anticipated future economic conditions relating to industries of the customer and the countries where it operates. ECL impairment allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of profit and loss under the head 'other expenses'. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write- off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Derecognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for de-recognition. If the Group retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a borrowing for the proceeds received.

B. Financial Liabilities

Financial liabilities include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

All financial liabilities are recognized initially at fair value.

Subsequent to initial recognition financial liabilities are measured as described below:

Trade and Other Payables

Trade and other payables, which consist of Trade Creditors and Borrowings are subsequently carried at amortized cost using the effective interest method. For Trade and other payables, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

A financial liability (or a part of a financial liability) is derecognized from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

viii. Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

ix. Inventories

Inventories are assets held for sale in the ordinary course of business or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories held as on the reporting date are valued at the lower of cost and estimated net realizable value. In some cases, manufacturing work-in-progress is valued at lower of specifically identifiable cost and proportionate overheads or net realisable value. The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of inventories is assigned by using the first-in, first-out (FIFO) formula. When inventories are sold or consumed in rendering services, the carrying amount of those inventories is recognized as an expense in the period in which the related revenue is recognized.

x. Borrowing Costs

Borrowing costs include Interest and other incidental costs.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

In case of general borrowings, the borrowing costs are capitalised as per the Indian Accounting Standard 23.

Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted and is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Borrowing costs which are not directly attributable to the acquisition, construction production or development of a qualifying asset are recognised as an expense in the period in which they are incurred.

xi. Government Grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

A government grant may take the form of a transfer of a non-monetary asset, such as land or other resources, for the use of the entity. In these circumstances the fair value of the non-monetary asset is assessed and both grant and asset are accounted for at that fair value.

xii. Employee Benefits

A. Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service.

B. Post-employment benefits:

a. Provident Fund scheme and Employee State Insurance Scheme:

Eligible employees receive benefits of a state run provident fund and insurance scheme. These are defined contribution plans. Both the eligible employee and the Group make monthly contributions to provident fund plan and the insurance scheme equal to a specified percentage of the covered employees' salary. There are no other obligations other than the contribution payable to the relevant fund/ scheme.

b. Gratuity scheme

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity plan provides a lump sum payment to the vested employees at retirement, death, incapacitation or termination of employment of an amount based on the respective employees' salary and tenure with the Group. Liabilities with regard to Gratuity are determined in accordance with the actuarial valuation.

The Group has opted for a scheme and a fund run by LIC for gratuity.

C. Share-based payment

Equity share-based payment (ESOP) are governed by ESOP scheme of the company. The fair value of ESOP granted to employees is recognised as an employee expense, with a corresponding increase in equity.

xiii. Revenue Recognition

The Group recognizes revenue in accordance with Accounting Standard Ind AS 115, as per which revenue should be recognized when the performance obligation is satisfied.

Performance obligation is a promise in a contract with customer to transfer to customer either:

- A good or service (or a bundle of goods or services) which is distinct or
- A series of goods or services that are substantially the same and that have same pattern of transfer to the customer.

The Group needs to identify the transaction price. Transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods and services to a customer, excluding amounts collected on behalf of third parties.

Such a transaction price needs to be allocated to performance obligations in a contract. An entity transfers control of a good or service over time and therefore satisfies a performance obligation and recognizes revenue over time if any of the following criteria is met:

(a) The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs, or

(b) The entity creates and enhances an asset which is controlled by customer as it is created or enhanced, or

(c) The entity's performance does not create an asset with alternative use of the entity and the entity has an enforceable right to payment for performance completed to date.

In any other case, revenue is recognized at a point of time.

A. General Policy

Revenue is recognized when it has approval and commitment from both parties, the rights of the parties and payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Group recognizes revenue from contracts with Customers when it satisfies performance obligation by transferring promised goods or services to a customer. The revenue is recognized to the extent of the transaction price allocated to the performance obligation satisfied.

B. EPC Contracts

Engineering, Procurement and Construction (EPC) contracts are contracts specifically negotiated for the construction of plants and systems, involving design, engineering, fabrication, supply, erection and commissioning thereof.

The Group recognizes revenue over time as it performs because EPC contracts involve continuous transfer of control to the customer.

The Group identifies performance obligations regarding distinct goods or services, if any, within the context of EPC contracts most of which involve products or services that do not have an alternative use and the customer controls the work in process. The contracts contain clauses such as customer's ownership over goods and drawings, customer's right to termination of contract and in that event, the rights of the Group to payment towards performance obligations within the overall EPC Contract already fulfilled, including some profit corresponding thereto.

The Group uses cost-based measure of progress (or input method) for indivisible works contracts containing a single performance obligation, wherein the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated profits, are recorded proportionally as costs are incurred.

C. Sale of Goods

Revenue from sale of goods is recognized when the control of the same is transferred to the customer and it is probable that the Group will collect the consideration to which it is entitled for the exchanged goods.

D. Service Contracts

Revenue from rendering of services is recognized over time as the customer receives the benefit of the

Group's performance and the Company has an enforceable right to payment for services transferred.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

E. Contract Balances:

(i) Contract Assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration and are transferred to Trade receivables on completion of milestones and its related invoicing. Contract assets are recorded in balance sheet as unbilled revenue and Retention Money Receivable from Customers.

(ii) Trade Receivables:

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

(iii) Contract Liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group satisfies the performance obligation. Contract liabilities are recorded in balance sheet as Advance from Customers and Retention Money Payable to Vendors.

xiv. Expenditure

Expenses are accounted on accrual basis.

xv. Taxes on Income

Tax expense for the year comprises current tax and deferred tax.

Current Tax is determined as the amount of tax payable in respect of the taxable income for the period in accordance with Income Tax Act, 1961.

Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the restated consolidated financial information. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

xvi. Provision

Provision involving substantial degree of reliable estimation in measurement is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation.

xvii. Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

xviii. Foreign Currency Transactions

Since functional currency of the Company is Indian Rupee (INR) which is also the presentation currency, restated consolidated financial information are prepared in INR.

Transactions denominated in foreign currencies entered into by the Company are initially recorded at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies at the year-end are restated at the closing rates. 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.

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in profit or loss.

xix. Earnings per share

Basic earnings per equity share are computed by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares is adjusted for events such as bonus issue, bonus element in a right issue, share split and reserve share splits (consolidation of shares) that have changed the number of equity shares.

Diluted earnings per equity share are computed by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the year adjusted for the effects of all dilutive potential equity shares.

xx. Derivative Financial Instruments

Derivative financial instruments are those which create rights and obligations that have the effect of transferring between the parties to the instrument one or more of the financial risks inherent in an underlying primary financial instrument.

Derivative financial instruments are recognized and measured at fair value. Attributable transaction costs are recognized in the statement of profit and loss as cost.

Subsequent to initial recognition, derivative financial instruments are measured as described below:

a. Cash flow hedges

Changes in the fair value of the derivative hedging instruments designated as a cash flow hedge are recognized in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of profit and loss and reported within foreign exchange gains / (losses), net within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, such cumulative balance is recognized in the statement of profit and loss.

b. Other Derivative Instruments

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognized in the statement of profit and loss and reported within foreign exchange gains, net within results from operating activities.

Changes in fair value and gains / (losses) on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance expense.

xxi. Leases

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

xxii. Share Based Payments:

Equity Settled Transactions (ESOP)

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in ESOP reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

xxiii. Valuation of interest in subsidiary

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Group's balance sheet. On disposal of such investments, the difference bet disposal proceed and the carrying amounts of the investments are recognised in the statement of profit and loss.

xxiv. Dividends

Dividend to equity shareholders is recognized as a liability in the period in which the dividends are approved by the equity shareholders. Interim dividends that are declared by the Board of Directors without the need for equity shareholders' approvals are recognized as a liability and deducted from shareholders' equity in the year in which the dividends are declared by the Board of directors.

xxv. Exceptional items

The Group considers exceptional items to be those which derive from events or transactions which are significant for separate disclosure by virtue of their size or incidence in order for the user to obtain a proper understanding of the Group's financial performance. These items include, but are not limited to, acquisition costs, impairment charges, restructuring costs and profits and losses on disposal of subsidiaries, contingent consideration and other one-off items which meet this definition. To provide a better understanding of the underlying results of the period, exceptional items are reported separately in the Statement of Profit and Loss.

Estimates and Judgements

i. Use of Estimates

The preparation of the restated consolidated financial information in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the restated consolidated financial information and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period and actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the restated consolidated financial information in the period in which changes are made and, if material, their effects are separately disclosed in the notes to the financial statements.

ii. Significant Estimates

In particular, information about major areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the restated consolidated financial information is given in the following notes:

a. Stage of Completion

EPC Contracting is a complex business involving many activities and is a team effort the success of which depends of effectiveness many sub-vendors and service providers. Assessing the stage of completion for the purpose of revenue recognition, valuation of work in progress and inventory; is subject to substantial judgement and subjective opinions which vary considerably. Since EPC contracts are high value contracts, slight difference in opinion and judgement leads to considerable difference in financial results.

b. Warrantees

The business of the Group requires giving performance guaranties and maintenance during warranty period. The circumstances which may involve expenditure on this account are completely unpredictable and considerable degree of estimation is involved in ascertaining the same. This impacts the provision for warrantees.

c. Taxes

The major tax jurisdiction for the Group is India. Significant judgments are involved in determining the tax liabilities including judgment on whether tax positions adopted by the Group are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods through a lengthy litigation process, at the end of which even if the Group wins, huge expenditure gets incurred in litigation which has an impact on the financial results.

d. Impairment

Testing for impairment, of assets in general and intangible assets in particular is a very difficult task because there is no objective way of doing the same. It involves use of significant estimates and assumptions regarding economic conditions, growth rates and market conditions. Slight error or inaccuracy in such estimates or assumptions can have a material impact on the financial results of the Group.

e. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Income

The following table sets forth our income in Rupees in million and as a percentage of our revenue from operations for the periods indicated.

(*in ₹ million, except percentages*)

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Sale of products			
Domestic goods	952.11	484.87	421.73
Percentage of revenue from operations (% of A)	*23.38%*	*16.36%*	*30.62%*
Export	1,305.50	1,143.29	116.35
Percentage of revenue from operations (% of A)	*32.05%*	*38.57%*	*8.45%*
Sale of services			
Domestic supply	312.94	245.04	77.45
Percentage of revenue from operations (% of A)	*7.68%*	*8.27%*	*5.62%*
Export	1,494.96	1,014.81	590.28
Percentage of revenue from operations (% of A)	*36.70%*	*34.24%*	*42.86%*
Geography-wise revenue information			
Domestic	1,265.05	729.91	499.18
Percentage of revenue from operations (% of A)	*31.06%*	*24.63%*	*36.25%*
Export	2,800.46	2,158.10	868.81
Percentage of revenue from operations (% of A)	*68.76%*	*72.81%*	*63.08%*

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Product-wise revenue information			
Heating Equipment	3,359.68	2,612.00	1,215.93
Percentage of revenue from operations (% of A)	*82.49%*	*88.13%*	*88.29%*
Flares, incinerators and others	705.83	276.01	152.06
Percentage of revenue from operations (% of A)	*17.33%*	*9.31%*	*11.04%*
Other operating revenues	7.51	75.95	9.22
Percentage of revenue from operations (% of A)	*0.18%*	*2.56%*	*0.67%*
A. Revenue from operations	**4,073.02**	**2,963.96**	**1,377.21**
Interest income	7.82	6.12	4.89
Percentage of revenue from operations (% of A)	*0.19%*	*0.21%*	*0.36%*
Other non-operating income	34.61	1.28	2.43
Percentage of revenue from operations (% of A)	*0.85%*	*0.04%*	*0.18%*
B. Other income	**42.43**	**7.40**	**7.32**
Percentage of revenue from operations (% of A)	*1.04%*	*0.25%*	*0.53%*
Total income (A+B)	**4,115.45**	**2,971.36**	**1,384.53**

Revenue from Operations

Our revenue from operations was ₹ 4,073.02 million, ₹ 2,963.96 million and ₹ 1,377.21 million in Fiscals 2023, 2022 and 2021, respectively. Our revenue from operations can be classified in two ways: a) geography-wise revenue; and b) product-wise revenue.

Geography-wise revenue

Our revenue from operations is primarily generated from a) sale of product and services in the domestic market and b) through export of products and services in the overseas markets.

a) *Domestic sale of products and services*

Our income from domestic sale of products and services primarily relate to our revenue from sale of Heating Equipment and sale of flares, incinerators and others in India. Our, income from sale of products and services in India was ₹ 1,265.05 million, ₹ 729.91 million and ₹ 499.18 million for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively, which accounted for 31.06%, 24.63% and 36.25% of our revenue from operations for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

b) *Export of products and services*

Our income from export of products and services primarily relate to our revenue from sale of Heating Equipment and sale of flares, incinerators and others in the overseas markets such as Nigeria and Mexico. Our income from sale of products and services in the overseas market was ₹ 2,800.46 million, ₹ 2,158.10 million and ₹ 868.81 million for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively, which accounted for 68.76%, 72.81% and 63.08% of our revenue from operations for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Product wise revenue

Our revenue from operations is primarily generated from a) sale of Heating Equipment and b) sale of flares, incinerators and others.

a) *Sale of Heating Equipment*

Our income from sale of Heating Equipment was ₹ 3,359.68 million, ₹ 2,612.00 million and ₹ 1,215.93 million for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively, which accounted for 82.49%, 88.13% and 88.29% of our revenue from operations for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

b) *Sale of flares, incinerators and others*

Further, our income from sale of flares, incinerators and others was ₹ 705.83 million, ₹ 276.01 million and ₹ 152.06 million for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively, which accounted for 17.33%, 9.31% and 11.04% of our revenue from operations for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Other operating revenues

Our other operating revenues accounted for 0.18%, 2.56% and 0.67% of our revenue from operations for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively. Our other operating revenues primarily relate to duty drawback received, duty credit scrip sold and other income.

Other Income

Our other income was ₹ 42.43 million, ₹ 7.40 million and ₹ 7.32 million which accounted for 1.04%, 0.25% and 0.53% of our revenue from operations for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively. Our other income primarily relates to interest income on fixed deposits, interest income on loans given, and other non-operating income which includes bad debts recovered, profit on mutual fund redemption, sale of scrap, gain on foreign exchange fluctuation etc.

Expenses

Our expenses were ₹ 3,488.34 million, ₹ 2,493.10 million and ₹ 1,156.49 million in Fiscals 2023, 2022 and 2021, respectively. Our expenses comprise of (i) purchase of stock-in-trade; (ii) changes in inventories of finished goods, stock-in-trade and work-in-progress; (iii) project expenses; (iv) employee benefit expenses; (v) finance costs; (vi) depreciation and amortization expenses; and (vii) other expenses.

The following table sets forth our expenditure and as a percentage of our revenue from operations for the periods indicated:

(in ₹ million, except percentages)

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Purchase of stock-in-trade	1,601.74	1,502.98	302.68
Percentage of revenue from operations	*39.33%*	*50.71%*	*21.98%*
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(196.16)	(572.61)	(48.08)
Percentage of revenue from operations	*(4.82%)*	*(19.32%)*	*(3.49%)*
Project expenses	1,097.26	704.49	279.36
Percentage of revenue from operations	*26.94%*	*23.77%*	*20.28%*
Employee benefit expenses	532.38	414.48	326.26
Percentage of revenue from operations	*13.07%*	*13.98%*	*23.69%*
Finance costs	42.12	37.65	13.47
Percentage of revenue from operations	*1.03%*	*1.27%*	*0.98%*
Depreciation and amortization expenses	65.82	29.86	18.59
Percentage of revenue from operations	*1.62%*	*1.01%*	*1.35%*
Other expenses	345.18	376.25	264.21
Percentage of revenue from operations	*8.47%*	*12.69%*	*19.18%*
Total expenses	**3,488.34**	**2,493.10**	**1,156.49**

Purchase of stock-in-trade

Purchase of stock-in-trade comprises of purchase fabricated items and bought out items which are primarily involved in the manufacture of our products and include semi-furnished and near finished materials prepared by third-party fabricators, fans, compressors, valves and blowers. Purchase of stock-in-trade accounted for 45.92%, 60.29% and 26.17% of our total expenses for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Further, purchase of stock-in-trade also comprises of cost of goods used during the manufacture of our products, which include structural steel, tubes, pipes, fittings, burners. Our cost of goods used was ₹ 1,405.58 million, ₹ 930.37 million and ₹ 254.60 million for Fiscals 2023, 2022 and 2021. It accounted for 40.29%, 37.32%, 22.01% of our total expenses for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Changes in inventories of finished goods, stock-in-trade and work-in-progress

Changes in inventories of finished goods, stock-in-trade and work-in-progress consist of costs attributable to an increase or decrease in inventory levels during the relevant financial period in raw materials and work-in progress. Changes in inventories of raw materials and work-in-progress accounted for (5.62%), (22.97%) and (4.16%) of our total expenses for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Project expenses

Project expenses relate to expenses directly related to our projects. These consist of freight charges, fabrication charges, transportation charges, labour charges, manpower cost at the project site, technical services charges and other project expenses. Project expenses accounted for 31.46%, 28.26% and 24.16% of our total expenses for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Employee benefit expenses

Employee benefits expense includes (i) salaries and wages; (ii) contribution to provident fund and other funds; (iii) expenses towards ESOP 2022; and (iv) staff welfare expenses. Employee benefits expenses accounted for 15.26%, 16.63% and 28.21% of our total expenses for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Finance costs

Finance costs includes incudes (a) interest paid on cash credit/overdraft, leases, car loans and inter corporate deposits; (b) other borrowing costs such as bank guarantee charges, stamp duty charges, loan processing fees etc. Finance costs accounted for 1.21%, 1.51% and 1.16% of our total expenses for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Depreciation and amortization expenses

Depreciation represents depreciation on our fixed assets including buildings, plant and machinery, furniture and fittings, office appliances, computers and vehicles. Amortization represents amortization on our intangible assets which includes our computer software and on leases. Depreciation and amortization expenses accounted for 1.89%, 1.20% and 1.61% of our total expenses for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Other expenses

Other expenses include legal, professional and consultancy charges, traveling and conveyance, rent, rates and taxes, petrol and fuel, warranty expenses, commission charges, repairs and maintenance, corporate social responsibility expenses, business promotion expenses, assets written off, provision for bad debts, handling charges, statutory audit fees, insurance premiums and other expenses. Other expenses accounted for 9.90%, 15.09% and 22.85% of our total expenses for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

RESULTS OF OPERATIONS

Fiscal 2023 compared with Fiscal 2022

Total Income

Our total income increased by ₹ 1,144.09 million or 38.50% from ₹ 2,971.36 million in Fiscal 2022 to ₹ 4,115.45 million in Fiscal 2023.

Revenue from operations

Our revenue from operations increased by ₹ 1,109.06 million or 37.42% from ₹ 2,963.96 million in Fiscal 2022 to ₹ 4,073.02 million in Fiscal 2023. This increase was a primarily on account of increase in the revenue generated geography-wise and product wise.

Geography-wise revenue

a) Domestic sale of products and services

Our income from sale of products and services in India increased by ₹ 535.14 million or 73.32% from ₹ 729.91 million in Fiscal 2022 to ₹ 1,265.05 million in Fiscal 2023, primarily due to successful order wins in the domestic market worth ₹ 1,015.53 million, ₹ 2,918.64 million and ₹ 5,860.35 million in Fiscal 2021, Fiscal 2022 and Fiscal 2023 respectively. We won a large domestic order aggregating to ₹ 2,528.89 million for a Paraxylene (PX) plant for Indian Oil Corporation Limited at Paradip Refinery, Odisha, in Fiscal 2022, for which we raised an invoice aggregating to ₹634.12 million in Fiscal 2023. Further, we also partially executed our first hydrogen refuelling station for Indian Oil Corporation Limited worth ₹ 341.19 million and executed a project in EPC of Solar PV aggregating to ₹ 19.60 million in Fiscal 2023. The increase in the revenue from sale of products and services in India is also due to our increasing focus on the domestic market. This is evident from the fact that our Order Book value in relation to sale of products and services in India has increased by ₹ 4,708.82 million or 155.94% from ₹ 3,019.57 million as of March 31, 2022 to ₹ 7,728.39 million as of March 31, 2023. And there is an increase in our order win in relation to sale of products and services in India by ₹ 2,941.71 million or 100.79% from ₹ 2,918.64 million in Fiscal 2022 to ₹ 5,860.35 million in Fiscal 2023.

b) Export of products and services

Our income from sale of products and services through exports increased by ₹ 642.36 million or 29.77% from ₹ 2,158.10 million in Fiscal 2022 to ₹ 2,800.46 million in Fiscal 2023, primarily due to successful order wins in the overseas market worth ₹ 1,098.99 million, ₹ 3,366.30 million and ₹ 1,852.39 million in Fiscal 2021, Fiscal 2022 and Fiscal 2023 respectively. We executed a project for a refinery company from Mexico and for one of the private refinery companies of a multinational industrial conglomerate from Nigeria between Fiscal 2022 and Fiscal 2023. For the said projects, we realised a partial revenue (including incentive) of ₹ 2,063.51 million from a refinery company at Mexico and a partial revenue of ₹ 728.76 million from our Customer at Nigeria (our End Customer as well as through Contracting Customer), in Fiscal 2023. Further, our Company also executed the project for the refinery company at Mexico, efficiently on time, due to which we received an additional incentive of ₹171.31 million in Fiscal 2023, leading to a further increase in revenue through exports of products and services.

Product wise revenue

a) Heating Equipment

Our income from sale of Heating Equipment increased by ₹ 747.68 million or 28.62% from ₹ 2,612.00 million in Fiscal 2022 to ₹ 3,359.68 million in Fiscal 2023, primarily due to execution of large export orders for refinery companies at Mexico and Nigeria. Further, the increase in the income from sale of Heating Equipment is also due to setting up of a new fabrication facility in April 2021 at multi-product special economic zone at Mundra, Gujarat. This new facility increased our export capabilities and helped us in timely execution of export orders in Fiscal 2023, due to this our Company executed a project for a refinery company at Mexico, efficiently on time, due to which we received an additional incentive of ₹171.31 million in Fiscal 2023, leading to a further increase in revenue. We also won a large domestic order aggregating to ₹ 2,528.89 million for a Paraxylene (PX) plant for Indian Oil Corporation Limited at Paradip Refinery, Odisha in Fiscal 2022, for which we raised an invoice aggregating to ₹ 634.12 million in Fiscal 2023. Our growth in our revenue from sale of Heating Equipment is in conjunction with the growth in our Order Book. Our Order Book value for Heating Equipment had increased by ₹ 3,492.35 million or 70.46% from ₹ 4,956.21 million as on March 31, 2022 to ₹ 8,448.56 million as on March 31, 2023 on account of strong order wins of ₹ 7,085.99 million during Fiscal 2023. Our order wins for Heating Equipment increased by ₹ 1,588.25 million or 28.89% from ₹ 5,497.74 million in Fiscal 2022 to ₹ 7,085.99 million in Fiscal 2023.

b) Flares, incinerators and others

Our income from sale of flares, incinerators and others increased by ₹ 429.82 million or 155.73% from ₹ 276.01 million in Fiscal 2022 to ₹ 705.83 million in Fiscal 2023, primarily due to successful order win for flares and incinerators worth ₹ 334.84 million, ₹ 441.71 million and ₹ 607.15 million in Fiscal 2021, Fiscal 2022 and Fiscal 2023, respectively. We received an order for flares system from one of the private refinery companies of a multinational industrial conglomerate from Nigeria in Fiscal 2021 and the execution of the project was done over Fiscals 2021, 2022 and 2023. We invoiced aggregating ₹253.44 million for the said project in Fiscal 2023. We also received an order for an incinerator system project from the same Customer at Nigeria in Fiscal 2023. We had partially executed the project in Fiscal 2023 and raised an invoice aggregating to ₹152.31 million for the same in Fiscal 2023 itself. We also executed a project for our first hydrogen refuelling station for Indian Oil Corporation Limited worth ₹ 341.19 million and executed a project in EPC of Solar PV project aggregating to ₹ 19.60 million in Fiscal 2023. Our growth in our revenue from flares, incinerators and others is in consonance with our strategy to build up our diversified product offering, which is evident from the fact that the total revenue contribution from sale of flares, incinerators and others has increased to 17.33% in Fiscal 2023 from 9.31% in Fiscal 2022. Further, our order wins for flares and incinerators increased by ₹ 165.44 million or 37.45% from ₹ 441.71 million in Fiscal 2022 to ₹ 607.15 million in Fiscal 2023.

Other operating revenues

Our other operating revenues decreased by ₹ 68.44 million or 90.11% from ₹ 75.95 million in Fiscal 2022 to ₹ 7.51 million in Fiscal 2023, primarily since the crane hire charges provisions which were made in Fiscal 2021 for our Subsidiary JNK India Private FZE were reversed in Fiscal 2022 and recognised as other operating revenue. There were no similar provisions being created for Fiscal 2023.

Other income

Other income increased by ₹ 35.03 million or 473.38% from ₹ 7.40 million in Fiscal 2022 to ₹ 42.43 million in Fiscal 2023, primarily due to recovery of bad debts amounting to ₹ 29.43 million which were earlier written off.

Total Expenses

Our total expenses increased by ₹ 995.24 million or 39.92% from ₹ 2,493.10 million in Fiscal 2022 to ₹ 3,488.34 million in Fiscal 2023. This increase was a primarily on account of increase in (i) purchase of stock-in-trade; (ii) project expenses; (iii) employee benefit expenses; (iv) finance costs; and (v) depreciation and amortization expenses.

Purchase of stock-in-trade

Purchase of stock-in-trade increased by ₹ 98.76 million or 6.57% from ₹ 1,502.98 million in Fiscal 2022 to ₹ 1,601.74 million in Fiscal 2023 on account of purchase of stock-in-trade towards execution of large export orders for refinery companies in Mexico and Nigeria. Further, purchase of stock-in-trade also comprises of cost of materials consumed during the manufacture of our products, which include structural steel, tubes, pipes, fittings, burners. There was an increase in purchase of stock-in-trade also due to an increase in cost of goods used by ₹ 475.21 million or 51.08% from ₹ 930.37 million in Fiscal 2022 to ₹ 1,405.58 million in Fiscal 2023, the increase in cost of goods used was due to surge in steel prices in Fiscal 2023.

Changes in inventories of finished goods, stock-in-trade and work-in-progress

Changes in inventories of finished goods, stock-in-trade and work-in-progress decreased by ₹ 376.45 million or 65.74% from (₹ 572.61 million) in Fiscal 2022 to (₹ 196.16 million) in Fiscal 2023 on account of higher inventory build-up of raw material in Fiscal 2022 of worth ₹ 624.37 million due to execution of a large export order for a refinery company at Mexico.

Project expenses

Project expenses increased by ₹ 392.77 million or 55.75% from ₹ 704.49 million in Fiscal 2022 to ₹ 1,097.26 million in Fiscal 2023 on account of increase in freight charges due to disruptions in supply chain caused by Russia-Ukraine conflict. Freight charges paid in Fiscal 2023 was ₹ 510.20 million which was ₹ 198.33 million or 63.59% higher than the freight charges paid in Fiscal 2022, which were ₹ 311.87 million. Further, growth in project expenses is in line with the growth in our revenue from operations, our total income increased by ₹ 1,144.09 million or 38.50% from ₹ 2,971.36 million in Fiscal 2022 to ₹ 4,115.45 million in Fiscal 2023.

Employee benefit expenses

Employee benefit expenses increased by ₹ 117.90 million or 28.45% from ₹ 414.48 million in Fiscal 2022 to ₹ 532.38 million in Fiscal 2023 primarily due to increase in (i) salaries and wages, (ii) contribution to provident fund and other funds, (iii) ESOP 2022 and (iii) staff welfare expenses, which was due to increase in the number of employees from 150 as of March 31, 2022 to 192 as of March 31, 2023. Further, due to institution of the ESOP

2022, a onetime expense of ₹ 50.72 million in relation to ESOP 2022 was also incurred in Fiscal 2023.

Finance costs

Finance costs increased by ₹ 4.47 million or 11.87% from ₹ 37.65 million in Fiscal 2022 to ₹ 42.12 million in Fiscal 2023. The increase in finance costs was primarily on account of increase in bank guarantee charges by ₹ 18.34 million or 305.16%, from ₹ 6.01 million in Fiscal 2022 to ₹ 24.35 million in Fiscal 2023. We are required to furnish various bank guarantees, such as security deposits (or contract performance guarantee), performance bank guarantee and advance bank guarantee. We are required to provide security deposit in the form of bank guarantees to our Customers immediately upon receipt of the purchase order, which can generally range up to 10% of project value, and which is valid until completion of the project. The increase in bank guarantee charges is in line with the growth in our revenue from operations, our total income increased by ₹ 1,144.09 million or 38.50% from ₹ 2,971.36 million in Fiscal 2022 to ₹ 4,115.45 million in Fiscal 2023. Further, our total order win increased by ₹ 1,427.79 million or 22.72% from ₹ 6,284.95 million in Fiscal 2022 to ₹ 7,712.74 million in Fiscal 2023.

Depreciation and amortisation expense

Depreciation and amortisation expenses increased by ₹ 35.96 million or 120.43% from ₹ 29.86 million in Fiscal 2022 to ₹ 65.82 million in Fiscal 2023. The increase in depreciation and amortisation expenses was primarily on account of increase in assets due to setting up of a new fabrication facility in February 2022 at Jajpur, Odisha.

Other expenses

Other expenses decreased by ₹ 31.07 million or 8.26% from ₹ 376.25 million in Fiscal 2022 to ₹ 345.18 million in Fiscal 2023. The decrease in other expenses was primarily a result of :

- a decrease in rent by ₹(8.79) million or (23.57)% from ₹ 37.29 million for Fiscal 2022 to ₹ 28.5 million for Fiscal 2023;
- a decrease in commission charges by ₹ (108.30) million or (92.81)% from ₹ 116.69 million for Fiscal 2022 to ₹ 8.39 million for Fiscal 2023; and
- a decrease in provision for bad debts by ₹ (14.10) million or (86.40)% from ₹ 16.32 million for Fiscal 2022 to ₹ 2.22 million for Fiscal 2023;

The above reductions were partially offset by:

- an increase in legal, professional and consultancy charges by ₹ 39.90 million or 32.87% from ₹ 121.39 million for Fiscal 2022 to ₹ 161.29 million for Fiscal 2023;
- an increase in other expenses by ₹ 19.91 million or 75.65% from ₹ 26.32 million for Fiscal 2022 to ₹ 46.23 million for Fiscal 2023;
- an increase in travelling and conveyance by ₹ 16.58 million or 60.38% from ₹ 27.46 million for Fiscal 2022 to ₹ 44.04 million for Fiscal 2023; and
- An increase in rates and taxes by ₹ 5.36 million or 77.12% from ₹ 6.95 million for Fiscal 2022 to ₹ 12.31 million for Fiscal 2023.

Profit before tax

As a result of the foregoing, our profit before tax increased by ₹ 148.85 million or 31.12% from ₹ 478.26 million in Fiscal 2022 to ₹ 627.11 million in Fiscal 2023.

Tax expense

Current tax expenses increased by ₹ 52.03 million or 40.52% from ₹ 128.41 million in Fiscal 2022 to ₹ 180.44 million in Fiscal 2023. Deferred tax expenses decreased by ₹ 6.97 million or 69.81% from ₹ (9.98) million in Fiscal 2022 to ₹ (16.95) million in Fiscal 2023.

Profit for the year

For the various reasons discussed above, and following adjustments for tax expense, we recorded an increase in profit after tax by ₹ 103.79 million or 28.84% from ₹ 359.83 million in Fiscal 2022 to ₹ 463.62 million in Fiscal 2023.

Earnings before Interest, Taxes, Depreciation and Amortization ("EBITDA")

Our EBITDA increased by 34.68% or ₹ 189.28 million from ₹ 545.77 million in in Fiscal 2022 to ₹ 735.05 million in Fiscal 2023, this was due to increase in our revenue from operations by ₹ 1,109.06 million or 37.42% from ₹ 2,963.96 million in Fiscal 2022 to ₹ 4,073.02 million in Fiscal 2023. However, our EBITDA Margin decreased marginally from 18.41% in Fiscal 2022 to 18.05% in Fiscal 2023. We provide price quotes on estimations of raw material prices at the time of submission of bids. In the event there is an increase in prices of the raw materials, we are not able to pass on the additional cost to our Customers, which led to marginal decrease in our EBITDA Margin.

Fiscal 2022 compared with Fiscal 2021

Total Income

Our total income increased by ₹ 1,586.83 million or 114.61% from ₹ 1,384.53 million in Fiscal 2021 to ₹ 2,971.36 million in Fiscal 2022.

Revenue from operations

Our revenue from operations increased by ₹ 1,586.75 million or 115.21% from ₹ 1,377.21 million in Fiscal 2021 to ₹ 2,963.96 million in Fiscal 2022. This increase was a primarily on account of increase in the revenue generated geography-wise and product wise.

Geography-wise revenue

a) *Domestic sale of products and services*

Our income from sale of products and services in the domestic market increased by ₹ 230.73 million or 46.22% from ₹ 499.18 million in Fiscal 2021 to ₹ 729.91 million in Fiscal 2022, primarily due to successful order win aggregating to ₹ 703.77 million for a greenfield refinery project in Rajasthan. Out of this order win, revenue for an amount aggregating to ₹ 219.24 million was booked in Fiscal 2021 and an amount aggregating to ₹ 463.54 million was booked in Fiscal 2022. Further, we received an order from Tata Projects Limited which was executed in Fiscal 2021, however the revenue of ₹ 167.70 million was realized in Fiscal 2022.

b) *Export of products and services*

Our income from sale of products and services through exports increased by ₹ 1,289.29 million or 148.40% from ₹ 868.81 million in Fiscal 2021 to ₹ 2,158.10 million in Fiscal 2022, primarily due to successful order wins in the overseas market worth ₹ 1,098.99 million and ₹ 3,366.30 million in Fiscal 2021 and Fiscal 2022 respectively. We executed large export orders for refinery companies at Mexico and Nigeria. We executed a project for a refinery company from Mexico and for one of the private refinery companies of a multinational industrial conglomerate from Nigeria between Fiscal 2022 and Fiscal 2023. For the said projects, we realised a partial revenue of ₹ 1,621.65 million from a refinery company at Mexico and a partial revenue of ₹ 531.42 million from our Customer at Nigeria (our End Customer as well as through Contracting Customer), in Fiscal 2022.

Product wise revenue

a) *Heating Equipment*

Our income from sale of Heating Equipment increased by ₹ 1,396.07 million or 114.81% from ₹ 1,215.93 million in Fiscal 2021 to ₹ 2,612.00 million in Fiscal 2022, primarily due to successful order win aggregating to ₹ 703.77 million for a greenfield refinery project in Rajasthan. Out of this order win, revenue for amount aggregating to ₹ 219.24 million was booked in Fiscal 2021 and ₹ 463.54 million was booked in Fiscal 2022. Further, we received an order from Tata Projects Limited which was executed in Fiscal 2021, however the revenue of ₹ 167.70 million was realized in Fiscal 2022. Further, our order wins for Heating Equipment increased by ₹ 3,718.07 million or 208.92% from ₹ 1,779.67 million in Fiscal 2021 to ₹ 5,497.74 million in Fiscal 2022. Our growth in our revenue from sale of Heating Equipment is in conjunction with the growth in our Order Book. Our Order Book value for Heating Equipment had increased by ₹ 3,641.65 million or 277.02% from ₹ 1,314.56 million as on March 31, 2021 to ₹ 4,956.21 million as on March 31, 2022 on account of strong order wins of ₹ 5,497.74 million during

Fiscal 2022. Our order wins for Heating Equipment increased by ₹ 3,718.07 million or 208.92% from ₹ 1,779.67 million in Fiscal 2012 to ₹ 5,497.74 million in Fiscal 2022. Such an increase in the order wins in Fiscal 2022 and Fiscal 2023 have resulted in growth of revenue of our Company.

b) Flares, incinerators and others

Our income from sale of flares, incinerators and others increased by ₹ 123.95 million or 81.51% from ₹ 152.06 million in Fiscal 2021 to ₹ 276.01 million in Fiscal 2022. This was primarily due to successful order win for flares and incinerators worth ₹ 334.84 million, ₹ 441.71 million and ₹ 607.15 million in Fiscal 2021, Fiscal 2022 and Fiscal 2023, respectively. Further, we received an order for flares system from one of the private refinery companies of a multinational industrial conglomerate from Nigeria in Fiscal 2021, the execution of the project was done over Fiscals 2021, 2022 and 2023. We invoiced aggregating ₹268.54 million for the said project in Fiscal 2022. Our order wins for flares and incinerators increased by ₹ 106.87 million or 31.92% from ₹ 334.84 million in Fiscal 2021 to ₹ 441.71 million in Fiscal 2022.

Other operating revenues

Our other operating revenues increased by ₹ 66.73 million or 723.75% from ₹ 9.22 million in Fiscal 2021 to ₹ 75.95 million in Fiscal 2022, primarily since the crane hire charges provisions which were made in Fiscal 2021 for our Subsidiary JNK India Private FZE were reversed in Fiscal 2022 and recognised as other operating revenue.

Other income

Other income increased by ₹ 0.08 million or 1.09% from ₹ 7.32 million in Fiscal 2021 to ₹ 7.40 million in Fiscal 2022, primarily due to increase on interest accrued on fixed deposits.

Total Expenses

Our total expenses increased by ₹ 1,336.61 million or 115.57% from ₹ 1,156.49 million in Fiscal 2021 to ₹ 2,493.10 million in Fiscal 2022. This increase was a primarily on account of increase in (i) purchase of stock-in-trade; (ii) project expenses; (iii) employee benefit expenses; (iv) finance costs; (v) depreciation and amortization expenses; and vi) other expenses.

Purchase of stock-in-trade

Purchase of stock-in-trade increased by ₹ 1,200.30 million or 396.56% from ₹ 302.68 million in Fiscal 2021 to ₹ 1,502.98 million in Fiscal 2022 on account of purchase of stock-in-trade towards execution of large export orders for refinery companies in Mexico and Nigeria. Further, purchase of stock-in-trade also comprises of cost of materials consumed during the manufacture of our products, which include structural steel, tubes, pipes, fittings, burners. There was an increase in purchase of stock-in-trade also due to an increase in cost of goods used by ₹ 675.77 million or 265.42% from ₹ 254.60 million in Fiscal 2021 to ₹ 930.37 million in Fiscal 2022, the increase in cost of goods used was due to surge in steel prices in Fiscal 2022 and increase in cost of material imported. We partially import certain components such as burners, pressure parts and pipes for our manufacturing process from China and from certain parts of Europe. The increase in purchase of stock-in-trade is also due to an increase in the import of the raw materials by ₹ 301.03 million or 2,535.80% from ₹ 11.87 million in Fiscal 20221 to ₹ 312.90 million in Fiscal 2022.

Changes in inventories of finished goods, stock-in-trade and work-in-progress

Changes in inventories of finished goods, stock-in-trade and work-in-progress decreased by ₹ 524.53 million or 1,090.95% from ₹ 48.08 million in Fiscal 2021 to ₹ 572.61 million in Fiscal 2022 on account of higher inventory build-up of raw material in Fiscal 2022 of worth ₹ 624.37 million due to execution of a large export order for a refinery company at Mexico.

Project expenses

Project expenses increased by ₹ 425.13 million or 152.18% from ₹ 279.36 million in Fiscal 2021 to ₹ 704.49 million in Fiscal 2022 on account of execution of a large project for a refinery company at Mexico, for which our company incurred a freight charge of ₹ 311.87 million in Fiscal 2022. Further, growth in project expenses is in line with the growth in our revenue from operations, our total income increased by ₹ 1,586.83 million or 114.61% from ₹

1,384.53 million in Fiscal 2021 to ₹ 2,971.36 million in Fiscal 2022.

Employee benefit expenses

Employee benefit expenses increased by ₹ 88.22 million or 27.04% from ₹ 326.26 million in Fiscal 2021 to ₹ 414.48 million in Fiscal 2022 primarily due to increase in (i) salaries and wages, (ii) contribution to provident fund and other funds; and (iii) staff welfare expenses, which was due to increase in the number of employees from 101 as of March 31, 2021 to 150 as of March 31, 2022.

Finance costs

Finance costs increased by ₹ 24.18 million or 179.51% from ₹ 13.47 million in Fiscal 2021 to ₹ 37.65 million in Fiscal 2022. The increase in finance costs was primarily on account of increase in bank guarantee charges by ₹ 5.39 million or 869.35%, from ₹ 0.62 million in Fiscal 2021 to ₹ 6.01 million in Fiscal 2022. We are required to furnish various bank guarantees, such as security deposits (or contract performance guarantee), performance bank guarantee and advance bank guarantee. We are required to provide security deposit in the form of bank guarantees to our Customers immediately upon receipt of the purchase order, which can generally range up to 10% of project value, and which is valid until completion of the project. The increase in bank guarantee charges is in line with the growth in our revenue from operations, our total income increased by ₹ 1,586.83 million or 114.61% from ₹ 1,384.53 million in Fiscal 2021 to ₹ 2,971.36 million in Fiscal 2022. Further, our total order win increased by ₹ 4,170.43 million or 197.23% from ₹ 2,114.52 million in Fiscal 2021 to ₹ 6,284.95 million in Fiscal 2022.

Depreciation and amortisation expense

Depreciation and amortisation expenses increased by ₹ 11.27 million or 60.62% from ₹ 18.59 million in Fiscal 2021 to ₹ 29.86 million in Fiscal 2022. The increase in depreciation and amortisation expenses was primarily on account of increase in assets due to setting up of a new fabrication facility in February 2022 at Jajpur, Odisha.

Other expenses

Other expenses increased by ₹ 112.04 million or 42.41%% from ₹ 264.21 million in Fiscal 2021 to ₹ 376.25 million in Fiscal 2022. The increase in other expenses was primarily a result of .

- an increase in travelling and conveyance by ₹ 11.93 million or 76.82% from ₹ 15.53 million for Fiscal 2021 to ₹ 27.46 million for Fiscal 2022;
- an increase in rent by ₹ 24.20 million or (184.87)% from ₹ 13.09 million for Fiscal 2021 to ₹ 37.29 million for Fiscal 2022;
- an increase in commission charges by ₹ 85.44 million or 273.41% from ₹ 31.25 million for Fiscal 2021 to ₹ 116.69 million for Fiscal 2022; and
- an increase in provision for bad debts by ₹ 14.11 million or 638.46% from ₹ 2.21 million for Fiscal 2021 to ₹ 16.32 million for Fiscal 2022

The above increases were partially offset by:

- an decrease in legal, professional and consultancy charges by ₹ (18.78) million or (13.40)% from ₹ 140.17 million for Fiscal 2021 to ₹ 121.39 million for Fiscal 2022;
- an decrease in other expenses by ₹ 18.85 million or 41.73% from ₹ 45.17 million for Fiscal 2021 to ₹ 26.32 million for Fiscal 2022; and

Profit before tax

As a result of the foregoing, our profit before tax increased by ₹ 250.22 million or 109.73% from ₹ 228.04 million in Fiscal 2021 to ₹ 478.26 million in Fiscal 2022.

Tax expense

Current tax expenses increased by ₹ 69.00 million or 116.14% from ₹ 59.41 million in Fiscal 2021 to ₹ 128.41 million in Fiscal 2022. Deferred tax expenses decreased by ₹(13.90) million or (354.59)% from ₹ 3.92 million in Fiscal 2021 to ₹ (9.98) million in Fiscal 2022.

Profit for the year

For the various reasons discussed above, and following adjustments for tax expense, we recorded an increase in profit after tax by ₹ 195.07 million or 118.40% from ₹ 164.76 million in Fiscal 2021 to ₹ 359.83 million in Fiscal 2022.

Earnings before Interest, Taxes, Depreciation and Amortization ("EBITDA")

Our EBITDA increased by 109.83% or ₹ 285.67 million from ₹ 260.10 million in Fiscal 2021 to ₹ 545.77 million in Fiscal 2022, this was due to increase in our revenue from operations by ₹ 1,586.75 million or 115.21% from ₹ 1,377.21 million in Fiscal 2021 to ₹ 2,963.96 million in Fiscal 2022. However, our EBITDA Margin marginally decreased from 18.89% in Fiscal 2021 to 18.41% in Fiscal 2022. We provide price quotes on estimations of raw material prices at the time of submission of bids. In the event there is an increase in prices of the raw materials, we are not able to pass on the additional cost to our Customers, which led to marginal decrease in our EBITDA Margin.

CASH FLOWS

The following table sets forth certain information relating to our cash flows under Ind AS in Fiscals 2023, 2022 and 2021:

(in ₹ million)

	Fiscal 2023	Fiscal 2022	Fiscal 2021
Net cash generated from operating activities	200.05	335.12	199.64
Net cash (used in) investing activities	(250.19)	(249.30)	(167.38)
Net cash generated from/ (used in) the financing activities	(21.07)	59.27	(3.03)
Net increase/(decrease) in cash and cash equivalents	(71.21)	145.09	29.23
Cash and cash equivalents at the beginning of the year	225.19	80.10	50.87
Cash and cash equivalents at the end of the year	153.93	225.19	80.10

Operating Activities

Fiscal 2023

In Fiscal 2023, net cash flows generated from operating activities was ₹ 200.05 million. Our profit before tax was ₹ 627.11 million, which was adjusted for certain non-cash and non-operating items in a net amount of ₹ 131.52 million resulting in an operating profit before working capital changes of ₹ 758.58 million.

The following key adjustments were made to operating profit before working capital changes to arrive at cash flow from operating activities:

- an increase in the inventories of ₹ 196.16 million was due to an increase in cost of goods used by ₹ 475.21 million or 51.08% from ₹ 930.37 million in Fiscal 2022 to ₹ 1,405.58 million in Fiscal 2023, the increase in cost of goods used was due to surge in steel prices in Fiscal 2023;

- an increase in the non-current assets and current assets of ₹ 319.86 million was primarily on account of increase in advance paid to the vendors by 43.98% or ₹ 77.59 million from ₹ 176.42 million in Fiscal 2023 to ₹ 254.01 million in Fiscal 2023. This increase was due to our Order Book value increasing by ₹ 3,998.81 million or 278.52% from ₹ 1,435.76 million as on March 31, 2021 to ₹ 5,434.57 million as on March 31, 2022. Further, there was an increase in other assets by 316.61% or ₹ 163.78 million from ₹ 51.73 million in Fiscal 2022 to ₹ 215.51 million in Fiscal 2023;

- an increase in the borrowings of ₹ 272.27 million was primarily due to an increase in working capital limits by 860.82% or ₹ 270.04 million from ₹ 31.37 million in Fiscal 2022 to ₹ 301.41 million in Fiscal 2023. This increase was due to increase in the working capital requirement of our Company by 446.96% or ₹ 1,091.89 million from ₹ 244.29 million in Fiscal 2022 to ₹ 1,336.18 million in Fiscal 2023; and

- a decrease in the other current liabilities of ₹ 114.85 million was primarily due to a decrease in the advanced received from the Customers by (49.28)% or ₹(490.43) million from ₹ 995.17 million in Fiscal 2022 to ₹ 504.74 million in Fiscal 2023

We paid a direct tax of ₹ 150.20 million. The cash generated from our operations decreased from ₹ 453.63 million in Fiscal 2022 to ₹ 350.25 million in Fiscal 2023.

Fiscal 2022

In Fiscal 2022, net cash flows generated from operating activities was ₹ 335.12 million. Our profit before tax was ₹ 478.26 million, which was adjusted for certain non-cash and non-operating items in a net amount of ₹ 78.61 million resulting in an operating profit before working capital changes of ₹ 556.87 million.

The following key adjustments were made to operating profit before working capital changes to arrive at cash flow from operating activities:

- an increase in the trade receivables of ₹ 601.32 million was due to an increase in the trade receivables from JNK Heaters by 275.42% or ₹ 731.91 million from ₹ 265.74 million in Fiscal 2021 to ₹ 997.65 million in Fiscal 2022. This increase was primarily due to an increase in the revenue from JNK Heaters by 191.47% or ₹ 1,437.96 million from ₹ 751.00 million in Fiscal 2021 to ₹ 2,188.96 million in Fiscal 2022. Further, there was an increase in our Order Book value for JNK Heaters by 299.48% or ₹ 3,145.66 million from ₹ 1,050.39 million as of March 31, 2021 to ₹ 4,196.05 million as of March 31, 2022;

- an increase in the inventories of ₹ 572.61 million was due to an increase in cost of goods used by ₹ 675.77 million or 265.42% from ₹ 254.60 million in Fiscal 2021 to ₹ 930.37 million in Fiscal 2022, the increase in cost of goods used was due to surge in steel prices in Fiscal 2022 and increase in cost of material imported. There was an increase in the import of the raw materials by ₹ 301.03 million or 2,535.80% from ₹ 11.87 million in Fiscal 20221 to ₹ 312.90 million in Fiscal 2022;

- an increase in the trade payables of ₹ 208.03 million was primarily due to an increase in the total outstanding dues of micro enterprises and small enterprises by 644.90% or ₹ 106.28 million from ₹ 16.48 million in Fiscal 2021 to ₹ 122.76 million in Fiscal 2022; and

- an increase in the other current liabilities of ₹ 872.70 million was primarily due to an increase in the advanced received from the Customers by 503.43% or ₹ 830.25 million from ₹ 164.92 million in Fiscal 2021 to ₹ 995.17 million in Fiscal 2022

We paid a direct tax of ₹ 118.51 million. The cash generated from our operations increased from ₹ 249.29 million in Fiscal 2021 to ₹ 453.63 million in Fiscal 2022.

Fiscal 2021

In Fiscal 2021, net cash flows generated from operating activities was ₹ 199.64 million. Our profit before tax was ₹ 228.09 million, which was adjusted for certain non-cash and non-operating items in a net amount of ₹ 63.73 million resulting in an operating profit before working capital changes of ₹ 291.82 million.

The following key adjustments were made to operating profit before working capital changes to arrive at cash flow from operating activities:

- an increase in the trade receivables of ₹ 364.79 million was due to trade receivables from JNK Heaters amounting to ₹ 265.74 million. These trade receivables are in relation to the projects being executed for JNK Heaters. Our revenue from JNK Heaters was ₹ 751.00 million and the Order Book values with respect to JNK Heaters as on March 31, 2021 was ₹ 1,050.39 million;

- an increase in the non-current assets and current assets of ₹ 292.38 million was primarily on account of advance paid to the vendors amounting to ₹ 165.19 million. These advances were to execute the projects for Fiscal 2021, our revenue from operation in Fiscal 2021 was ₹ 1,377.21 million and our Order Book value as on March 31, 2021 was ₹ 1,435.76 million;

- an increase in the trade payables of ₹ 174.66 million was primarily due to total outstanding dues of creditors other than micro enterprises and small enterprises which accounted for ₹ 232.99 million; and

- an increase in the other current liabilities of ₹ 350.60 million was primarily due to advanced received from the Customers for ₹ 164.92 million and statutory dues for ₹ 114.57 million.

We paid a direct tax of ₹ 49.65 million. The cash generated from our operations in Fiscal 2021 was ₹ 249.29 million.

Investing Activities

Fiscal 2023

Net cash used in investing activities was ₹ 250.19 million in Fiscal 2023, which primarily consisted of ₹ 72.04 million on purchase of property, plant and equipment, since our fabrication plant at Jajpur became operational in Fiscal 2023. Further, the investing activities consisted of ₹ 2.68 million for purchase of intangible assets and ₹ 293.87 million used for investment in fixed deposits. This amount was partly offset by ₹ 7.81 million received pursuant to interest on deposits and ₹ 110.59 million received from sale of investments.

Fiscal 2022

Net cash used in investing activities was ₹ 249.30 million in Fiscal 2022, which primarily consisted of ₹ 190.95 million on purchase of property, plant and equipment, ₹ 5.28 million for purchase of intangible assets and ₹ 110.59 million for investments in mutual funds. This amount was partly offset by ₹ 6.12 million received pursuant to interest on deposits and ₹ 51.40 million received from maturity of fixed deposits.

Fiscal 2021

Net cash used in investing activities was ₹ 167.38 million in Fiscal 2021, which primarily consisted of ₹ 40.07 million on purchase of property, plant and equipment, which was primarily for setting up of a new fabrication facility in April 2021 at multi-product special economic zone at Mundra, Gujarat, ₹ 0.06 million for purchase of intangible assets and ₹ 132.07 million used for investment in fixed deposits. This amount was partly offset by ₹ 4.82 million received pursuant to interest on deposits.

Financing Activities

Fiscal 2023

Net cash used in financing activities in Fiscal 2023 was ₹ (21.07) million. This primarily resulted from addition of long term borrowings of ₹ 5.47 million, increase in lease liabilities of ₹ 13.24 million, payment of finance charges of ₹ 25.38 million and payment of dividend of ₹ 14.40 million.

Fiscal 2022

Net cash used in financing activities in Fiscal 2023 was ₹ 59.27 million. This primarily resulted from addition of long term borrowings of ₹ 24.39 million, increase in lease liabilities of ₹ 57.35 million, payment of finance charges of ₹ 16.47 million and payment of dividend of ₹ 6.00 million.

Fiscal 2021

Net cash used in financing activities in Fiscal 2021 was ₹ (3.03) million. This primarily resulted from repayment of long term borrowings of ₹ 1.35 million, payment of finance charges of ₹ 13.48 million, payment of dividend of ₹ 6.00 million and increase in lease liabilities of ₹17.80 million.

LIQUIDITY AND CAPITAL RESOURCES

We fund our operations primarily with cash flow from operating activities. Our main uses of funds from operating activities have been to pay for our working capital requirements and capital expenditure. We evaluate our funding requirements regularly in light of our cash flow from our operating activities and market conditions. To the extent we do not generate sufficient cash flow from operating activities, we may rely on other debt or equity financing activities, subject to market conditions.

Our Company had cash and cash equivalents of ₹ 153.93 million as of March 31, 2023, ₹ 225.19 million as of March 31, 2022 and ₹ 80.10 million as of March 31, 2021. As of March 31, 2023, we had total non-current borrowings of ₹ 32.39 million.

CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities

As of March 31, 2023, our contingent liabilities that had not been provided for were as follows:

(in ₹ million)

Particulars	As of March 31, 2023 (in ₹ million)
Contingent liabilities	
Income tax (assessment year 2020 -2021)	0.28
Income tax (assessment year 2013-2014)	2.00
Total	**2.28**

Commitments

The following table presents the details of our commitments (net of advanced) as of March 31, 2023:

Particulars	As of March 31, 2023 (in ₹ million)
Provision for tax payable (net of advance tax, TDS and TCS)	62.17
Total	**62.17**

For further information on our contingent liabilities and commitments, see "***Financial Statements***" on page 221.

Capital expenditures

Our historical capital expenditures were, and we expect our future capital expenditures to be, primarily for investments in freehold land, plant and equipment for our fabrication facilities and other intangible assets.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements that have or which we believe reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenue or expenses, operating results, liquidity, capital expenditure or capital resources.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business and in accordance with applicable laws, including rent expenses, managerial remuneration and professional fee expenses. For further information relating to our related party transactions, see "***Restated Consolidated Financial Information – Note 33 – B – Related Party Transaction***" on page 266.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of loss related to adverse changes in market prices, including interest rates and foreign exchange rates, of financial instruments. In the normal course of business, we are exposed to certain market risks including credit risk, liquidity risk and foreign exchange risk.

Credit risk

Credit risk is the risk of financial loss to our Company if a Customer or counter party to a financial instrument fails to meet its contractual obligations. Our Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks and other financial instruments. Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed upon.

Liquidity risk

For our Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables and other financial liabilities. Our Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring losses or risking damage to our Company's reputation. Our Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. It maintains adequate sources of financing including loans, debt and other borrowings.

Foreign exchange rate risk

Changes in currency exchange rates influence our results of operations. Our Company has entered into contracts wherein the revenue is receivable in foreign currency. These are not hedged.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in our accounting policies during Fiscals 2023, 2022 and 2021.

SIGNIFICANT ECONOMIC CHANGES

Other than as described in this section and in "***Risk Factors***", "***Industry Overview***" and "***Our Business***" on pages 28, 111 and 151, respectively, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

KNOWN TRENDS OR UNCERTAINTIES

Other than as described in this Draft Red Herring Prospectus, particularly in the sections "***Risk Factors***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 28 and 285, respectively, to our knowledge, there are no known trends or uncertainties that have had or are expected to have a material adverse impact on our sales, revenues or income from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND REVENUE

Other than as described in "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 28, 151 and 285, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

TOTAL TURNOVER OF EACH MAJOR INDUSTRY SEGMENT

We operate in only a single reportable segment "fired heaters and related products" and there are no other reportable segments. For further information, see '***Financial Information***' on page 221.

NEW PRODUCTS OR BUSINESS SEGMENTS

Other than as disclosed in this chapter and in "***Our Business***" on page 151, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

COMPETITIVE CONDITIONS

We operate in a competitive environment. See "***Our Business – Competition***" on page 176, "***Industry Overview***" on page 111 and "***Risk Factors***" on page 28 for further details on competitive conditions that we face across our various business categories.

SEASONALITY OF BUSINESS

Our products and solutions around it are custom built and involve detailed engineering and therefore have a long lead time (up to 24 months). Typically, in our contracts there are milestone payments linked to certain specific performance (such as dispatch of material) and our revenue is accounted only upon completion of such milestones. Further, the variability in revenues is also a result of the number and timing of order wins during the year and the timing of execution of the existing orders. Hence, although there is no such seasonality in our business, we typically see variability in our revenues across the quarters in a particular fiscal.

SIGNIFICANT DEPENDENCE ON CUSTOMERS AND SUPPLIERS

Our business is not dependent on third party suppliers. However, we derive a significant portion of our revenue from operations from Contracting Customers. For further information on our dependence on Contracting Customers, see "***Risk Factors – We derive a significant portion of our revenue from orders which are contracted to us by Contracting Customers, any failure to obtain new contracts may impact our revenue from operations, cash flows and financial conditions materially and adversely***" on page 29.

MATERIAL DEVELOPMENTS SUBSEQUENT TO MARCH 31, 2023

Except as stated above and elsewhere in this Draft Red Herring Prospectus, no developments have come to our attention since the date of the Restated Consolidated Financial Information as disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to materially and adversely affect our operations or trading or profitability, or the value of our assets or our ability to pay our liabilities within the next twelve months.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, as on the date of this Draft Red Herring Prospectus, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities; (iii) claims related to direct and indirect taxes in a consolidated manner; or (iv) other pending litigation as determined to be material by our Board pursuant to the Materiality Policy, in accordance with the SEBI ICDR Regulations, in each case involving our Company, our Promoters, our Directors and our Subsidiaries ("**Relevant Parties**"). Further, there are no disciplinary actions including penalties imposed by SEBI or stock exchanges against our Promoters in the last five Fiscals, including any outstanding action.*

For the purpose of point (iv) above, our Board in its meeting held on July 27, 2023 has considered and adopted the Materiality Policy for identification of material outstanding litigation involving the Relevant Parties. In terms of the Materiality Policy, any pending civil litigation/ arbitration proceedings (other than litigations mentioned in points (i) to (iii) above) involving the Relevant Parties, shall be considered 'material' for the purposes of disclosures in this Draft Red Herring Prospectus, where:

a) *the aggregate monetary amount of claim involved, to the extent quantifiable, is in excess of, 1 % of the revenue from operations of our Company on a consolidated basis for the most recent completed financial year i.e. ₹ 40.73* million, *as per the Restated Consolidated Financial Information of our Company included in this Draft Red Herring Prospectus;*

b) *where the monetary impact is not quantifiable or lower than the threshold set out under (a) above, but the outcome in any such litigation would materially and adversely affect the Company's business prospects, operations, performance, financial position, or reputation; and*

c) *where the decision in one case is likely to affect the decision in similar matters, even though the amount involved in an individual matter may not exceed the threshold as specified in (a) above.*

Pre-litigation notices received by the Relevant Parties from third parties (excluding governmental/ statutory/ regulatory/taxation authorities or notices threatening criminal action) shall, unless otherwise decided by the Board, not be considered as litigation until such time that Relevant Parties are impleaded as defendants in proceedings initiated before any court, tribunal or governmental authority or is notified by any governmental, statutory or regulatory authority of any such proceedings that may be commenced.

There are no outstanding litigation involving our Group Companies, the adverse outcome of which may have a material impact on our Company.

*For identification of material creditors, a creditor of the Company shall be considered to be material for the purpose of disclosure in this Draft Red Herring Prospectus as per the Materiality Policy, if amounts due to such creditor is equal to or exceeds 5% of the consolidated trade payables of the Company for the latest financial period for which Restated Consolidated Financial Information is disclosed in this Draft Red Herring Prospectus. Accordingly, a creditor has been considered 'material' by our Company if the amount due to such creditor exceeds ₹ 19.88 million ("**Material Creditor**").*

I. Litigation involving our Company

A. Litigation filed against our Company

i. *Criminal proceedings*

Nil

ii. *Actions by regulatory and statutory authorities*

a. Our Company received an intimation dated July 28, 2022 from the Micro and Small Enterprises Facilitation Council of West Bengal (the "**Council**") in relation to an application filed by Debabrata Ghosh of M/s N C Basu & Co ("**Petitioner**") before the Council, against our Company, under the provisions of Section 18(1) for delayed payments to MSE under the Micro, Small and Medium

Enterprises Development Act, 2006. The Petitioner mentioned that he had supplied the goods/services rendered to our Company as per the work order/agreement NSC/AS-011/20-21 dated February 23, 2021, for which he had generated invoices dated July 2, 2021 and August 19, 2021 for an amount of ₹ 0.49 million to our Company. The Petitioner has claimed that the said amount is due for payment by our Company. The council advised our Company to pay the due amount failing which the case will be registered by the Council. Our Company *vide* its response dated August 22, 2022 denied the claim and informed the Council that it had never entered into any type of work order/agreement with the Petitioner and the contract was with Neo Structo Construction Private Limited ("**Neo**") and the above-mentioned invoices was raised by the Petitioner for Neo. Further, our Company stated that the input credit against the invoices above-mentioned were not appearing in our Company's GST portal. The hearing in the matter was held on June 30, 2023. The matter is currently pending.

iii. *Other pending litigations*

Nil

B. Litigation filed by our Company

i. *Criminal proceedings*

a. A complaint dated September 29, 2018 was filed before the Court of the Judicial Magistrate First Class, Thane against M/s Karismaa Foundations Private Limited ("**KFPL**") by our Company. Our Company had placed a work order bearing a purchase order no. JNKI-016-WO-093 dated May 23, 2018, with KFPL for its client, Indian Oil Corporation Limited ("**IOCL**") on contractual basis for one month for the supply of 350 MT hydraulic crane with JIB for its project IOCL BS IV HDS Fired Heaters located at IOCL Barauni Refinery, Begusarai, Bihar – 851 114, India. The price finalized for the scope of work was of ₹ 2.80 million. Accordingly, KFPL issued a proforma invoice dated May 23, 2018, for the total amount of ₹ 1.12 million (25% advance of the hire charges and 50% advance of the mobilization charges) and ₹ 1.10 million (deducting TDS) was released by our Company in favour of KFPL. In order to provide security and assurance to our Company, KFPL issued cheque bearing no. 001070 for ₹ 0.53 million dated May 23, 2018, and cheque bearing no. 001071 for ₹ 0.59 million dated May 23, 2018, in favour of our Company. However, due to delay in delivery of the said crane leading to non-fulfillment of the work order, our Company requested to refund the advance *vide* email dated June 15, 2018. Due to non-refund of the advance, our Company deposited the given cheques which were returned dishonored *vide* cheque return memo dated July 20, 2018. Thereafter, our Company issued a legal notice dated August 14, 2018, under Section 138 of Negotiable Instrument Act, 1881 against KFPL and its director. The summons dated April 5, 2023 and April 6, 2023 were issued to KFPL to appear before the 4th Judicial Magistrate, First Class, Thane. The counsel consulted in the matter apprised the Company that the said summons could not be delivered to KFPL as their address has changed and therefore the matter could not be proceeded with unless the present address of KFPL was provided to the court. The matter is currently pending.

b. A first information report dated June 13, 2023, was filed by our Company, at the police station at Byree, District Jajpur, Odisha under sections 379 of the Indian Penal Code, 1860 in relation to theft of iron pipes committed at our Company's facility on June 8, 2023. The value of the theft is ₹ 0.08 million. The matter is currently pending.

ii. *Other pending litigations*

Nil

II. Litigation involving our Subsidiaries

A. Litigation filed against our Subsidiaries

i. *Criminal proceedings*

Nil

ii. *Actions by regulatory and statutory authorities*

Nil

iii. *Other pending litigations*

Nil

B. Litigation filed by our Subsidiaries

i. *Criminal proceedings*

Nil

ii. *Other pending litigations*

Nil

III. Litigation involving our Directors

A. Litigation filed against our Directors

i. *Criminal proceedings*

Nil

ii. *Actions by regulatory and statutory authorities*

Nil

iii. *Other pending litigations*

Nil

B. Litigation filed by our Directors

i. *Criminal proceedings*

Nil

ii. *Other pending litigations*

Nil

IV. Litigation involving our Promoters

A. Litigation filed against our Promoters

i. *Criminal proceedings*

Nil

ii. *Actions by regulatory and statutory authorities*

Nil

iii. *Other pending litigations*

Nil

iv. *Disciplinary actions including penalty imposed by the SEBI or Stock Exchanges against our Promoters in the last five Fiscals*

Nil

B. Litigation filed by our Promoters

i. Criminal proceedings

Nil

ii. Other pending litigations

Nil

V. Tax Proceedings involving our Company, Subsidiaries, Promoters and Directors

Details of outstanding tax proceedings involving our Company, Subsidiaries, Promoters and Directors as of the date of this Draft Red Herring Prospectus are disclosed below:

Nature of Proceedings	Number of Proceedings	Amount involved*# (in ₹ million)
Direct Tax		
Company	2	2.28[1]
Promoters**	3	0.76[2]
Directors	3	0.76[2]
Subsidiaries	Nil	Nil
Sub-total (A)	5	3.04
Indirect Tax		
Company	Nil	Nil
Promoters	Nil	Nil
Directors	Nil	Nil
Subsidiaries	Nil	Nil
Sub-total (B)	Nil	Nil
Total (A+B)	5	3.04

**Such amount excludes penalty in relation to such tax proceedings*
#To the extent quantifiable
***This includes tax proceedings against our Promoter and Director, Arvind Kamath, and hence not factored while totaling to avoid duplication.*
[1]Demand notice for financial years 2012-2013 and 2019-2020.
[2]Demand notice for financial years 2016-2017, 2018-2019 and 2021-2022.

VI. Litigation involving our Group Companies

As on the date of this Draft Red Herring Prospectus, there are no pending litigation proceedings involving our Group Company which will have a material impact on our Company.

Outstanding dues to creditors

In terms of the Materiality Policy, the creditors to whom the amount due by our Company exceeds 5% of the consolidated trade payables (i.e., 5% of ₹ 397.57 million which is ₹ 19.88 million) of our Company as on March 31, 2023 as provided in the Restated Consolidated Financial Information have been considered as material creditors of our Company for the purposes of disclosure in this Draft Red Herring Prospectus. Details of outstanding dues owed to material creditors, MSME creditors and other creditors of our Company based on such determination, as on March 31, 2023, are disclosed below:

Particulars*	Number of Creditors	Amount (in ₹ million)
Dues to Micro, Small and Medium Enterprises (the "**Small-scale undertaking**")	42	45.74
Material Creditors	3	241.15
Other creditors	153	110.68
Total consolidated dues	**198**	**397.57**

**Based on the certificate dated August 17, 2023, from the Statutory Auditor.*

The details pertaining to outstanding dues to the material creditors, along with names and amounts involved for each such material creditor are available on the website of our Company at www.jnkindia.com/material-documents.html.

It is clarified that such details available on our Company's website do not form a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company's website, www.jnkindia.com would be doing so at their own risk.

VII. Material Developments since the last balance sheet date

Except as disclosed in "***Management's Discussion and Analysis of Financial Condition and Results of Operations - Material Developments Subsequent to March 31, 2023***" on page 320, there have been no material developments, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, which materially and adversely affect, or are likely to affect, our operations or our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

*Our business activities and operations require various approvals issued by relevant central and state authorities under various rules and regulations. We have set out below an indicative list of all material approvals obtained by our Company, as applicable, for the purposes of undertaking our business activities and operations ("**Material Approvals**"). In view of such material approvals, our Company can undertake the Offer and its current business activities. Unless otherwise stated, these material approvals are valid as of the date of this Draft Red Herring Prospectus, and in case of licenses and approvals which have expired, we have either made an application for renewal, or are in the process of making an application for renewal.*

*For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see '**Risk Factors – We are subject to various laws and regulations, including environmental and health and safety laws and regulations. If we fail to obtain, maintain or renew the licenses, permits and approvals required to operate our business, or fail to comply with applicable laws, our business, results of operations and financial condition may be adversely affected.**' on page 43. For further details in connection with the regulatory and legal framework within which we operate, see '**Key Industry Regulations and Policies in India**' on page 177.*

I. General details

Incorporation details of our Company

For details of the incorporation details of our Company, see "***History and Certain Corporate Matters***" on page 180.

Offer related approvals

For details of corporate and other approvals obtained in relation to the Offer, see '***The Offer***' and '***Other Regulatory and Statutory Disclosures***' on pages 60 and 329, respectively.

Tax related approvals

(i) The permanent account number of our Company is AACCJ3799A.

(ii) The tax deduction account number of our Company is PNEJ07401C.

(iii) GST registrations for payments under various central and state goods and services tax legislations.

(iv) Letter of approval for operations in SEZ issued by the Office of Development Commissioner, Ministry of Commerce and Industry for our manufacturing unit at Adani Port & SEZ, Mundra, Kutch, Gujarat.

(v) Certificate of Registration obtained by Department of Sales Tax (Profession Tax), Government of Maharashtra under Maharashtra State Tax on Professions, Trade, Callings and Employments Act, 1975. The registration certificate number of our Company is 27075227288P.

Labour and Employee related approvals

(i) Under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 as amended, our Company has been allotted code number 204634.

(ii) Under the provisions of the Employees State Insurance Act, 1948, as amended, our Company has been allotted code number 34000306220000999

(iii) Under the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, as amended, our Company has obtained registration certificate number KTC/2021/CLRA/50 and JAJ/R&A/2022/008811 for our facilities at Mundra, Gujarat and Jajpur, Odisha, respectively.

(iv) Under the provisions of the Gujarat Building and Other Construction Welfare Board (Regulation of Employment and Conditions of Service) Rules, 2003, our Company has ensured that every qualified building worker working on the site are registered as "Beneficiary" of the Gujarat Building and Other Construction Workers Welfare Board, Ahmedabad.

(v) Under the provisions of the Inter-state Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and rules made thereunder, our Company has obtained registration certificate number KTC/2022/IMW/47.

Importer-Exporter Code

(i) Certificate of Importer Exporter Code ("**IEC**"), granting the IEC number 0310074908, issued by the Directorate General of Foreign Trade, Office of the Additional Director General of Foreign Trade, Ministry of Commerce and Industry.

II. Material Approvals obtained by our Company

We require various approvals, licenses and registrations under several central or state-level acts, rules and regulations to carry on our business activities and operations in India. We have obtained the following Material Approvals.

(i) Under the provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017, as amended, our Company has been issued registration certificate no. 2310200317884994.

(ii) Fire prevention and life safety measures certificate issued by the license agency for execution of the fire prevention and life safety measures in relation to fire fighting and sprinkler system and detection and fire suppression system for our Registered and Corporate Office and other office premises.

(iii) Under the provisions of the Factories Act, 1948 and rules made thereunder, our Company has obtained registration for our facility at Mundra, Gujarat. Such license is subject to periodic renewal.

(iv) Under the provisions of the Water (Prevention & Control of Pollution) Act, 1974, Air (Prevention & Control of Pollution) Act, 1981 and under the Hazardous & Other Wastes (Management & Transboundary Movement) Rules 2016, from the Gujarat Pollution Control Board, as amended, our Company has been granted the consent to establish pursuant to letter no. GPCB/CCA-KUTCH-1867 ID-83244/ and consolidated consent and authorisation pursuant to provisional consent order no. AW-59629.

III. Material Approvals to be obtained by our Company

Material Approvals or renewals applied for but not received

Nil

Material Approvals expired and not applied for renewal

Nil

Material Approvals required but not applied for or obtained

Nil

Further, pursuant to the conversion of our Company to a public limited company and the consequent change in the name of our Company, as mentioned in "***History and Certain Corporate Matters***" on page 180, we have/are in the process of filing certain applications / intimations for issuance of fresh approvals or to take on record the change of name in various licenses obtained from regulatory or statutory authorities under the applicable laws, as applicable. For risks associated with material approvals or renewals for which applications have not been made or are currently pending before relevant authorities, see "***Risk Factors - We are subject to various laws and regulations, including environmental and health and safety laws and regulations. If we fail to obtain, maintain or renew the licenses, permits and approvals required to operate our business, or fail to comply with applicable laws, our business, results of operations and financial condition may be adversely affected***" on page 43.

IV. Intellectual Property

As on the date of the Draft Red Herring Prospectus, our Company has no trademark or patent registered. For further details, see "***Our Business– Intellectual Property***" and "***Risk Factors – We do not have any trademark***

or logo registered in our name. We use the logo and trademark of one of our Corporate Promoters, JNK Heaters, pursuant to the Co-operation Agreement dated May 17, 2023 and consent letter dated July 20, 2023. Any default in the contractual obligations or termination of the Co-operation Agreement or revocation of the consent would prohibit us from using the trademark and logo and may have an adverse impact on our business." on pages 175 and 32, respectively.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

- Our Board has authorised the Offer by way of its resolution dated June 9, 2023 and our Shareholders have approved the Fresh Issue pursuant to a special resolution passed on July 27, 2023. Further, our Board has taken on record the consent of the Selling Shareholders to participate in the Offer for Sale pursuant to a resolution passed at its meeting held on August 22, 2023.

- Our Board pursuant to their resolutions dated August 22, 2023, have approved this Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges.

Approvals from the Selling Shareholders

Each of the Selling Shareholders have, severally and not jointly, confirmed their participation in the Offer for Sale, as set out below:

S. No.	Name of the Selling Shareholder	Date of consent letter	Date of board resolution/ corporate authorization	Maximum number of Offered Shares
1.	Goutam Rampelli	August 16, 2023	N.A.	1,007,169
2.	Dipak Kacharulal Bharuka	August 16, 2023	N.A.	867,284
3.	Milind Joshi	August 16, 2023	N.A	419,653
4.	Mascot Capital	August 16, 2023	August 7, 2023	3,944,746
5.	JNK Heaters	August 16, 2023	July 25, 2023	2,182,200
	Total			**Up to 8,421,052**

Each of the Selling Shareholders, severally and not jointly, confirm that it is in compliance with Regulation 8 of the SEBI ICDR Regulations, and it has held its respective portion of the Offered Shares for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus and, to the extent that the Equity Shares being offered by such Selling Shareholder in the Offer have not been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus where such Equity Shares have resulted from a bonus issue, such bonus issue has been on Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus. Further, in this regard, our Company confirms that such bonus issue was not and shall not be undertaken by capitalizing or by utilization of revaluation reserves or unrealized profits of the Company.

In-principle Listing Approvals

Our Company has received in-principle approvals from the BSE and the NSE for the listing of our Equity Shares pursuant to their letters dated [●] and [●], respectively.

Prohibition by the SEBI, the RBI or Governmental Authorities

Our Company, our Promoters (the person in control of our Company), members of our Promoter Group, Directors and the persons in control of our Promoters are not prohibited from accessing or operating in the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Each of the Selling Shareholders severally and not jointly confirm, with respect to themselves, that none of them are prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, members of our Promoter Group and each of the Selling Shareholders, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Draft Red Herring Prospectus.

Directors associated with securities market

None of the Directors are associated with the securities market. Further, there are no outstanding actions initiated by SEBI against any of our Directors, in the five years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible to undertake the Offer in accordance with the eligibility criteria provided in Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- our Company has net tangible assets of at least ₹ 30.00 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;
- our Company has an average operating profit of at least ₹ 150.00 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- our Company has a net worth of at least ₹ 10.00 million in each of the three preceding full years (of 12 months each), calculated on a restated and consolidated basis; and
- there has been no change of name of our Company at any time during the one year immediately preceding the date of filing of this Draft Red Herring Prospectus, other than the deletion of the word "Private" from the name of our Company pursuant to conversion to a public limited company. Our Company has not undertaken any new activity pursuant to such change in name.

Set forth below are our Company's net tangible assets, monetary assets as a percentage of our net tangible assets, operating profit and net worth, derived from our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus.

(*₹ in million, unless otherwise stated*)

	Financial Year ended as on		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Restated net tangible assets	1,147.08	657.20	370.86
Restated monetary assets	471.81	257.09	272.32
% of monetary assets to net tangible assets	41.13	39.12	73.43*
Restated operating profit	626.80	508.51	234.24
Average restated operating profit		456.52	
Net worth	1,221.70	721.80	368.17

**Excess monetary assets in Fiscal 2021 were utilized towards business purposes.*

Notes:

i) Financial information for the Company is derived from the Restated Consolidated Financial Information.

ii) Net tangible assets = Total assets excluding intangible assets, right of use assets and deferred tax assets (net) less current and non-current liabilities excluding lease liabilities and deferred tax liabilities (net).

iii) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and 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, as applicable.

iv) Restated operating profit = Profit before tax + Finance Costs – Other income.

v) Restated monetary assets = Cash & Cash Equivalents + Bank Balances other than cash and cash equivalent.

Our Company had operating profits in each of the Fiscals 2023, 2022 and 2021 in terms of our Restated Consolidated Financial Information and an average restated operating profit for Fiscal 2023, 2022 and 2021 is ₹ 456.52 million.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money will be refunded forthwith.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the following conditions specified in Regulation 5 of the SEBI ICDR Regulations:

- our Company, the Selling Shareholders, our Promoter, the members of our Promoter Group*****, and our Directors are not debarred from accessing the capital market by SEBI;

- neither our Promoters nor any of our Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI;

- none of our Company, our Promoters or our Directors have been declared as a Wilful Defaulter or a Fraudulent Borrower;

- neither our Promoters nor any of our Directors are Fugitive Economic Offenders; and

- as on the date of this Draft Red Herring Prospectus, except for ESOP 2022, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares.

**** Our Company had filed an exemption application dated April 27, 2023 under Regulation 300 (1) (c) of the SEBI ICDR Regulations seeking an exemption from identifying and disclosing the following as members of the Promoter Group: (i) Prajwal Kamath (wife and immediate relative of Arvind Kamath who is one of our Promoters); (ii) Tanishk Kamath (i.e., son of Prajwal Kamath and Arvind Kamath); (iii) certain relatives of Prajwal Kamath, in this case being Harini Sharma (mother of Prajwal Kamath) and Ranjit Sharma (brother of Prajwal Kamath); (iv) any body corporate in which 20% or more of the equity share capital is held by Prajwal Kamath or Tanishk Kamath or by Harini Sharma or Ranjit Sharma or a firm or any Hindu Undivided Family where Prajwal Kamath or Tanishk Kamath or Harini Sharma or Ranjit Sharma may be a member; and (v) any body corporate in which any body corporate mentioned under (iv) above holds 20% or more of the equity share capital, in accordance with the SEBI ICDR Regulations. SEBI pursuant to its letter dated June 22, 2023, has directed our Company to include Prajwal Kamath, Tanishk Kamath, Harini Sharma, Ranjit Sharma and their connected entities (as explained under (iv) and (v) above) in this case being Mascot International and Power Rubber Industries Private Limited, as part of the Promoter Group of our Promoter, Arvind Kamath and include applicable disclosures based on the information as available in the public domain. See "**Risk Factors – The immediate relatives of one of our Promoters, who are deemed to be a part of the Promoter Group under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 have not provided consent, information or any confirmations or undertakings pertaining to themselves which are required to be disclosed in relation to a member of the Promoter Group in this Draft Red Herring Prospectus**." beginning on page 47.*

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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING IIFL SECURITIES LIMITED AND ICICI SECURITIES LIMITED, HAVE 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, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, BEING IIFL SECURITIES LIMITED AND ICICI SECURITIES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 22, 2023, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(FORM A) OF THE SECURITIES AND EXCHANGE

BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, AS AMENDED OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, our Directors, the Selling Shareholders and the BRLMs

Our Company, our Directors, the Selling Shareholders and the BRLMs 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, https://jnkindia.com/ or any website of any Subsidiaries or affiliates of our Company, or of any of the Group Companies or of any of the Selling Shareholders, would be doing so at his or her own risk. It is clarified that none of the Selling Shareholders, nor any of its respective directors, partners, trustees, affiliates, associates and officers, accept and/or undertake any responsibility for any statements made or undertakings provided by any person other than those specifically made or undertaken by such Selling Shareholder in this Draft Red Herring Prospectus in relation to itself and its respective portion of the Offered Shares.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement.

All information shall be made available by our Company, each of the Selling Shareholders (solely to the extent relating to itself and its respective portion of the Offered Shares) and the BRLMs 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 Bidding centres or elsewhere.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, partners, designated partners, trustees, 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 issue, 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, the Selling Shareholders, Underwriters and their respective directors, partners, designated partners, trustees, 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.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their 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, the Selling Shareholders and their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Offer 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, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from RBI), systemically important NBFCs or trusts under applicable trust law and who are authorised under their respective constitutions to hold and invest in equity shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds(subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, NBFC-SIs 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 purchase the Equity Shares.

This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares offered in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares offered in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, India only.

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 this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this 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 this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of any of the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Investors are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in, and in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or 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 in accordance with applicable laws.

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.

Until the expiry of 40 days after the commencement of the Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in the Offer) may violate the registration requirements of the U.S. Securities Act.

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision investor must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved.

Each purchaser of the Equity Shares in the Offer who does not receive a copy of the preliminary offering memorandum for the Offer shall be deemed to:

- Represent and warrant to our Company, the Selling Shareholders, the BRLMs and the Syndicate Member(s) that its Bid did not exceed investment limits or the maximum number of Equity Shares that can be held by it under applicable law.

- Acknowledge that the Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or the laws of any state of the United States and are being offered and sold to it in "offshore transactions" as defined in, and in reliance on, Regulation S.

- Represent and warrant to our Company, the Selling Shareholders, the BRLMs and the Syndicate Member(s) that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares offered in the Offer was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares offered in the Offer was originated.

- Represent and warrant to our Company, the Selling Shareholders, the BRLMs and the Syndicate Member(s) that it did not purchase the Equity Shares offered in the Offer as result of any "directed selling efforts" (as defined in Regulation S).

- Represent and warrant to our Company, the Selling Shareholders, the BRLMs and the Syndicate Member(s) that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares offered in the Offer, it agrees that it will not offer, sell, pledge or otherwise transfer any of the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration requirements under the U.S. Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.

- Agree to indemnify and hold our Company, the Selling Shareholders, the BRLMs and the Syndicate Member(s) harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares purchased in the Offer.

- Represent and warrant to our Company, the Selling Shareholders, the BRLMs and the Syndicate Member(s) that if it acquired any of the Equity Shares offered in the Offer as fiduciary or agent for one or more investor account(s), it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

- Represents and warrant to our Company, the Selling Shareholders, the BRLMs and the Syndicate Member(s) that if it acquired any of the Equity Shares offered in the Offer for one or more managed account(s), that it was authorized in writing by each such managed account to subscribe to the Equity Shares offered in the Offer for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- Acknowledge that our Company, the Selling Shareholders, the BRLMs and the Syndicate Member(s) and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by the BSE to us shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by the NSE to us shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Listing

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on the BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission to deal in and for an official quotation of the Equity Shares being issued and sold in the Offer and [●] is the Designated Stock Exchange, with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within such period as may be prescribed by the SEBI.

Each of the Selling Shareholders, severally and not jointly, confirms that it shall extend reasonable co-operation to the Company, as may be required in relation to their respective Offered Shares, in accordance with applicable law, to facilitate the process of listing the Equity Shares on the Stock Exchanges.

If our Company does not allot Equity Shares pursuant to the Offer within timeline as prescribed by the SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

Each of the Selling Shareholders shall reimburse, severally and not jointly, and only to the extent of the respective portion of their Offered Shares, and as mutually agreed and in accordance with applicable law, any expenses and interest incurred by our Company on behalf of such Selling Shareholders for any delays in making refunds as required under the Companies Act and any other applicable law, provided that such Selling Shareholders shall not be responsible or liable for payment of any expenses or interest, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder in relation to itself or its respective portion of the Offered Shares.

Consents

Consents in writing of: (a) each of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, the legal counsels, the bankers and lenders to our Company, industry report provider, the BRLMs, Statutory Auditor, independent chartered engineer and Registrar to the Offer have been obtained; and (b) the Syndicate Members, Bankers to the Offer/Escrow Bank, Public Offer Account Bank, Sponsor Bank(s) and Refund Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act. Further, such consents have not been withdrawn until the date of this Draft Red Herring Prospectus.

Expert

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

Our Company has received written consent dated August 17, 2023, our Statutory Auditor, 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, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 and in respect of (i) their examination report dated August 1, 2023 on our Restated Consolidated Financial Information; and (ii) their report dated August 17, 2023, on the Statement of Possible Special Tax Benefits in this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has received written consent dated August 1, 2023, from Meman Riyazahmed M, Independent Chartered Engineer, to include his name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and referred to as an "expert", as defined under Section 2(38) of the Companies Act, to the extent and in their capacity as an independent chartered engineer, in relation to the certificate dated August 1, 2023 certifying, *inter alia*, the details in relation to the installed production capacities and capacity utilizations of our in - house fabrication facilities at Mundra, Gujarat and Jajpur, Odisha, respectively.

The above-mentioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues during the last five years

There have been no public issues or any rights issues undertaken by our Company during the five years preceding the date of this Draft Red Herring Prospectus.

Commission or brokerage on previous issues in the last five years

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Capital issues in the preceding three years by our Company, our listed group company, Subsidiaries and associates

Except as disclosed in "***Capital Structure – Notes to Capital Structure***" on page 75, our Company has not made any capital issuances during the three years preceding the date of this Draft Red Herring Prospectus.

As on the date of this Draft Red Herring Prospectus, our Company does not have any listed Subsidiaries or Group Companies or Associates.

Performance *vis-à-vis* Objects – Public/ rights issue of our Company

Our Company has not undertaken any public issues, including any rights issues to the public in the five years preceding the date of this Draft Red Herring Prospectus.

Performance *vis-à-vis* Objects –public/ rights issue of subsidiaries/ listed promoter

As on the date of this Draft Red Herring Prospectus, our Company does not have any listed Subsidiaries on any stock exchange in India or in abroad nor have any of the securities of our Subsidiaries been refused listing during the last ten years by any stock exchange in India or in aboard or failed to meet the listing requirements of any stock exchange in India or aboard. Further, except JNK Heaters, our Promoters do not have securities listed on any stock exchange and none of the Promoters have undertaken any public issues in the five years preceding the date of this Draft Red Herring Prospectus.

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Price Information of past issues handled by the BRLMs

IIFL Securities Limited

1. *Price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscals) handled by IIFL Securities Limited*

Sr. No.	Issue Name	Issue Size (in ₹ million Mn)	Issue Price (₹)	Designated Stock Exchange as disclosed in the Red Herring Prospectus filed	Listing Date	Opening Price on Listing Date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Kaynes Technology India Limited	8,578.20	587.00	NSE	November 22, 2022	778.00	+19.79%,[-0.25%]	+48.24%,[-1.64%]	+102.18%,[-0.22%]
2	Sula Vineyards Limited	9,603.49	357.00	NSE	December 22, 2022	361.00	+18.59%,[-0.55%]	-4.87%,[-5.63%]	+27.87%,[+3.46%]
3	KFin Technologies Limited	15,000.00	366.00	NSE	December 29, 2022	367.00	-13.55%,[-3.22%]	-24.56%,[-6.81%]	-4.48%,[+2.75%]
4	Radiant Cash Management Services Limited	2,566.41	94.00(1)	NSE	January 4, 2023	103.00	+2.55%,[-2.40%]	+2.23%,[-3.57%]	-1.28%,[+6.35%]
5	Avalon Technologies Limited	8,650.00	436.00	NSE	April 18, 2023	436.00	-10.09%,[+2.95%]	+59.45%,[+10.78%]	N.A.
6	Mankind Pharma Limited	43,263.55	1080.00	NSE	May 9, 2023	1,300.00	+37.61%,[+2.52%]	+74.13%,[+6.85%]	N.A.
7	ideaForge Technology Limited	5,672.45	672.00(2)	NSE	July 7, 2023	1,300.00	+64.59%,[+0.96%]	N.A.	N.A.
8	Senco Gold Limited	4,050.00	317.00	NSE	July 14, 2023	430.00	+25.28%,[-0.70%]	N.A.	N.A.
9	Netweb Technologies India Limited	6,310.00	500.00(3)	BSE	July 27, 2023	942.50	N.A.	N.A.	N.A.
10	Yatharth Hospital & Trauma Care Services Limited	6,865.51	300.00	BSE	August 7, 2023	304.00	N.A.	N.A.	N.A.

Source: www.nseindia.com; www.bseindia.com, as applicable

(1) Issue price for anchor investors was ₹ 99 per equity share.

(2) A discount of ₹ 32 per equity share was offered to eligible employees bidding in the employee reservation portion.

(3) A discount of ₹. 25 per equity share was offered to eligible employees bidding in the employee reservation portion.

Note: Benchmark Index taken as NIFTY 50 or S&P BSE SENSEX, as applicable. Price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the issue price in case of the issuer. NA means Not Applicable. The above past price information is only restricted to past 10 initial public offers.

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled IIFL Securities Limited*

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ million)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days 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%
2021-22	17	3,58,549.95	-	-	5	-	4	8	-	6	4	3	1	3
2022-23	12	106,650.92	-	-	4	-	4	4	-	-	3	1	4	4

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ million)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days 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%
2023-24	6	74,811.51	-	-	1	1	2	-	-	-	-	-	-	-

Source: www.nseindia.com; www.bseindia.com, as applicable
Note: Data for number of IPOs trading at premium/discount taken at closing price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.
NA means Not Applicable.

ICICI Securities Limited

1. *Price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscals) handled by ICICI Securities Limited.*

Sr. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Prudent Corporate Advisory Services Limited^	4,282.84	630.00(1)	May 20, 2022	660.00	-20.71%,[-5.46%]	-2.10%,[+10.92%]	+26.23%,[+13.89%]
2	Paradeep Phosphates Limited^	15,017.31	42.00	May 27, 2022	43.55	-10.24%,[-3.93%]	+27.50%,[+7.65%]	+31.19%,[+11.91%]
3	Syrma SGS Technology Limited^	8,401.26	220.00	August 26, 2022	262.00	+31.11%[-1.25%]	+29.20%,[+4.55%]	+20.66%,[+3.13%]
4	Fusion Micro Finance Limited^^	11,039.93	368.00	November 15, 2022	359.50	+9.86%,[+1.40%]	+12.84%,[-2.97%]	+25.52%,[-0.48%]
5	Five Star Business Finance Limited^^	15,885.12	474.00	November 21, 2022	468.80	+29.72%,[+1.24%]	+19.20%,[-1.19%]	+11.72%,[+0.24%]
6	Archean Chemical Industries Limited^^	14,623.05	407.00	November 21, 2022	450.00	+25.42%,[+1.24%]	+56.87%,[-1.19%]	+32.68%, [+0.24%]
7	Landmark Cars Limited^	5,520.00	506.00(2)	December 23, 2022	471.30	+22.83%,[+1.30%]	+1.16%,[-2.72%]	+35.06%,[+5.82%]
8	KFIN Technologies Limited^^	15,000.00	366.00	December 29, 2022	367.00	-13.55%,[-3.22%]	-24.56%,[-6.81%]	-4.48%,[+2.75%]
9	Utkarsh Small Finance Bank Limited^^	5,000.00	25.00	July 21, 2023	40.00	+92.80%,[-2.20%]	NA*	NA*
10	SBFC Finance Limited^^	10,250.00	57.00(3)	August 16, 2023	82.00	NA*	NA*	NA*

Source: Information has been taken from (nseindia.com, bseindia.com) as per respective Designated Stock Exchange of the above Issuer Companies, as applicable
**Data not available*
^BSE as designated stock exchange
^^NSE as designated stock exchange
(1) Discount of Rs. 59 per equity share offered to eligible employees. All calculations are based on issue price of Rs. 630.00 per equity share.
(2) Discount of Rs. 48 per equity share offered to eligible employees. All calculations are based on issue price of Rs. 506.00 per equity share.
(3) Discount of Rs. 2 per equity share offered to eligible employees. All calculations are based on issue price of Rs. 57.00 per equity share.

2. *Summary statement of price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscals) handled by ICICI Securities Limited.*

Financial Year	Total no. of IPOs	Total funds raised (₹ million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			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%
2023-24*	2	15,250.00	-	-	-	1	-	-	-	-	-	-	-	-
2022-23	9	2,95,341.82	-	1	3	-	3	2	-	1	1	-	5	2
2021-22	26	7,43,520.19	-	3	6	6	4	7	3	4	5	5	4	5

** This data covers issues up to YTD*

Notes:

(1) *Data is sourced either from www.nseindia.com or www.bseindia.com, as per the designated stock exchange disclosed by the respective issuer company.*

(2) *Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective issuer company.*

(3) *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day*

(*Remainder of this page is intentionally left blank*)

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the BRLMs, as set forth in the table below:

Sr. No	Name of the BRLMs	Website
1.	IIFL Securities Limited	www.iiflcap.com
2.	ICICI Securities Limited	www.icicisecurities.com

Stock Market Data of the Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

SEBI, by way of its circular dated March 16, 2021 as amended by its circular dated April 20, 2022 ("**March 2021 Circular**") and as amended by the June 2, 2021 Circular ("**June 2021 Circular**") and April 20, 2022 Circular ("**April 20, 2022 Circular**"), has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by UPI Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. Per the March 2021 Circular read with June 2021 Circular for initial public offerings opening for subscription on or after May 1, 2021, SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Bank(s) containing statistical details of mandate blocks/unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalisation of the Basis of Allotment.

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 on compliance with the, 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 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Separately, pursuant to the March 2021 Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and 2. ₹ 100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock

Scenario	Compensation amount	Compensation period
Delayed unblock for non – Allotted/ partially Allotted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares pursuant to the Offer, or such other period as may be prescribed under applicable law to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer, the BRLMs and/or the Registrar to the Offer in case of any pre-Offer or post-Offer 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 or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs, in the manner provided below.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bd Amount was blocked, and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

In case of any grievance/ concerns, the Syndicate Members or the investors may also reach out to the BRLMs on their dedicated email-id mentioned on the cover page.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs.

For helpline details of the Book Running Lead Managers pursuant to March 2021 Circular, see "***General Information – Book Running Lead Managers***" on page 68.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with their obligations under applicable SEBI ICDR Regulations. Investors can contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer 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 intimations and non-receipt of funds by electronic mode. In terms of SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, any ASBA Bidder whose Bid 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. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be seven Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company shall obtain authentication on the SEBI SCORES platform and shall comply with the SEBI circulars in relation to redressal of investor grievances through SCORES.

Our Company has constituted a Stakeholders' Relationship Committee which is responsible for redressal of grievances of the security holders of our Company. For details, see "***Our Management – Board Committees – Stakeholders' Relationship Committee***" on page 206.

Our Company has appointed Ashish Soni, as the Company Secretary and Compliance Officer who may be contacted in case of any pre-Offer or post-Offer related grievances. Their contact details are as follows:

Ashish Soni
Unit No. 203, 204, 205 & 206
Opposite TMC Office
Centrum IT Park
Near Satkar Hotel
Thane -West
Thane 400 604
Maharashtra, India
Tel: + 91 22 6885 8000
E-mail : compliance@jnkindia.com

Each of the Selling Shareholders has severally and not jointly authorised the Company to take all actions in respect of the Offer for Sale in accordance with Section 28 of the Companies Act, 2013.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this Draft Red Herring Prospectus.

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

Our Company had filed an exemption application dated April 27, 2023 under Regulation 300 (1) (c) of the SEBI ICDR Regulations seeking an exemption from identifying and disclosing the following as members of the Promoter Group: (i) Prajwal Kamath (wife and immediate relative of Arvind Kamath who is one of our Promoters); (ii) Tanishk Kamath (i.e., son of Prajwal Kamath and Arvind Kamath); (iii) certain relatives of Prajwal Kamath, in this case being Harini Sharma (mother of Prajwal Kamath) and Ranjit Sharma (brother of Prajwal Kamath); (iv) any body corporate in which 20% or more of the equity share capital is held by Prajwal Kamath or Tanishk Kamath or by Harini Sharma or Ranjit Sharma or a firm or any Hindu Undivided Family where Prajwal Kamath or Tanishk Kamath or Harini Sharma or Ranjit Sharma may be a member; and (v) any body corporate in which any body corporate mentioned under (iv) above holds 20% or more of the equity share capital, in accordance with the SEBI ICDR Regulations. SEBI pursuant to its letter dated June 22, 2023, has directed our Company to include Prajwal Kamath, Tanishk Kamath, Harini Sharma, Ranjit Sharma and their connected entities (as explained under (iv) and (v) above) in this case being Mascot International and Power Rubber Industries Private Limited, as part of the Promoter Group of our Promoter, Arvind Kamath and include applicable disclosures based on the information as available in the public domain.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and Allotted pursuant to the Offer will be subject to the provisions of the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, the Abridged Prospectus and other terms and conditions as may be incorporated in the CAN (for Anchor Investors), Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital, offer for sale and listing and trading of securities, issued from time to time, by SEBI, the Government of India, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as maybe prescribed by SEBI, the Government of India, the Stock Exchange, the RoC, the RBI and/or any other regulatory authorities while granting approval for the Offer.

Ranking of Equity Shares

The Equity Shares being offered, Allotted and transferred pursuant to the Offer will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of rights to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with applicable laws. For more information, see "***Main Provisions of the Articles of Association***" on page 373.

Mode of payment of dividend

Our Company will pay dividends, if declared, to the Shareholders, as per the provisions of the Companies Act 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the Government of India in this respect. Any dividends declared, after the date of Allotment (including pursuant to the transfer of Equity Shares in the Offer for Sale) in this Offer, will be payable to the Allottees who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For more information, see "***Dividend Policy***" and "***Main Provisions of the Articles of Association***" on pages 220 and 373, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 2 and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company and the Promoter Selling Shareholders in consultation with the BRLMs, and shall be published by our Company in all editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] edition of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located) at least two Working Days prior to the Bid/Offer Opening Date, and shall be made available to the Stock Exchanges for the purpose of uploading the same on their respective websites. 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 at the respective websites of the Stock Exchanges. The Offer Price shall be determined by our Company and the Promoter Selling Shareholders in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

At any given point in time there will be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

The Offer

The Offer consists of a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and each of the Selling Shareholders in the manner specified in "***Objects of the Offer – Offer related expenses***" on page 97.

Rights of the equity shareholder

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Shareholders will have the following rights:

- right to receive dividends, if declared;
- right to attend general meetings and exercise voting powers, unless prohibited by law;
- right to vote on a poll either in person or by proxy or e-voting in accordance with the provisions of the Companies Act, 2013;
- right to receive offers for rights shares and be allotted bonus shares, if announced;
- right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; 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 Regulations, our Memorandum of Association, Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see "***Main Provisions of the Articles of Association***" on page 373.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges.

In this context, two agreements have been entered into amongst our Company, the respective Depositories and the Registrar to the Offer:

- tripartite agreement dated December 29, 2022 among NSDL, our Company and the Registrar to the Offer; and
- tripartite agreement dated January 23, 2023 among CDSL, our Company and Registrar to the Offer.

Market lot and trading lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialised form in multiples of one Equity Share, subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see "***Offer Procedure***" on page 353.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Mumbai, Maharashtra, India.

Joint holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Nomination Facility

In accordance with Section 72 of the Companies Act 2013, read with Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one 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 verified 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, in accordance with Section 72 of the Companies Act, 2013, 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 or alienation of Equity Share(s) by the holder of such Equity Share(s). 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 or variation to our Company in the prescribed form. Fresh nomination can be made only on the prescribed form available on request at the Registered Office or at the registrar and transfer agents of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act 2013 will, on the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as holder of Equity Shares; or
- 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 days, the Board may thereafter withhold payment of all dividend, interests, bonuses or other monies 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 Offer will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participants.

Bid/Offer Period

BID/OFFER OPENS ON*	[●]
BID/OFFER CLOSES ON**	[●]

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

** *Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may 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 5.00PM on Bid/ Offer Closing Date.*

An indicative timetable in respect of the Offer is set out below:

BID/OFFER CLOSING DATE	[●]
FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE	On or about [●]
INITIATION OF REFUNDS (IF ANY, FOR ANCHOR INVESTORS)/ UNBLOCKING OF FUNDS FROM ASBA ACCOUNT*	On or about [●]
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	On or about [●]
COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGES	On or about [●]

* *In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date 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 from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, 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 four Working Days from the Bid/Offer Closing Date by the SCSB 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, the Bidder shall be compensated in the manner specified in SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and 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, 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 above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company or any of the Selling Shareholders or the members of the Syndicate.

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 period as may be prescribed by SEBI, with reasonable support and co-operation of each of the Selling Shareholders, as may be required in respect of its respective portion of the Offered Shares, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. Our Company shall within four days from the closure of the Offer, refund the subscription amount received in case of non-receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. 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. Each of the Selling Shareholders, severally and not jointly, confirms that it shall extend reasonable support and co-operation to the Company, as may be required in relation to their respective Offered Shares, in accordance with applicable law, to facilitate the completion of listing the Equity Shares on the Stock Exchanges.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs 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.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs and has through its circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, reduced the time period for listing of shares in public issue from existing 6 days to 3 days. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Please note that we may need to make appropriate changes in the Red Herring Prospectus and Prospectus depending upon the prevailing conditions at the time of the opening of the Offer. Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and revision in Bids	Only between 10.00 a.m. and 5.00 p.m. Indian Standard Time ("**IST**")
Bid/Offer Closing Date	
Submission and revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

* *UPI mandate end time shall be 5:00 p.m. on the Bid/ Offer Closing Date*

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Investors, and
(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIIs.

On Bid/Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by RIIs after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer 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/ Offer Opening Date till the Bid/Offer 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 RTA on a daily basis, as per the format prescribed in SEBI circular no. 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 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.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer 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/Offer 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 Offer. Bids will be accepted on the Stock Exchange platform only during Working Days, during the Bid/ Offer Period and revisions shall not be accepted on Saturdays and public holidays. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Our Company and the Promoter Selling Shareholders, in consultation with the Book Running Lead Managers, reserves the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, 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.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the Promoter Selling Shareholders, in consultation with the Book Running Lead Managers may, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, 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 Bank(s), 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. The Floor Price shall not be less than the face value of the Equity Shares.

Minimum subscription

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR or the minimum subscription of 90% of the Fresh Issue on the Bid/Offer Closing Date; or subscription level falls below aforesaid minimum subscription after the Bid/Offer Closing Date due to withdrawal of Bids or technical rejections or any other reason; or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Offer, our Company shall forthwith refund the entire subscription amount received.

In terms of the SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, our Company shall within four days from the closure of the Offer, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. If there is a delay beyond the prescribed time, the Selling Shareholders, to the extent applicable, and our Company shall pay interest prescribed under applicable law, provided that no Selling Shareholder shall not be responsible or liable for payment of any interest, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder in relation to itself or its respective portion of the Offered Shares.

In the event of under-subscription, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment of Equity Shares shall be made towards subscription of the Fresh Issue followed by transfer of/ sale of the Offered Shares in the Offer for Sale.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) within such timeline as prescribed under applicable laws, our Company and the Selling Shareholders shall be liable to pay interest on the application money in accordance with applicable laws. Provided that no Selling Shareholder shall be responsible or liable for payment of any expenses or interest, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder in relation to itself or its respective portion of the Offered Shares.

Each of the Selling Shareholders shall severally and not jointly adjust or reimburse, in proportion to the portion of its respective Offered Shares, any expenses (with regard to delayed payment of refunds) and interest incurred by our Company on behalf of such Selling Shareholder for any delays in making refunds as required under the Companies Act and any other applicable law as agreed among our Company and the Selling Shareholders in writing, provided that no Selling Shareholder shall be responsible or liable for payment of any expenses or interest, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder and any expenses and interest shall be paid to the extent of its respective portion of the Offered Shares.

Arrangements for Disposal of Odd Lots

Since the Equity Shares will be traded in dematerialised form only, and the market lot for the Equity Shares will be one Equity Share, there are no arrangements for disposal of odd lots.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges. However, the Allotees may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares offered in the Offer, subject to applicable laws.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of pre-Offer Equity Share capital of our Company, lock-in of our Promoter's contribution and Anchor Investor lock-in, as detailed in "***Capital Structure – Lock-in requirements***" on page 80 and as provided in our Articles as detailed in "***Main Provisions of the Articles of Association***" on page 373, there are no restrictions on transfers and transmission of shares/debentures and on their consolidation or splitting.

Withdrawal of the Offer

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR or the minimum subscription of 90% of the Fresh Issue on the Bid/Offer Closing Date; or subscription level falls below aforesaid minimum subscription after the Bid/Offer Closing Date due to withdrawal of Bids or technical rejections or any other reason; or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Offer, our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, shall withdraw the Offer.

Further, our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right not to proceed with the Offer after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s), in case of UPI Bidders using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders and the BRLMs shall notify the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed simultaneously.

Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within such time period as prescribed under Applicable Law and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. If our Company withdraws the Offer at any stage including after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue or offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges. The notice of withdrawal of the Offer after the Bid/Offer Closing Date will be issued in the same newspapers where the pre-Offer advertisements have appeared, and the Stock Exchanges will also be informed promptly.

OFFER STRUCTURE

Initial public offering of up to [●] Equity Shares of face value of ₹ 2 each, for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) comprising of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 3,000.00 million by our Company and an Offer for Sale of up to 8,421,052 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders. The Offer shall constitute [●] % of the post-Offer paid-up Equity Share capital of our Company.

Our Company in consultation with the BRLMs, may consider a further issue of specified securities, as may be permitted under the applicable laws, aggregating up to ₹ 600.00 million, at their discretion, prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to Offer complying with Rule 19(2)(b) of the SCRR, as amended. On utilization of Pre-IPO Placement proceeds (if any) prior to the completion of the Offer, it shall be appropriately intimated to the Pre-IPO Placement subscribers that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and result into listing of the Equity Shares of our Company on the Stock Exchanges. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus.

In terms of Rule 19(2)(b) of the SCRR, the Offer is being made through the Book Building Process, in compliance with Regulation 31 of the SEBI ICDR Regulations.

Particulars	QIBs(1)	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment or allocation*(2)	Not more than [●] Equity Shares aggregating up to ₹ [●] million	Not less than [●] Equity Shares aggregating up to ₹ [●] million.	Not less than [●] Equity Shares aggregating up to ₹ [●] million.
Percentage of Offer Size available for Allotment or allocation	Not more than 50% of the Offer shall be available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs in the remaining Net QIB Portion.	Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and RIIs will be available for allocation subject to the following: (i) One-third of the Non-Institutional Category will be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000; and (ii) two-third of the Non-Institutional Category will be available for allocation to Bidders with an application size of more than ₹ 1,000,000 provided that the unsubscribed portion in either of the aforementioned subcategories may be allocated to applicants in the other subcategory of Non-Institutional Bidders .	Not less than 35% of the Offer or the Offer less allocation to QIB Bidders and Non-Institutional Investors will be available for allocation.
Basis of Allotment if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; b) up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above; and Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors , of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual	The Equity Shares available for allocation to Bidders in the Non-Institutional Portion shall be subject to the following: (a) One-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size more than ₹ 200,000 and up to ₹ 1,000,000; and (b) Two-thirds of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000.	The allotment to each RII 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 Allotted on a proportionate basis. For further details, see "***Offer Procedure***" beginning on page 353.

Particulars	QIBs[1]	Non-Institutional Investors	Retail Individual Investors
	Funds at or above the Anchor Investor Allocation Price.	Provided that the unsubscribed portion in either of these two sub-categories of the Non-Institutional Portion may be allocated to Bidders in the other sub-category of the Non-Institutional Portion in accordance with the SEBI ICDR Regulations. The allotment to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations.	
Mode of Bid	Through ASBA Process only (except in case of Anchor Investors, which shall include the UPI Mechanism for UPI Bidders). In case of UPI Bidders through the UPI Mechanism.		
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹ 200,000	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, (excluding the QIB Portion) subject to limits applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialised form		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	For Retails and QIBs: [●] Equity Shares and in multiples of one Equity Share thereafter For NIIs: [●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply [3][5][6]	Public financial institutions of the Companies Act, scheduled commercial banks, multilateral and bilateral development financial institutions, Mutual Funds, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, state industrial development corporation, insurance company registered with IRDAI, provident funds with minimum corpus of ₹ 250 million, pension funds with minimum corpus of ₹ 250 million, pension funds with minimum corpus of ₹ 250 million registered with the Pension Fund Development and Regulatory Authority, National	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions, societies, and trusts and any individuals, corporate bodies and family offices which are re-categorised as category II FPI (as defined in the SEBI FPI Regulations) and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)

Particulars	QIBs(1)	Non-Institutional Investors	Retail Individual Investors
	Investment Fund set up by the GoI, 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 NBFCs.		
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids(4) **In case of all other Bidders**: Full Bid Amount shall be blocked in the bank account of the ASBA Bidder (other than Anchor Investors), or by the Sponsor Bank(s) through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form		

* *Assuming full subscription in the Offer.*

^ *SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in Public Issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIIs and RIIs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.*

(1) *Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors, which price shall be determined by the Company and the Promoter Selling Shareholders in consultation with the BRLMs.*

(2) *Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with Rule 19(2)(b) of the SCRR and Regulation 6(1) of the SEBI ICDR Regulations.*

(3) *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. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.*

(4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor pay-in date as indicated in the CAN.*

(5) *Bids by FPIs with certain structures as described under "**Offer Procedure – Bids by FPIs**" on page 359 and having the same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with the same PAN) may be proportionately distributed.*

(6) *Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the members of the Syndicate, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Category or the Retail Portion would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company and the Promoter Selling Shareholders, in consultation with the BRLMs and the Designated 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. For further details, see "***Terms of the Offer***" on page 343.

OFFER PROCEDURE

*All Bidders should read the General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 issued by SEBI and the UPI Circulars (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (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 Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications; (ix) submission of Bid cum 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, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; (xiii) price discovery and allocation; and (xiv) interest in case of delay in Allotment or refund.*

*SEBI through the UPI Circulars has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Retail 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 RIIs submitting their ASBA Forms through Designated Intermediaries (other than SCSBs) can only use UPI Mechanism with existing timeline of T+6 days until further notice pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 ("**UPI Phase II**"). The final reduced timeline will be made effective using the UPI Mechanism for applications by Retail Individual Investors ("**UPI Phase III**"), as may be prescribed by SEBI. Pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders has been made voluntary for public issues opening on or after September 1, 2023, and mandatory for public issues opening on or after December 1, 2023. ("**T+3 Circular**") This Draft Red Herring Prospectus has been drafted in accordance with UPI Phase II framework and also reflects additional measures for streamlining the process of initial public offers. Please note that we may need to make appropriate changes in the Red Herring Prospectus and Prospectus depending upon the prevailing conditions at the time of the opening of the Offer.*

*SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021, SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2021/47) dated March 31, 2021, SEBI circular (SEBI/HO/CFD/DIL2/P/CIR/2021/570) dated June 2, 2021, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular (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 and any subsequent circulars or notifications issued by SEBI in this regard from time to time ("**UPI Circulars**") has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. For details on the phased implementation of UPI as a payment mechanism, see "– **Phased Implementation of UPI**" below on page 354. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹0.5 million shall use the UPI Mechanism. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022,* *applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).*

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and as amended pursuant to SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, has reduced the timelines for refund of Application money to four days.

Our Company, the Selling Shareholders, the BRLMs and the members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus and the Red Herring Prospects. Bidders are advised to make their independent investigations and ensure that their Bids 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 this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company and the Promoter Selling Shareholders in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. 5% of the Net QIB Portion (excluding the Anchor Investor 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 (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Category will be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Category will be available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

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, at the discretion of our Company and the Promoter Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, (for RIIs Bidding through the UPI Mechanism as applicable, 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 the Equity Shares rematerialized subsequent to Allotment of the Equity Shares offered in the Offer, subject to applicable laws.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia* equity shares. Pursuant to the UPI Circulars, the 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 ASBA) for applications by RIIs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days 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, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated 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 become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, 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. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: Pursuant to SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days has been made applicable in two phases i.e. (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Circular, once Phase III becomes applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI

The Offer will be made under UPI Phase II of the UPI Circulars, unless UPI Phase III of the UPI Circulars becomes effective and applicable on or prior to the Bid/Offer Opening Date. If the Offer is made under UPI Phase III of the UPI Circulars, the same will be advertised in shall be advertised in all editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located), on or prior to the Bid/Offer Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI. 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 of the Retail Individual Investors using the UPI.

Pursuant to the UPI Circulars, 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 no later than one Working Day from the date on which the Basis of Allotment is finalised. 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, the relevant SCSB as well as the post – Offer BRLMs will be required to compensate the concerned investor.

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 make an application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on 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 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public issues where the application amount is up to ₹ 500,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

c) The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, our Registered Office An electronic copy of the Bid cum Application Form will also be available for download on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com) at least one day prior to the Bid/Offer Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process, which shall include the UPI Mechanism in the case of UPI Bidders.

UPI Bidders bidding 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 must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. For all initial public offerings opening on or after September 1, 2022, as specified in SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. This circular shall be applicable for all categories of investors, i.e. RII, QIB, NII and other reserved categories and also for all modes through which the applications are processed. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) UPI Bidders may submit their ASBA Forms with the 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.

(iii) QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

ASBA Bidders, including UPI Bidders, are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLMs.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis^	[●]
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	[●]
Anchor Investors^^	[●]

**Excluding the electronic Bid cum Application Form.*
^Electronic Bid cum Application Form will be made available for download on the website of the BSE (www.bseindia.com) and NSE (www.nseindia.com).
^^Bid cum Application Forms for Anchor Investors were made available at the offices of the BRLMs.

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID / Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate UPI Mandate Request to the UPI Bidders, for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to the UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank(s), NPCI or the issuer bank) 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 Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on after the Bid/Issue Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders Bidding using through the UPI Mechanism 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 Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. The Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

The Equity Shares offered in the Offer 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,

except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold only outside the United States in "offshore transactions", as defined in, and in compliance with, Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

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.

Participation by the Promoters and Members of the Promoter Group, the BRLMs, associates and affiliates of the BRLMs and the Syndicate Members and the persons related to the Promoters/Promoter Group/BRLMs and the Syndicate Member.

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their respective underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Category 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. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLMs nor any persons related to the BRLMs can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the BRLMs;

(ii) insurance companies promoted by entities which are associate of the BRLMs;

(iii) AIFs sponsored by the entities which are associate of the BRLMs; or

(iv) FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the BRLMs or pension funds sponsored by entities which are associate of the BRLMs.

For the purposes of the above, a QIB who has any of the following rights shall be deemed to be a "person related to the Promoter or Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoter or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an "associate of the BRLM" if:

(i) either of them controls, directly or indirectly through its subsidiaries or holding company, not less than 15% of the voting rights in the other; or

(ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or

(iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

The Promoter and the members of the Promoter Group, except to the extent of their respective Offered Shares, will not participate in the Offer. Further, persons related to our Promoter and Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

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 authorise their SCSB to block their Non-Resident External ("**NRE**") accounts (including UPI ID, if activated), or Foreign Currency Non-Resident ("**FCNR**") accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using resident forms should authorise their SCSB 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. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

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).

Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules. Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange will be considered for allotment.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% 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 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% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

For details of restrictions on investment by NRIs, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 372.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, 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 by HUFs may be considered at par with Bids from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Rules, the total holding by each FPI, of an investor group, shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100% under the automatic route).

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Bids by FPIs which utilise the multi-investment manager structure, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be treated as multiple Bids.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company and the Promoter Selling Shareholders in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, 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 a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

(a) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (such structure referred to as "**MIM Structure**"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Further, in the following cases, Bids by FPIs shall not be treated as multiple Bids:

- FPIs which utilise the MIM structure, indicating the name of their respective investment managers in such confirmation;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The SEBI VCF Regulations, amongst others, prescribe the investment restrictions on VCFs, registered with SEBI. The SEBI AIF Regulations, amongst others, prescribe the investment restrictions on AIFs. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI 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.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of AIFs, VCFs and FVCIs shall also be subject to the FEMA Rules.

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 and the Promoter Selling Shareholders, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

Bids by Banking Companies

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

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 Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate equity investments in subsidiaries and other entities engaged in financial and non-financial services, including overseas investments, cannot exceed 20% of the bank's paid-up share capital and reserves. However, a banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt, or to protect the bank's interest on loans/investments made to a company.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. 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 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.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended, are broadly set forth below:

(a) 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 or health insurer;
(b) 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 health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
(c) 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 health insurer 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 (a), (b) and (c) 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 ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.*

Insurance companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹ 250 million, subject to applicable law, 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 and the Promoter Selling Shareholders, in consultation with the BRLMs reserve the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, 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 reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may deem fit.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below:

(a) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. 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 ₹ 100 million.

(c) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, and will be completed on the same day.

(e) Our Company and the Promoter Selling Shareholders may finalise allocation to the Anchor Investors and the basis of such allocation will be on a discretionary basis by the Company and the Promoter Selling Shareholders, in consultation with the BRLMs, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

    (i) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;

    (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and

    (iii) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.

(f) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Offer 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 BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor pay-in date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

(i) 50% Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.

(j) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or pension funds sponsored by entities which are associate of the BRLMs) or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the BRLMs and BRLMs) shall apply in the Offer under the Anchor Investor Portion.

(k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the NBFC-SI, are required to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for NBFC-SI shall be as prescribed by RBI from time to time.

For more information, please read the General Information Document.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs 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 any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/or the Book Running Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the 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 the Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs can revise their Bid(s) during the Bid/Offer Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/Offer Period.

***Do's*:**

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;

4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account

(i.e. bank account number or UPI ID, as applicable) and PAN in the Bid cum Application Form and if you are a UPI Bidder 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. UPI Bidders Bidding using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time;

7. UPI Bidders Bidding in the Offer shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

8. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

9. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 pm on the Bid/ Offer Closing Date;

10. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;

11. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

12. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, 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 beneficial 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. 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;

16. 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 MIM Bids shall be rejected;

17. Investors must ensure that their PAN is linked with Aadhaar and is in compliance with the Central Board

of Direct Taxes notification dated February 13, 2020 bearing notification number 11/2020 and press release dated June 25, 2021.

18. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;

20. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws; Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

21. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for UPI Bidders) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders) and PAN available in the Depository database;

22. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form 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 SEBI at www.sebi.gov.in);

23. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank(s), 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 at the time of submission of the Bid. In case of UPI Bidders, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

24. Ensure that the Demographic Details are updated, true and correct in all respects;

25. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;

26. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of UPI Bidders, once the Sponsor Bank(s) issues the Mandate Request, the UPI Bidders would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request to authorise the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

27. Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using their UPI PIN. Upon the authorisation of the mandate using their UPI PIN, a UPI Bidder shall be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank(s) issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;

28. UPI Bidders should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;

29. UPI Bidders Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Banks to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

30. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorize blocking of funds equivalent to the

revised Bid Amount in the RII's ASBA Account.

31. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner.

32. The ASBA bidders shall ensure that bids above . 500,000, are uploaded only by the SCSBs.

33. Bids by Eligible NRIs HUFs and any individuals, corporate bodies and family offices which are re-categorised as Category II FPI and registered with SEBI for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Offer; and

34. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

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 Lot;

2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

3. Do not Bid for a Bid Amount exceeding ₹ 200,000 for Bids by Retail Individual Investors;

4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

5. Do not Bid/revise the Bid amount to less than the floor price or higher than the cap price;

6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);

9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

10. Do not submit the Bid for an amount more than funds available in your ASBA account;

11. 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 Bidder;

12. 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;

13. 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);

14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Draft Red Herring Prospectus;

15. Do not Bid for Equity Shares more than specified by the respective Stock Exchanges for each category;

16. In case of ASBA Bidders (other than UPI Bidders), do not submit more than one Bid cum Application Form per ASBA Account;

17. If you are a UPI Bidder, do not submit more than one Bid cum Application Form for each UPI ID;

18. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;

19. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹ 500,000

20. Anchor Investors should not bid through the ASBA process;

21. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;

22. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

23. Do not submit the GIR number instead of the PAN;

24. Anchor Investors should submit Anchor Investor Application Form only to the BRLMs;

25. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;

26. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Offer Closing Date;

27. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors can revise or withdraw their Bids on or before the Bid/Offer Closing Date;

28. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are a UPI Bidder, do not submit the ASBA Form directly with SCSBs;

29. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a UPI Bidder. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Offer;

30. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;

31. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders;

32. UPI Bidders using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected; and

33. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

For helpline details of the BRLMs pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see "***General Information – Book Running Lead Managers***" on page 67.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "***General Information – Company Secretary and Compliance Officer***" on page 68.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the BRLMs and the Registrar to the Offer, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer through the Offer document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Offer to public may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to Bidders other than to the RIIs, NIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities Allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each RII shall not be less than the minimum Bid lot, subject to the availability of shares in RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations. Not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors. The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Category, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for applicants with an application size of more than ₹ 200,000 and up to ₹ 1,000,000, and (ii) two-third of the portion available to Non-Institutional Investors shall be reserved for applicants with an application size of more than ₹ 1,000,000, 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 Investors. The allotment to each Non-Institutional Investor shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Category, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations.

Payment into Anchor Investor Escrow Account

Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, 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. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]"

(b) In case of Non-Resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer 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-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located). In the pre-Offer advertisement, our Company shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. 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 ICDR Regulations.

The information set out above is given for the benefit of the Bidders/applicants. Our Company, the Selling Shareholders, and the BRLMs 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/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Allotment Advertisement

Our Company, the BRLMs and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located).

Signing of the Underwriting Agreement and filing with the RoC

Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement after the finalisation of the Offer Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants 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."

The liability prescribed under Section 447 of the Companies Act, 2013, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years). Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- if Allotment is not made within the prescribed timelines under applicable laws, the application monies will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable laws for the delayed period;

- all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within such period as may be prescribed under applicable law;

- the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- Promoters' contribution, if any, shall be brought in advance before the Bid/Issue Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees.

- no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the relevant ASBA Accounts on account of non-listing, undersubscription, etc. and

- adequate arrangements shall be made to collect all Bid cum Application Forms from Bidders.

Undertakings by the Selling Shareholders

Each of the Selling Shareholder, severally and not jointly, specifically undertakes and/or confirms the following in respect to itself as a Selling Shareholder and its respective portion of the Offered Shares:

(i) it is the legal and beneficial holder and has full title to its respective portion of the Offered Shares;

(ii) its respective portion of the Offered Shares shall be transferred pursuant to the Offer, free and clear of any encumbrances;

(iii) it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer; and

(iv) it shall not have recourse to the proceeds from the Offer for Sale until receipt by our Company of the final listing and trading approvals from all the Stock Exchanges.

Utilisation of Offer Proceeds

Our Board certifies that:

(i) all monies received out of the Fresh 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;

(ii) details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

(iii) details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made.

The Government of India makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India ("**DPIIT**") issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the "**FDI Circular**"), which consolidates and supersedes all previous press note, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Circular and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Circular; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. The RBI and the concerned ministry/ department are responsible for granting the approval for foreign investment under the FDI Circular and FEMA.

FDI in companies in the manufacturing sector is permitted up to 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

All investments under the foreign direct investment route 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 of India. 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 of India. 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.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "***Offer Procedure – Bids by Eligible NRIs***" and "***Offer Procedure – Bids by FPIs***" on page 359.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs 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 Bid for do not exceed the applicable limits under laws or regulations.

The Equity Shares offered in the Offer 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, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in, and, in compliance with, Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

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.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

*The Articles have been approved by our Board of Directors pursuant to a resolution passed on April 12, 2023, and by our Shareholders pursuant to a special resolution passed on April 14, 2023. The Articles of Association of our Company ("**Articles**") comprise of Part A only.*

Capitalized terms used in this section have the meanings that have been given to such terms in the Articles of Association of our Company.

Interpretation

1. Table F Applicable

No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.

INTERPRETATION CLAUSE

2. In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context

Act

(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.

Annual General Meeting

(b) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act or any adjourned meeting thereof.

Applicable Law

(c) "Applicable Law" means the Act, and as appropriate, includes any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications or other governmental instruction or any similar form of decision of, or determination by, or any interpretation or administration having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question, or mandatory standards as may be applicable from time to time.

Articles

(d) "These Articles" or "Articles" means Articles of Association for the lime being in force or as may be altered from time to time vide Special Resolution.

Auditors

(e) "Auditors" means and includes those persons appointed as such for the time being of the Company.

Board

(f) "Board" means the board of directors of the Company as constituted from time to time.

Capital

(g) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.

Company

(h) “Company” shall mean JNK INDIA LIMITED.

Director

(i) “Director” or “Directors” means director(s) appointed to the Board of the Company.

Executor or Administrator

(j) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.

Extra-Ordinary General Meeting

(k) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned meeting thereof.

Legal Representative

(l) "Legal Representative" means a person who in law represents the estate of a deceased Member.

Gender

(m) Words importing the masculine gender also include the feminine gender.

In Writing and Written

(n) "In Writing" and “Written" includes printing lithography and other modes of representing or reproducing words in a visible form.

Marginal notes

(o) The marginal notes hereto shall not affect the construction thereof.

Meeting or General Meeting

(p) “Meeting” or “General Meeting” means a meeting of members.

Members

(q) “Members” in relation to a company, means- (a) the subscribers to the Memorandum of Association of the Company who shall be deemed to have agreed to become members of the company, and on its registration, shall be entered as member in its register of members, (b) every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company; (c) every person holding shares in the company and whose name is entered in register of beneficial owners as beneficial owner.

Memorandum of Association

(r) “Memorandum of Association” means the memorandum of association of the Company, as may be altered from time to time.

Month

(s) "Month" means a calendar month.

Office

(t) "Office" means the registered Office for the time being of the Company.

Ordinary Resolution and Special Resolution

(u) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.

Person

(v) "Person" shall mean any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, Government or any agency or political subdivision thereof or any other entity that may be treated as a person under Applicable Law.

Proxy

(w) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.

Register of Members

(x) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act.

Seal

(y) "Seal" means the common seal for the time being of the Company.

Singular number

(z) Words importing the Singular number include where the context admits or requires the plural number and vice versa.

These presents

(aa) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.

Variation

(bb) "Variation" shall include abrogation; and "vary" shall include abrogate.

Year and Financial Year

(cc) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.

Expressions in the Act to bear the same meaning in Articles

(dd) Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.

Share Capital and Variation of rights

3. Authorized Capital

The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause 5 of Memorandum of Association of the Company from time to time.

4. Increase in Capital of the Company

The Company may in General Meeting from time to time by Ordinary Resolution increase its Capital by creation of new shares which may be unclassified and may be classified at the time of issuance in one or more classes and of such amount or amounts as may be deemed expedient. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the Capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.

5. Further Issue of Share Capital

(a) Where, at any time, it is proposed to increase the subscribed capital of the Company by allotment of further shares then such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date by sending a letter of offer, subject to the following conditions, namely:

(i) The offer shall be made by a notice specifying the number of shares offered and limiting a time not less than fifteen (15) days and not exceeding thirty (30) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.

(ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) hereof shall contain a statement of this right;.

(iii) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the shareholders and the Company

(b) To employees under a scheme of employees' stock option ("ESOP"), subject to special resolution passed by the Company and subject to such conditions as may be prescribed under the Act and other Applicable Law; or

(c) To any persons, if authorised by a special resolution, whether or not those persons include the persons referred to in (a) or (b) above, either for cash or for a consideration other than cash, subject to compliance with Applicable Law.

(d) The notice referred to in sub-clause (i) of clause (a) of Article5 shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue.

(e) Nothing in sub-clause (ii) and (iii) of clause (a) of Article 5 hereof shall be deemed:

(i) to extend the time within which the offer should be accepted; or

(ii) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(f) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company:

(i) To convert such debentures or loans into shares in the Company; or

(ii) To subscribe for shares in the Company

Provided that the terms of issue of such debentures or the terms of such loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in General Meeting.

Notwithstanding anything contained above, in case of debentures issued or loan granted by any Government, if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion.

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty (60) days from the date of communication of such order, appeal to the National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

6. New Capital part of the existing Capital

Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new shares shall be considered as part of the existing Capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

7. Redeemable Preference Shares

Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more class which are liable to be redeemed, or converted into equity shares, on such terms and conditions and in such manner as may be determined by the Board in accordance with the provisions of the Act and rules made thereunder.

8. Voting rights of preference shares

The holder of preference shares shall have a right to vote only on resolutions, which directly affect the rights attached to his preference shares.

9. Provisions to apply on issue of Redeemable Preference Shares

On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect:

(a) No such shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;

(b) No such shares shall be redeemed unless they are fully paid;

(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;

(d) Where any such shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and

(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Board may think fit. The reduction of preference shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital.

10. Reduction of capital

The Company may (subject to the provisions of sections 52, 55 and 66 and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce:

(a) the share capital;
(b) any capital redemption reserve account; or
(c) any security premium account.

11. Issue of Sweat Equity Shares

The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.

12. ESOP

The Company may issue shares to employees including its directors other than independent directors and such other persons as the rules may allow, under the employees' stock option plan of the Company or any other scheme, if authorized by a Special Resolution of the Company in General Meeting subject to the provisions of the Act, the rules and such other conditions as may be prescribed under Applicable Law.

13. Register of Members

The Company shall cause to be kept a register and index of members in accordance with Section 88 of the Act. The details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep a part of the register in any country outside India containing the names and particulars of the members, residing outside India.

MODIFICATION OF CLASS RIGHTS

14. Variation of shareholders' rights.

If at any time the share capital, by reason of the issue of preference shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class.

To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply.

Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.

15. New Issue of Shares not to affect rights attached to existing shares of that class.

The rights conferred upon the holders of the shares including preference share, if any, of any class issued with preferred or other rights or privileges shall not, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

16. Shares at the disposal of the Board.

Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board think fit.

PROVIDED THAT option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

17. Power to issue shares on preferential basis.

The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of Section 62 of the Act subject to compliance with section 42 and 62 of the Act and rules framed thereunder.

18. Share Certificate should be numbered progressively and no share to be subdivided.

The share certificates shall be numbered progressively according to their several denominations specifying the shares to which it relates and bear the seal of the Company and except in the manner hereinbefore mentioned, no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

19. Acceptance of Shares.

An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who does or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.

20. Allotment of shares by the Board for consideration other than cash

Subject to the provisions of the Act and these Articles, the Board may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.

21. Deposit and call etc.to be a debt payable immediately.

The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.

22. Liability of Members.

Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company’s regulations, require on date fixed for the payment thereof.

23. Registration of Shares.

Shares may be registered in the name of the Company but not in the name of a firm, an insolvent person or a person of unsound mind.

RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT

24. The Board shall observe the restrictions on allotment of shares to the public, and return on allotments contained in Section 39 of the Act.

CERTIFICATES

25. Limitation of time for issue of Share Certificates.

Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Board may prescribe and approve.

PROVIDED THAT in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holders.

(a) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.

26. Issue of new certificates in place of those defaced, lost or destroyed.

(a) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, or in case of sub-division or consolidation of shares, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate.

(b) Every certificate under this Article shall be issued in case of splitting or consolidation of share certificate(s) or in replacement of share certificate(s) that are defaced, mutilated, torn or old, decrepit or worn out without payment of fees if the Board so decide, or on payment of such fees (not exceeding Rs.50 for each certificate) as the Board shall prescribe.

(c) Further, no duplicate certificate shall be issued in lieu of those that are lost or destroyed, without the prior consent of the Board or Committee thereof and only on furnishing of such supporting evidence and/or indemnity as the Board may require, and the payment of out-of-pocket expenses incurred by the Company in investigating the evidence produced, without payment of fees if the Board so decide, or on payment of such fees (not exceeding Rs.50 for each certificate) as the Board shall prescribe.

Provided that notwithstanding what is stated above the Board thereof shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956, as amended or any other Act, or rules applicable thereof in this behalf; provided further, that the Company shall comply with the provisions of Section 46 of the Act and other Applicable Law, in respect of issue of duplicate shares.

(d) All books and documents relating to the issue of share certificates including the blank forms of share certificates shall be kept in safe custody and to be properly maintained and preserved in accordance with the manner laid down in Applicable Law.

(e) The provision of this Article shall mutatis mutandis apply to issue of certificates of debentures of the Company or to any other securities issued by the Company.

27. The first named joint holder deemed Sole holder.

If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.

28. Maximum number of joint holders.

The Company shall not be bound to register more than three persons as the joint holders of any share.

29. Company not bound to recognise any interest in share other than that of registered holders.

Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

30. Instalment on shares to be duly paid.

If by the conditions of allotment of any share, the whole or part of the amount or issue price is payable by instalment, every such instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.
Lien

31. Company to have Lien on shares.

The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien, if any, on such shares/debentures.

The Board may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this this Article.

32. Fully paid shares to be free from all lien

Fully paid shares of the Company shall be free from all lien. In the case of partly paid shares, the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares.

33. As to enforcing lien by sale.

For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their members to execute a transfer thereof on behalf of and in the name of such member. The purchaser of such transferred shares shall be registered as the holder of the shares comprised in any such transfer.

The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

No sale shall be made unless a sum in respect of which the lien exists is presently payable or until the expiration of thirty days after a notice in writing of the intention to sell shall have been served on such member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for thirty days after such notice.

34. Application of proceeds of sale.

The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

Calls on shares

35. Board may make calls

(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.

(2) A call may be revoked or postponed at the discretion of the Board.

(3) A call may be made payable by instalments.

36. Notice of Calls

Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.

37. Calls to date from resolution.

A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Members, in instalments, whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as may be fixed by the Board.

38. Calls on uniform basis.

Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.

39. Board may extend time.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no Member shall be entitled to such extension save as a matter of grace and favour.

40. Calls to carry interest.

If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate, as the Board may determine and as permissible under the Applicable law. Nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member.

41. Sums deemed to be calls.

If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Board and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or instalment accordingly.

42. Proof on trial of suit for money due on shares.

On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the minute books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

43. Partial payment not to preclude forfeiture.

Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.

44. Payments in Anticipation of calls may carry interest

(a) The Board may, if it thinks fit, subject to the provisions of Section 50 of the Act, agree to and receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the monies so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the Member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that monies paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits or dividends.

(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the monies so paid by him until the same would but for such payment become presently payable.

(c) The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.

45. If call or instalment not paid, notice may be given.

If any Member fails to pay any call or instalment on or before the day appointed for the payment of the same the Board may at any time thereafter during such time as the call or instalment remains unpaid, serve notice on such Member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

46. Terms of notice.

The notice aforesaid shall:

i. 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.

ii. shall detail the amount which is due and payable on the shares and shall state that in the event of non-payment at or before the time appointed the shares will be liable to be forfeited.

47. If notice not complied, shares may be forfeited.

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other monies payable in respect of the forfeited shares and not actually paid before the forfeiture.

Transfer of shares

48. Execution of the instrument of shares.

(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.

(b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.

49. Transfer Form.

The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.

The instrument of transfer shall be in a common form approved by the stock exchange.

50. Transfer not to be registered except on production of instrument of transfer.

The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.

51. Board may refuse to register transfer.

Subject to the provisions of Section 56, 58 and 59 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, these Articles and other applicable provisions of the Act, the Board may, whether in pursuance of any power of the Company under these Articles or otherwise, decline to register the transfer of, or the transmission by operation of law of the right to, any shares, or interest of a Member therein, or debentures of the Company. The Company shall, within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

PROVIDED THAT registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

52. Notice of refusal to be given to transferor and transferee.

If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.

53. No fee on transfer.

No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.

54. Custody of transfer Deeds.

The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Board may decline to register shall on demand be returned to the persons depositing the same. The Board may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.

55. Application for transfer of partly paid shares.

Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

56. Notice to transferee.

For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

57. Form of transfer Outside India.

In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.

58. No transfer to minor, insolvent etc.

No transfer shall be made to any minor, insolvent or person of unsound mind.
Transmission of shares

59. Recognition of legal representative.

(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.

(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.

Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of probate or letter of administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate

(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

60. Titles of Shares of deceased Member

The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Act.

61. Notice of application when to be given

Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

62. Registration of persons entitled to share otherwise than by transfer. (transmission clause).

Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Board (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Board shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Board registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.

63. Refusal to register nominee.

Subject to the provisions of the Act and these Articles, the Board shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

64. Board may require evidence of transmission.

Every transmission of a share shall be verified in such manner as the Board may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Board at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Board to accept any indemnity.

65. Company not liable for disregard of a notice prohibiting registration of transfer

The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Board shall so think fit.

NOMINATION

66. Nomination

i) Notwithstanding anything contained in these Articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Act shall apply in respect of such nomination.

ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Act read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014

iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.

iv) lf the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.

67. Transmission of Securities by nominee

A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-

(i) to be registered himself as holder of the security, as the case may be; or

(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;

(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;

(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

PROVIDED FURTHER THAT the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.
Forfeiture of shares

68. Notice of forfeiture to a Member.

When any shares have been forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members but no forfeiture shall be in any manner invalidated, by any omission or neglect to give such notice or to make any such entry as aforesaid.

69. Forfeited shares to become property of the Company and may be sold.

Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.

70. Members still liable to pay money owing at time of forfeiture and interest.

Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so. 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.

71. Effect of forfeiture.

The forfeiture of shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the shares and all other rights incidental to the shares, except only such of those rights as by these Articles are expressly saved.

72. Evidence of Forfeiture.

A duly verified declaration in writing that the declarant is a Director or secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles 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 shares.

73. Title of purchaser and allottee of Forfeited shares.

The Company may receive the consideration, if any, given for the shares on any sale, re-allotment or other disposition thereof and the person to whom such shares are sold, re-allotted or disposed of may be registered as the holder of the shares and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the shares be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.

The provisions of these Articles 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.

74. Cancellation of share certificate in respect of forfeited shares.

Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Board shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.

75. Surrender of shares.

The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Board may think fit.
Alteration of capital

CONVERSION OF SHARES INTO STOCK

76. Conversion of shares into stock or reconversion.

The Company may, by ordinary resolution in General Meeting.

a) convert any fully paid-up shares into stock; and

b) re-convert any stock into fully paid-up shares of any denomination.

77. Transfer of stock.

The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

78. Rights of stock holders.

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

79. Regulations.

Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.

80. Consolidation, Sub-Division and Cancellation

Subject to the provisions of Section 61 of the Act, the Company in General Meeting may, from time to time,consolidate and divide all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum of Association. Subject to the provisions of Section 61 of the Act, the Company in general meeting may also cancel shares which 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.

Capitalisation of profits

81. Capitalization.

(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause. (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:

(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or

(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).

(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.

(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

82. Fractional Certificates.

(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and

(b) generally to do all acts and things required to give effect thereto.

(2) The Board shall have full power -

(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.

(3) Any agreement made under such authority shall be effective and binding on all such Members.

(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.

Buy Back of shares

83. Buy Back of shares

Notwithstanding anything contained in these Articles but subject to the provisions of sections 68 to 70 and such other regulations as prescribed by Securities and Exchange Board of India (SEBI) or any other authority for the time being in force, the Company may purchase its own shares or other specified securities. The power conferred herein may be exercised by the Board, at any time and from time to time, where and to the extent permitted by Applicable Law, and shall be subject to such rules, applicable consent or approval as required.

General meetings

84. Annual General Meeting

a) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year.

b) Every Annual General Meeting shall be called during business hours, that is, between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated.

c) In the case of an Annual General Meeting, all businesses to be transacted at the meeting shall be deemed special, with the exception of business relating to:

i. the consideration of financial statements and the reports of the Board of Directors and the Auditors;

ii. the declaration of any Dividend;

iii. the appointment of Directors in place of those retiring;
iv. the appointment of, and the fixing of the remuneration of the Auditors.

85. Extra-Ordinary General Meeting

a) All the General Meetings of the Company other than Annual General Meetings shall be called Extra-Ordinary General Meetings.

b) In case of Meeting other than Annual General Meeting, all business shall be deemed special.

86. Extra-Ordinary General Meeting by Board and by requisition

(a) The Board may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the Members

Quorum at General Meeting

(b) No business shall be transacted at any General Meeting unless quorum of Members, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business.

(c) Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in section 103 of the Act.

When a Director or any two Members may call an Extra Ordinary General Meeting

(d) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Board.

Proceedings at general meetings

87. Meeting not to transact business not mentioned in notice.

No General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.

88. Chairperson of General Meeting

The chairperson (if any) of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such chairperson of the Board, or if at any Meeting he is not present within fifteen minutes of the time appointed for holding such Meeting or if he is unable or unwilling to take the chair, then the vice chairperson, if any , of the Company so shall take the chair and preside the Meeting. In the absence of the vice chairman as well or if the Company has no vice- chairman, then the Directors present may choose one of the Directors among themselves to preside the Meeting.

89. Business confined to election of Chairperson or Vice Chairperson whilst chair is vacant.

No business, except the election of a chairperson or vice chairman, shall be discussed at any General Meeting whilst the chair is vacant.

Adjournment of meeting

90. Chairperson with consent may adjourn Meeting.

a) The chairperson may, with the consent of any Meeting at which a quorum is present, and shall, if so directed by the Meeting, adjourn the Meeting from time to time and from place to place.

b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place.

c) When a Meeting is adjourned for thirty days or more, notice of the adjourned Meeting shall be given as in the case of an original Meeting.

d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned Meeting.

Voting rights

VOTES OF MEMBERS

91. Members in arrears not to vote.

No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum 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 or lien.

92. Number of votes each member entitled.

Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the Meeting which directly affect the rights attached to his preference shares.

93. Casting of votes by a member entitled to more than one vote.

On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

94. Vote of member of unsound mind and of minor

A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

95. Postal Ballot

(a) Notwithstanding anything contained in the provisions of the Act and the rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.

(b) **Passing of resolution by Postal ballot**

Where permitted or required by the Act, Board may, instead of calling a meeting of any Members/ class of Members/ Debenture-holders, seek their assent by Postal ballot. Such Postal ballot will comply with the provisions of Applicable Law in this behalf.

Where permitted/required by Applicable Law, Board may provide Members/Members of a class/Debenture-holders right to vote through e-voting, complying with Applicable Law.

Notwithstanding anything contained in the foregoing, the Company shall transact such business, follow such procedure and ascertain the assent or dissent of Members for a voting conducted by Postal ballot, as may be prescribed by Section 110 of the Act and rules made thereunder.

In case of resolutions to be passed by Postal ballot, no Meeting needs to be held at a specified time and space requiring physical presence of Members to form a quorum.

96. E-Voting

A Member may exercise his vote at a Meeting by electronic means in accordance with section 108 and shall vote only once.

97. Votes of joint Members.

a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.

b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

98. Votes may be given by proxy or by representative

Votes may be given either personally or by attorney or by proxy or in case of a company or body corporate, by a representative duly Authorised as mentioned in Articles.

99. Representation of a body corporate.

A body corporate (whether a company within the meaning of the Act or not) may, if it is Member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the Members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual Member, creditor or holder of debentures of the Company.

100. Members paying money in advance.

(a) A Member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the monies paid until the same would, but for this payment, become presently payable.

Members not prohibited if share not held for any specified period.

(b) A Member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.

101. Votes in respect of shares of deceased or insolvent members.

Any person entitled under Article 62 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the Meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Board of his right to transfer such shares and give such indemnity (if any) as the Board may require or the Board shall have previously admitted his right to vote at such Meeting in respect thereof.

102. No votes by proxy on show of hands.

No Member shall be entitled to vote on a show of hands unless such Member is present personally or by attorney or is a company or body corporate present by a representative duly authorised under the provisions of the Act in which case such Members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a company or body corporate the production at the Meeting of a copy of such resolution or authorisation letter duly signed by a Director or Secretary or authorised signatory of such company or body corporate and certified by him as being a true copy of the resolution or authorisation letter shall be accepted by the Company as sufficient evidence of the authority of the appointment.

103.Chairperson's casting vote.

In the case of an equality of votes the chairperson shall both on a show of hands, on a poll (if any) and e- voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.

104.In what case poll taken without adjournment.

Any poll duly demanded on the election of chairperson or vice chairman of the Meeting or any question of adjournment shall be taken at the Meeting forthwith.

105.Demand for poll not to prevent transaction of other business.

The demand for a poll except on the question of the election of the chairman or vice chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

106.Time for objections to votes.

No objection shall be raised to the qualification of any voter except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such Meeting shall be valid for all purposes.

107.Chairperson of the Meeting to be the judge of validity of any vote.

Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the Meeting, whose decision shall be final and conclusive.

Proxy

108.Appointment of a Proxy.

The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the Office of the Company not less than 48 hours before the time for holding the Meeting or adjourned Meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

109.Form of proxy.

An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

110.Validity of votes given by proxy notwithstanding death of a member.

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the Office before the meeting or adjourned meeting at which the proxy is used.

Board of Directors

DIRECTORS

111.Number of Directors

Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that the Company may appoint more than fifteen directors after passing a special resolution.

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Applicable Law. Further, such appointment of such Independent Directors shall be in terms of, and subject to, the aforesaid provisions of Applicable Law.

Present Directors

The present Directors of the Company are:

1. Mr. Arvind Kamath (with effect from August 16, 2010)
2. Mr. Bang Hee Kim (with effect from August 16, 2010)
3. Mr. Goutam Kishtayya Rampelli (with effect from August 31, 2015)

112. Qualification shares.

A Director of the Company shall not be bound to hold any Qualification Shares in the Company.

113. Nominee Directors.

(a) Subject to the provisions of the Act and notwithstanding anything to the contrary contained in these Articles, so long as any monies remain owing by the Company to the financing company or body or financing corporation or credit corporation or bank or any insurance corporation (each such financing company or body or financing corporation or credit corporation or bank or any insurance corporation is hereinafter referred to as financial institution) out of any loans granted by the financial institution to the Company or so long as the financial institution hold shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the financial institution on behalf of the Company remains outstanding, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement.

(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.

(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such Nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The financial institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.

114. Appointment of alternate Director.

The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an Alternate Director in place of an Independent Director unless he is qualified to be appointed as an Independent Director under the Act and Applicable Law. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

115. Additional Director

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting but shall be eligible for appointment by the Company as a Director at that Meeting subject to the provisions of the Act.

116. Board's power to fill casual vacancies.

Subject to the provisions of Sections 152(7), 161(4) and 169(7) of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

If the place of the retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned until the same day in the next week, at the same time and place in accordance with the provisions of Section 152(7) of the Act.

If at the adjourned Meeting also, the vacancy caused by the retiring Director is not filled up and that Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be so deemed to have been reappointed at the adjourned Meeting, unless :

i. at that Meeting or at the previous Meeting the resolution for the reappointment of such Director has been put to the Meeting and lost;

ii. the retiring Director has, by a notice in writing addressed to the Company or its Board expressed his unwillingness to be so reappointed;

iii. he is not qualified or is disqualified for appointment;

iv. a resolution whether special or ordinary, is required for the appointment or reappointment by virtue of any provisions of the Act; or

v. the provision of Section 162 of the Act is applicable to the case.

117. Sitting Fees.

Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.

118. Travelling expenses Incurred by Director on Company's business.

The Board may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.

119. Independent Directors

The Company shall appoint such number of Independent Directors as required by the Act and other Applicable Law and the Company and Independent Directors are required to abide by the provisions specified in Schedule IV of the Act.

Any casual vacancy in the post of an Independent Director caused by way of removal, resignation, death, vacation of office under Section 167 of the Act and Applicable Law, removal from Directorship pursuant to any court order or due to disqualification under Section 164 of Act shall be filled by following the process laid down in the Act and rules made thereunder.

An Independent Director shall be held liable, only in respect of such acts of omission or commission by a Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.

The provisions relating to retirement of Directors by rotation shall not be applicable to appointment of Independent Directors.

120. Retirement and rotation of Directors

At least two-thirds of the total number of Directors, excluding Independent Directors, be persons whose period of office is liable to determination by retirement of directors by rotation (hereinafter called "the Rotational Directors").

At every Annual General Meeting of the Company, one-third of the Rotational Directors, or if their number is not three or a multiple of three, then, the number nearest to one-third, shall retire from office.

A retiring Director shall be eligible for re-election.

121. Resignation of Directors

Subject to the provisions of the Act, a Director may resign from his office by giving a notice in writing to the Company and Board shall take note of the same.

Provided that the provisions regarding resignation of Managing Director or a Whole-time Director or any Executive Director who has any terms of employment with the Company shall be governed by such terms.

The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later:

122. Removal of Directors

Any Director of the Company, except the one appointed by the National Company Law Tribunal, may be removed by way of Ordinary Resolution before the expiry of his term of office, subject to the provisions of Section 169 of Act.

123. Remuneration of Directors

Subject to the provisions of Section 197 of the Act, a Director may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

Provided that where the Company takes a Directors' Liability Insurance, specifically pertaining to a particular Director, then the premium paid in respect of such insurance, for the period during which a Director has been proved guilty, will be treated as part of remuneration paid to such Directors.

Subject to the provisions of the Act and rules made thereunder, the fees payable to a Director for attending the meetings of the Board or Committee thereof shall be such sum as may be decided by the Board from time to time. Fee, as may be determined by the Board, may also be paid for attending any separate meeting of the Independent Directors of the Company in pursuance of any provision of the Act.

The Board may allow any payment to any Director who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified; and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any traveling or other expenses incurred in connection with business of the Company.

124. Directors may act notwithstanding any vacancies on Board

The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is reduced below the minimum number fixed by Article 111 hereof, the continuing Directors may act for the purpose of increasing the number of Directors to the minimum number fixed by the Article 111 hereof or for summoning a General Meeting for the purpose increasing the number of Directors to such minimum number, but for no other purpose.

125. Vacation of office of Director

The office of a Director shall ipso facto be vacated:

i. on the happening of any of the events as specified in Section 167 of the Act;

ii. if a person is a Director of more than the number of Companies as specified in the Act at a time;

iii. in the case of alternate Director, on return of the original Director in terms of Section 161 of the Act;

iv. having been appointed as a Director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, he ceases to hold such office or other employment in that company;

v. if he is removed in pursuance of Section 169 of the Act;

vi. any other disqualification that the Act for the time being in force may prescribe.

Notice of candidature for office of Directors except in certain cases

No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some Member intending to propose him as a Director, has, not less than fourteen days before the Meeting, left at the registered office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such Member to propose him as a candidate for that office along with the requisite deposit of such sum as prescribed under the Act and rules made thereunder.

Every person (other than a Director retiring by rotation or otherwise or a person who has left at the Office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director, shall sign and file with the Company, the consent in writing to act as a Director, if appointed.

A person other than a Director reappointed after retirement by rotation immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 161 of the Act, appointed/ reappointed as a Director or reappointed as an Alternate Director, immediately on the expiry of his term of office, shall not act as a Director of the Company unless he has submitted consent in writing to act as a Director of the Company and the same is filed with the Registrar within thirty days of his appointment.

126. Director may contract with the Company

Subject to Applicable Law, a Director or any Related Party as defined in Section 2 (76) of the Act or other Applicable Law may enter into any contract with Company for the sale, purchase or supply of any goods, materials, or services, or other contract involving creation or transfer of resources, obligations or services, subject to the compliance with the Act and rules made thereunder and other Applicable Law.

Unless so required by the Act, no sanction shall, however, be necessary for any contracts with a related party on entered into on arm's length basis and in its ordinary course of business. Where a contract complies with such conditions or indication of arm's length contracts as laid down in a policy on related party transactions framed by the Board and approved by a General Meeting, the contract shall be deemed to be a contract entered into on arm's length basis.

127. Disclosure of interest

A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184(2) of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other body corporate where the Director of the Company either himself or in association with any other Director hold or holds less than two per cent of the shareholding in such other body corporate.

128. Interested Director not to participate or vote in Board's proceeding

Subject to the provisions of Section 184 of the Act, no Director shall as Director take any part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void.

Provided however, that nothing herein contained shall apply to:-

(a) any contract of indemnity against any loss which the Directors or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company.

(b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely:

a. in his being:
i. a director in such company, and
ii. the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company; OR
b. in his being a member holding not more than 2% of its paid-up share capital.

129. Register of contracts in which Directors are interested

The Company shall keep a register in accordance with Section 189 (1) of the Act and Applicable Law. The register shall be kept at the Office of the Company and shall be preserved permanently be kept in the custody of the company secretary of the Company or any other person authorized by the Board for the purpose.

Such a register shall be open to inspection at such Office and extracts maybe taken therefrom and copies thereof may be provided to a Member of the Company on his request, within seven days from the date on which such request is made and upon the payment of Rs. 10 (ten rupees) per page, as such higher amount as may be laid by the Board, as permitted by Applicable Law.

130. Register of Directors and Key Managerial Personnel and their shareholding

The Company shall keep at its Office a register containing the particulars of its Directors and Key Managerial Personnel, which shall include the details of securities held by each of them in the Company or its holding, subsidiary, subsidiary of Company's holding Company or associate companies in accordance to Section 170 of the Act and Applicable Law.

131. Miscellaneous

All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

132. Directors may be directors of companies promoted by the Company.

A Director may be or become a director of any company promoted by the Company or in which it may be interested as a vendor, shareholder, or otherwise, and no such director shall be accountable for any benefits received as director or shareholder of such company except in so far as Section 188 of the Act may be applicable.

MANAGING AND WHOLE-TIME DIRECTORS

133. Powers to appoint Managing/ Whole-time Directors.

a) Subject to the provisions of the Act and of these Articles, the Board may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or Whole- time Director or Whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed may be liable to retire by rotation to meet the criteria of composition of the Board. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re- appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.

134.Remuneration of Managing or Whole-time Director.

The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Board, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.

135.Powers and duties of Managing Director or Whole-time Director.

(1) Subject to control, direction and supervision of the Board, the day-today management of the Company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles with powers to the Board to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.

(2) The Board may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Board as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Board in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.

(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles.

(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Board where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as he may think fit.

(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Board of the Company.

Proceedings of the Board

136.Meetings of Board

(a) The Board may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.

(b) A Director may, and the manager or secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.

(c) Quorum

No business shall be transacted at any Board meeting unless quorum of Directors, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business.

(d) Notice

A meeting of the Board shall be called by giving not less than seven days' notice in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means.

The notice of the meeting shall inform the Directors regarding the option available to them to participate through Electronic Mode and shall provide all the necessary information to enable the Directors to participate through such Electronic Mode.

(e) Shorter Notice

A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting, or in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one Independent Director. Where the Company does not have, for the time being, any Independent Director, a Board meeting may be called at a shorter notice where such notice is approved by a majority of Directors present at such meeting.

(f) Minimum number of meetings

The Board shall hold four Board meetings every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings. The Directors may adjourn and otherwise regulate their meetings as they think fit.

137. Chairperson and Vice Chairperson

a) The Directors may from time to time elect from among their members a chairperson of the Board as well as a vice chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the chairperson is not present within five minutes after the time appointed for holding the same, to the vice chairperson shall preside at the meeting and in the absence of the vice chairperson as well, the Directors present may choose one of the Directors among themselves to preside the meeting.

b) Subject to Section 203 of the Act and rules made there under, one person can act as the chairperson as well as the Managing Director or chief executive officer at the same time.

138. Questions at Board meeting how decided.

Questions arising at any meeting of the Board shall be decided by a majority of votes and in the case of an equality of votes, the chairperson or the vice chairperson, as the case may be will have a second or casting vote.

139. Continuing directors may act notwithstanding any vacancy in the Board

The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.

140. Board may appoint committee.

Subject to the provisions of the Act, the Board may delegate any of their powers to a committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

141. Committee meetings how to be governed.

The meetings and proceedings of any such committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

142. Chairperson of committee meetings

a) A committee may elect a chairperson of its meetings.

b) If no such chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be chairperson of the meeting.

143. Meetings of the committee

a) A committee may meet and adjourn as it thinks fit.

b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the chairperson shall have a second or casting vote.

144. Acts of Board or committee shall be valid notwithstanding defect in appointment.

Subject to the provisions of the Act, all acts done by any meeting of the Board or by a committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.

145. Power to fill casual vacancy

Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

POWERS OF THE BOARD

146. Powers of the Board

The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However, no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

147. Certain powers of the Board

Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Board shall have the following powers, that is to say -

To acquire any property, rights etc.

(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.

To take on Lease.

(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Board may think fit, and in any such purchase, lease or acquisition to accept such title as the Board may believe, or may be advised to be reasonably satisfy.

To erect & construct.

(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the Company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the Company; to mortgage the whole or any portion of the property of the Company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.

To pay for property.

(4) At their discretion and subject to the provisions of the Act, the Board may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

To insure properties of the Company.

(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

To open Bank accounts.

(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Board may think fit.

To secure contracts by way of mortgage.

(7) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.

To accept surrender of shares.

(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.

To appoint trustees for the Company.

(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.

To conduct legal proceedings.

(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.

Bankruptcy & Insolvency

(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.

To issue receipts & give discharge.

(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.

To invest and deal with money of the Company.

(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.

To give Security by way of indemnity.

(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;

To determine signing powers.

(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.

Commission or share in profits.

(16) To give to any Director, officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.

Bonus etc. to employees.

(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.

Transfer to Reserve Funds.

(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute

discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital monies of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the Company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.

To appoint and remove officers and other employees.

(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.

To appoint Attorneys.

(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Body or in favour of any company, or the shareholders, directors, nominees or manager of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

To enter into contracts.

(21) Subject to Section 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

To make rules.

(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company, its officers and employees.

To effect contracts etc.

(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.

To apply & obtain concessions licenses etc.

(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.

To pay charges, commissions or interest.

(25) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.

(26) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Section 40 of the Act and of the provisions contained in these presents.

To redeem preference shares.

(27) To redeem preference shares.

To assist charitable or benevolent institutions.

(28) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.

(29) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.

(30) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.

(31) To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.

(32) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.

(33) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.

(34) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.

(35) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.

(36) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Board to any person(s), firm, company or fluctuating body of persons as aforesaid.

(37) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

148. Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer

a) Subject to the provisions of the Act,—

i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

ii. A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

149. The Seal, its custody and use.

(a) The Board shall provide a Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a committee of the Board previously given.

(b) The Company shall also be at liberty to have an official Seal in accordance with the Act, for use in any territory, district or place outside India.

150. Deeds how executed.

The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least one Director and of the secretary or such other person as the Board may appoint for the purpose; and those one Director and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

Dividends and Reserve

151. Division of profits.

(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect

whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(3) The dividend can be declared and paid only out of the following profits;

i. Profits of the financial year, after providing depreciation as stated in Section 123(2) read with Schedule II of the Act.

ii. Accumulated profits of the earlier years, after providing for depreciation under Section 123(2) read with Schedule II of the Act.

iii. Out of money provided by Central or State Government for payment of dividend in pursuance of a guarantee given by the Government.

152. The Company in General Meeting may declare dividends.

The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 124 of the Act, but no dividends shall exceed the amount recommended by the Board, but the Company may declare a smaller dividend in general meeting.

153. Transfer to reserves

a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit.

b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

154. Interim Dividend.

Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

155. Debts may be deducted.

The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

156. Capital paid up in advance not to earn dividend.

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.

157. Dividends in proportion to amount paid-up.

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.

158. Retention of dividends until completion of transfer under Articles.

The Board may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a Member, or any person under that Article is entitled to transfer, until such person becomes a Member, in respect of such shares or shall duly transfer the same.

159. No Member to receive dividend whilst indebted to the Company and the Company's right of reimbursement thereof.

No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.

160. Effect of transfer of shares.

A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.

161. Dividend to joint holders.

Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.

162. Dividends how remitted.

a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

163. Notice of dividend.

Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

164. No interest on Dividends.

No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.

165. Unpaid or unclaimed dividend

a) The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. If the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days, transfer the total amount of dividend, which remained so unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account".

b) Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investor Education and Protection Fund".

c) Further, there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law and the Company shall comply with the provision of Sections 124 and 125 of the Act in respect of all unclaimed or unpaid Dividends.

Accounts

166. Board to keep true accounts

The Company shall keep at the Office or at such other place in India as the Board thinks fit, proper books of account and other relevant books and papers and financial statement for every financial year in accordance with Section 128 of the Act.

Where the Board decides to keep all or any of the Books of Account at any place in India other than the Office of the Company the Company shall within seven days of the decision file with the Registrar a notice in writing giving, the full address of that other place.

The Company shall preserve in good order the books of account relating to the period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such Books of Account.

Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the preceding Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to date at intervals of not more than three months are sent by the branch office to the Company at its Office or at any other place in India, at which the Company's Books of Account are kept as aforesaid.

The books of account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transactions effected both at the Office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting. The Books of Account and other books and papers shall be open to inspection by any Directors during business hours.

167. Preparation of revised financial statements or Boards' Report

Subject to the provisions of Section 131 of the Act and the Applicable Law made thereunder, the Board may require the preparation of revised financial statement of the Company or a revised Boards' Report in respect of any of the three preceding financial years, if it appears to them that (a) the financial statement of the Company or (b) the report of the Board do not comply with the provisions of Section 129 or Section 134 of the Act.

168. Places of keeping accounts

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 Directors.

No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.
Winding up

169. Subject to the provisions of Chapter XX of the Act and rules made thereunder and Applicable Law —

(i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

170. Directors' and others right to indemnity.

Subject to provisions of the Act, every Director, or officer or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in which relief is granted to him by the Court or the Tribunal.

171. Not responsible for acts of others

Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

Others

172. Terms of issue of Debentures

Any debentures, debenture stock, bonds or other securities may be issued on such terms and conditions as the Board may think fit. Provided that the debentures with a right to allotment or conversion into shares shall be issued in conformity with the provisions of Section 62 of the Act. The debentures, debenture stock, bonds and other securities may be made assignable free from any equities from the Company and the person to whom it may be issued. The debentures, debenture stock, bonds and other securities with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

173. Issue of Depository Receipts

Subject to compliance with the relevant provisions of the Act and rules framed thereunder, the Company, after passing a Special Resolution in its General Meeting, may issue depository receipts in any foreign country.

174. Issue of Securities

Subject to compliance with applicable provision of the Act and rules framed thereunder the Company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.

175. Closure of Register of Members or debenture holder or other security holders

The Board shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.

UNDERWRITING AND BROKERAGE

176. Commission

Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

177. Brokerage

The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.

DEMATERIALISATION OF SHARES

178. Dematerialisation of Securities

1) Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its shares, debentures and other securities pursuant to the Depositories Act, 1996. The provisions of this Section will be applicable in case of such securities as are or are intended to be dematerialized.

2) Every Person subscribing to the shares offered by the Company shall have the option to receive share certificates or to hold the shares with a depository. Where person opts to hold any share with the depository, the Company shall intimate such depository of details of allotment of the shares to enable the depository to enter in its records the name of such Person as the beneficial owner of such shares. Such a Person who is the beneficial owner of the shares can at any time opt out of a depository, if permitted by the Law, in respect of any shares in the manner provided by the Depositories Act, 1996 and the regulations made thereunder and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of shares. In the case of transfer of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply.

3) If a Person opts to hold his shares with a depository, the Company shall intimate such depository the details of allotment of the shares, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the shares.

4) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.

5) All shares held by a depository shall be dematerialized and shall be in a fungible form.

6) Notwithstanding anything to the contrary contained in the Act or the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of shares on behalf of the beneficial owner.

7) Save as otherwise provided in (6) above, the depository as the registered owner of the shares shall not have any voting rights or any other rights in respect of shares held by it.

8) Every person holding shares of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be the owner of such shares and shall also be deemed to be a shareholder of the Company. The beneficial owner of the shares shall be entitled to all the liabilities in respect of his shares which are held by a depository. The Company shall be further entitled to maintain a register of Members with the details of Members holding shares both in material and dematerialized form in any medium as permitted by Law including any form of electronic medium.

9) Notwithstanding anything in the Act or the Articles to the contrary, where shares are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by Law from time to time.

10) Nothing contained in the Act or the Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

11) The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Act and the Depositories Act, 1996, containing details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by law(s) including any form of electronic media.

12) The Company shall have the power to keep in any state or country outside India a branch register resident in that state or country.

JOINT HOLDER

179. Joint Holders

Where two or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.

180. Joint and several liabilities for all payments in respect of shares.

(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

Title of survivors.

(b) On the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;

Receipts of one sufficient.

(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and

Delivery of certificate and giving of notices to first named holders.

(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall be deemed to be service on all the holders.

SHARE WARRANTS

181. Power to issue share warrants

The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any share which is fully paid upon application in writing signed by the persons registered as holder of the share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

182. Deposit of share warrants

(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the share included in the deposit warrant.

(b) Not more than one person shall be recognized as depositor of the share warrant.

(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.

183. Privileges and disabilities of the holders of share warrant

(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.

(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the share included in the warrant, and he shall be a Member of the Company.

184. Issue of new share warrant coupons

The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

BORROWING POWERS

185. Power to borrow.

Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say reserves not set apart for any specified purpose, and its securities premium.

186. Issue of discount etc. or with special privileges.

Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

187. Securing payment or repayment of Monies borrowed.

The payment and/or repayment of monies borrowed or raised as aforesaid or any monies owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or company as the case may be.

188. Bonds, Debentures etc. to be under the control of the Board.

Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

189. Mortgage of uncalled Capital.

If any uncalled capital of the Company is included in or charged by any mortgage or other security the Board shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

190. Indemnity may be given.

Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

AUDIT

191. Auditors to be appointed

Statutory Auditors and Cost Auditors, if any, shall be appointed and their rights and duties regulated in accordance with Sections 139 to 148 of the Act and Applicable Laws. Where applicable, a Secretarial Auditor shall be appointed by the Board and their rights and duties regulated in accordance with Section 204 of the Act and Applicable Laws.

Subject to the provisions of Section 139 of the Act and rules made thereunder, the Statutory Auditors of the Company shall be appointed for a term of five consecutive years (in case Auditor is an Individual) or two terms of five consecutive years (in case Auditor is an Audit Firm). Provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons as may be recommended by the Board, in accordance with Section 140 of the Act or Applicable Laws.

192. Remuneration of Auditors

The remuneration of the Auditors shall be fixed by the Company in Annual General Meeting or in such manner as the Company in General Meeting may determine.

193. Maintenance of records and Inspection of minutes of General Meeting by Members

(1) Where permitted/required by the Act, all records to be maintained by the Company may be kept in electronic form subject to the provisions of the Act and rules made thereunder. Such records shall be kept open to inspection in the manner as permitted by the Act and Applicable Law. The term ‘records’ would mean any register, index, agreement, memorandum, minutes or any other document required by the Act and Applicable Law made there under to be kept by the Company.

(2) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.

(3) Any such minutes shall be evidence of the proceedings recorded therein and shall contain a fair and correct summary of the proceedings thereat.

(4) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of such meeting in such books shall be dated and signed by the chairperson of the same meeting within the

aforesaid period of thirty days or in the event of the death or non availability of that chairperson within that period, by a Director duly authorised by the Board for the purpose.

(5) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(6) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the ‘chairperson of the meeting :

(a) is or could reasonably be regarded, as, defamatory of any person or
(b) is irrelevant or immaterial to the proceeding, or
(c) is detrimental to the interest of the Company.

The chairperson of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

(7) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.

(8) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.

FOREIGN REGISTER

194..Foreign Register.

The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of foreign register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such registers.

DOCUMENTS AND SERVICE OF NOTICES

195. Signing of documents & notices to be served or given.

Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.

196. Authentication of documents and proceedings.

Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the Company may be signed by a Director, the manager, or secretary or other authorised officer of the Company and need not be under the Seal of the Company.

SECRECY

197. Secrecy

(a) Every Director, manager, Auditor, treasurer, trustee, member of a committee, officer, Servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the Customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

Access to property information etc.

(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following documents and subsisting contracts (not being contracts entered into in the ordinary course of business carried on by our Company and includes *inter alia* contracts entered into until the date 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 documents and contracts, copies of which will be attached to the copy of the Red Herring Prospectus to be filed with the RoC, and also the documents for inspection referred to hereunder may be inspected at our Registered Office, from 10.00 am to 5.00 pm on Working Days and on the website of the Company at www.jnkindia.com/material-documents.html from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such contracts and documents that will be executed subsequent to the completion of the Bid/Offer Closing Date).

Material Contracts to the Offer

1. Offer Agreement dated August 22, 2023, entered into among our Company, the Selling Shareholders and the BRLMs.
2. Registrar Agreement dated August 22, 2023, entered into among our Company, the Selling Shareholders and the Registrar to the Offer.
3. Cash Escrow and Sponsor Bank Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members, Banker(s) to the Offer and the Registrar to the Offer.
4. Monitoring Agency agreement dated [●] entered into between our Company and the Monitoring Agency.
5. Share Escrow Agreement dated [●] entered into among the Selling Shareholders, our Company and the Share Escrow Agent.
6. Syndicate Agreement dated [●] entered into among the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer.
7. Underwriting Agreement dated [●] entered into among our Company, the Selling Shareholders and the Underwriters.

Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association, as amended until date.
2. Certificate of incorporation dated June 14, 2010, issued by the RoC and fresh certificate of incorporation dated May 26, 2023 issued by the RoC pursuant to conversion from a private to a public company.
3. Resolution of the Board of Directors dated June 9, 2023 approving the Offer and other related matters.
4. Shareholders' resolution dated July 27, 2023 in relation to the Fresh Issue and other related matters;
5. Resolution of the Board of Directors dated July 27, 2023 approving the estimated working capital requirements for Fiscals 2025 and Fiscal 2024 and the proposed funding of such working capital requirements;
6. Resolution of the Board of Directors dated August 22, 2023, approving this Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges.
7. Copies of annual reports for the last three Fiscals, i.e., Fiscal 2023, 2022 and 2021.
8. Resolution dated July 27, 2023 passed by the Audit Committee approving the KPIs.
9. The examination report of the Statutory Auditor dated August 1, 2023 on the Restated Consolidated Financial Information.
10. Written consent dated August 17, 2023, from M/s CVK & Associates to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 and in respect of (i) their examination report dated August 1, 2023 on our Restated Consolidated Financial Information; and (ii) their report dated August 17, 2023, on the Statement of Possible Special Tax

Benefits in this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

11. Consents of the Selling Shareholders, our Directors, Bankers to our Company, the BRLMs, Registrar to the Offer, Banker(s) to the Offer, Syndicate Members, legal counsels, lenders to the Company, Company Secretary and Compliance Officer of our Company, to act in their respective capacities.

12. Written consent dated August 1, 2023, from Meman Riyazahmed M , Independent Chartered Engineer to include his name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and referred to as an "expert", as defined under Section 2(38) of the Companies Act, to the extent and in their capacity as an independent chartered engineer, in relation to the certificate dated August 1, 2023 certifying, inter alia, the details in relation to the installed production capacities and capacity utilizations of our in – house fabrication facilities at Mundra, Gujarat and Jajpur, Odisha, respectively.

13. Certificate on existing working capital of our Company on a standalone basis and future working capital requirement, issued by M/s CVK & Associates, Statutory Auditor dated August 22, 2023.

14. Certificate on key performance indicators, issued by M/s CVK & Associates, Statutory Auditor dated August 22, 2023.

15. Industry report titled "*Opportunities in Heating Equipment, Waste Gas Handling/Emission, Control Systems, and Renewable Energy Systems*" dated August 14, 2023, prepared by Frost & Sullivan, commissioned and paid for by our Company exclusively in connection with the Offer, and consent letter dated August 14, 2023, issued by Frost & Sullivan.

16. In-principle listing approvals dated [●] and [●] from BSE and NSE, respectively.

17. Tripartite Agreement dated December 29, 2022, among our Company, NSDL and the Registrar to the Offer.

18. Tripartite Agreement dated January 23, 2023, among our Company, CDSL and the Registrar to the Offer.

19. Co-operation Agreement dated May 17, 2023 entered by and between our Company and JNK Heaters.

20. Employee Agreement dated April 14, 2023 entered by and between Arvind Kamath and our Company.

21. Employee Agreement dated April 14, 2023 entered by and between Goutam Rampelli and our Company.

22. Employee Agreement dated July 27, 2023 entered by and between Dipak Kacharulal Bharuka and our Company.

23. Memorandum of Understanding dated January 15, 2021, entered by and between Bang Hee Kim and our Company.

24. Consultant Agreement dated April 1, 2023, entered by and between Bang Hee Kim and our Company.

25. Exemption application dated April 27, 2023 filed by our Company with SEBI, email dated May 8, 2023 sent to the BRLMs by the SEBI and response dated May 18, 2023 sent by the BRLMs to the SEBI and the letter dated June 22, 2023 received from SEBI rejecting the exemption application.

26. A redacted version of the separation Agreement dated March 9, 2020 entered into between Arvind Kamath and Prajwal Kamath.

27. Due diligence certificate to SEBI from the BRLMs, dated August 22, 2023.

28. SEBI final observation letter number [●] dated [●].

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 the other parties, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act, 2013 and other applicable law.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Arvind Kamath

Designation: Chairperson and Whole Time Director
Date: August 22, 2023
Place: Thane, Maharashtra

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Goutam Rampelli

Designation: Whole Time Director
Date: August 22, 2023
Place: Thane, Maharashtra

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Bang Hee Kim

Designation: Non-Executive Director
Date: August 22, 2023
Place: Seoul, South Korea

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Dipak Kacharulal Bharuka

Designation: Whole Time Director and Chief Executive Officer
Date: August 22, 2023
Place: Thane, Maharashtra

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Balraj Kishor Namdeo

Designation: Independent Director
Date: August 22, 2023
Place: Thane, Maharashtra

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Sudha Bhushan

Designation: Independent Director
Date: August 22, 2023
Place: Thane, Maharashtra

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Raman Govind Rajan

Designation: Independent Director
Date: August 22, 2023
Place: Bengaluru, Karnataka

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Mohammad Habibulla

Designation: Independent Director
Date: August 22, 2023
Place: Hyderabad, Telangana

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Pravin Vyankatesh Sathe

Designation: Chief Financial Officer
Date: August 22, 2023
Place: Thane, Maharashtra

DECLARATION

I, Goutam Rampelli, the Promoter Selling Shareholder, hereby confirm and certify that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about and in relation to myself, as a Promoter Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Goutam Rampelli

Date: August 22, 2023
Place: Thane, Maharashtra

DECLARATION

I, Dipak Kacharulal Bharuka, the Promoter Selling Shareholder, hereby confirm and certify that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about and in relation to myself, as a Promoter Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Dipak Kacharulal Bharuka

Date: August 22, 2023
Place: Thane, Maharashtra

DECLARATION

I, Milind Joshi, the Individual Selling Shareholder, hereby confirm and certify that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about and in relation to myself, as an Individual Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Milind Joshi

Date: August 22, 2023
Place: Thane, Maharashtra

DECLARATION

We, JNK Heaters Co. Ltd, a Promoter Selling Shareholder, hereby confirm and certify that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus about and in relation to us, as a Promoter Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Signed for and on behalf of JNK Heaters Co. Ltd

Name: Bang Hee Kim
Authorised Signatory
Date: August 22, 2023
Place: Seoul, South Korea

DECLARATION

We, Mascot Capital and Marketing Private Limited, a Promoter Selling Shareholder, hereby confirm and certify that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus about and in relation to us, as a Promoter Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Signed for and on behalf of Mascot Capital and Marketing Private Limited

Name: Arvind Kamath
Authorised Signatory
Date: August 22, 2023
Place: Thane, Maharashtra