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**Merritronix****MERRITRONIX LTD.**

(Formerly known as Merritronix Private Limited)

Corporate Identification Number: U32100TG1988PLC155611

REGISTERED OFFICE		CONTACT PERSON		TELEPHONE AND EMAIL	WEBSITE
C-22, Electronic Complex, Kushaiguda, Hyderabad, Telangana, India, 500062		Ms. Mandava Swathi Company Secretary & Compliance Officer		Telephone: +91 8297912056; E-mail: <a href="mailto:cs@merritronix.com">cs@merritronix.com</a>	<a href="https://www.merritronix.com/">https://www.merritronix.com/</a>
PROMOTERS OF OUR COMPANY: MR. DOVARI YESUDAS, MR. DOVARI AMARNATH, MS. VANAJA D, MR. DARSY KETHAN CHANDRA AND MR. DOVARI THAMAN					
DETAILS OF THE ISSUE					
TYPE	FRESH ISSUE SIZE	OFS SIZE (BY NO. OF SHARES)	TOTAL ISSUE SIZE	ELIGIBILITY & SHARE RESERVATION AMONG QIB, NII & II	
Fresh Issue	Upto 47,00,000* equity shares of face value of ₹ 10 each aggregating to ₹ [•] Lakhs	NA	Upto 47,00,000* equity shares of face value of ₹ 10 each aggregating to ₹ [•] Lakhs	The Issue is being made pursuant to Regulation 229(2), 253 (1) and 253 (2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (“SEBI ICDR Regulations”). For details in relation to share reservation among Qualified Institutional Buyers, Non-Institutional Investors and Individual Investors see “ <i>Issue Structure</i> ” on page 262	
*Subject to finalization of Basis of Allotment					
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES					
RISK IN RELATION TO THE FIRST ISSUE					
This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10/-. The Floor Price, Cap Price and Issue Price as determined by our Company and in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building process (see “ <i>Basis for Issue Price</i> ” on page 109) should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after Listing.					
GENERAL RISKS					
Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of investors is invited of the section titled “ <i>Risk Factors</i> ” beginning on Page No. 22 of this Red Herring Prospectus.					
ISSUER’S ABSOLUTE RESPONSIBILITY					
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect					
LISTING					
The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an ‘in-principle’ approval letter dated April 30, 2026 from BSE for using its name in this offer document for listing our shares on the SME Platform of BSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be BSE Limited (“BSE”).					
BOOK RUNNING LEAD MANAGER					
NAME AND LOGO		CONTACT PERSON		EMAIL & TELEPHONE	
 <b>GYR CAPITAL ADVISORS PRIVATE LIMITED</b>		Mr. Mohit Baid		Telephone: +91 87775 64648 Fax: N.A. E-mail: <a href="mailto:merritronix.ipo@gyrcapitaladvisors.in">merritronix.ipo@gyrcapitaladvisors.in</a>	
REGISTRAR TO THE ISSUE					
NAME AND LOGO		CONTACT PERSON		EMAIL & TELEPHONE	
 <b>BIGSHARE SERVICES PRIVATE LIMITED</b>		Mr. Rajesh Kumawat		Tel: +91 22 6263 8200 Fax: +91 22 6263 8299 Email: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a>	
BID/ ISSUE PERIOD					
ANCHOR PORTION ISSUE OPENS/CLOSES ON: FRIDAY, MAY 29, 2026 *		BID/ISSUE OPENS ON: MONDAY, JUNE 01, 2026 *		BID/ISSUE CLOSES ON: WEDNESDAY, JUNE 03, 2026 #	

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

#UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day



## Merritronix

### MERRITRONIX LTD.

(Formerly known as Merritronix Private Limited)

Our Company was incorporated on the October 14, 1988 as "Merritronix Private Limited", a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, Andhra Pradesh. Subsequently, a Certificate of Registration of Regional Director order, dated October 05, 2021 was issued by the Registrar of Companies pursuant to the shifting of the Registered Office of the Company from the "State of Andhra Pradesh" to the "State of Telangana", under the provisions of the Companies Act, 2013. Thereafter, our Company was converted into a public limited company pursuant to a resolution passed by our Shareholders at an Extraordinary General Meeting held on January 06, 2025, and consequently the name of our Company was changed to "Merritronix LTD.". A Fresh Certificate of Incorporation dated February 07, 2025 was issued by the Registrar of Companies, Central Registration Centre upon such conversion. For further details, please refer to chapter titled "History and Certain Corporate Matters" beginning on Page No. 183 of this Red Herring Prospectus.

**Registered Office:** C-22, Electronic Complex, Kusaigauda, Hyderabad, Telangana, India, 500062  
**Telephone:** +91 8297912056; **E-mail:** [cs@merritronix.com](mailto:cs@merritronix.com); **Website:** <https://www.merritronix.com/>  
**Contact Person:** Ms. Mandava Swathi, Company Secretary & Compliance Officer;  
**Corporate Identity Number:** U32100TG1988PLC155611

#### PROMOTERS OF OUR COMPANY: MR. DOVARI YESUDAS, MR. DOVARI AMARNATH, MS. VANAJA D. MR. DARSY KETHAN CHANDRA AND MR. DOVARI THAMAN

#### DETAILS OF THE ISSUE

**INITIAL PUBLIC OFFER OF UPTO 47,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF MERRITRONIX LTD (THE "COMPANY" OR "MERRITRONIX" OR "ISSUER") AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UPTO ₹ [●] LACS ("PUBLIC ISSUE") OUT OF WHICH UPTO 2,36,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LACS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UPTO 44,64,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LACS IS HERINAFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.88 % AND 25.53 % RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITION OF FINANCIAL EXPRESS (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITION OF JANSATTA (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND TELUGU EDITION OF MEGA JYOTHI, A TELUGU REGIONAL NEWSPAPER (TELUGU BEING THE REGIONAL LANGUAGE OF TELANGANA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").**

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank as applicable.

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 (1) and 253 (2) of the SEBI ICDR Regulations read with SEBI ICDR (Amendment) Regulations, 2025, wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLMs may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"), of which, 40% shall be reserved in the following manner, (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% shall be available for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in (i) above, the allocation may be made to domestic Mutual Funds. 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) ("Net QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, other than Anchor Investors, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, the SEBI ICDR Regulations read with SEBI ICDR (Amendment) Regulations, 2025, states that not less than 35% of the Net Issue shall be available for allocation to Individual Investors who applies for minimum application size. Not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than two lots and up to such lots as equivalent to not more than ₹ 10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10.00 Lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Subject to the availability of shares in non-institutional investors' category, the allotment to each Non-Institutional Investors shall not be less than the minimum application size in 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) (Amendment) Regulations, 2025. All Potential Bidders, other than Anchor Investors, are required to participate in the Issue by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self-Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, please refer to the chapter titled "Issue Procedure" on page 266 of this Red Herring Prospectus.

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 266 of this Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.

#### ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on Page No. 266 of this Red Herring Prospectus.

#### RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the equity shares is ₹. 10/-. The Issue price/floor price/price band should not be taken to be indicative of the market price of the specified securities after the specified securities are listed. No assurance can be given regarding an active or sustained trading in the equity shares of the issuer nor regarding the price at which the equity shares will be traded after listing.

#### GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited of the section titled "Risk Factors" beginning on Page No. 22 of this Red Herring Prospectus.

#### ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

#### LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an 'in-principle' approval letter dated April 30, 2026 from BSE for using its name in this offer document for listing our shares on the SME Platform of the BSE. For the purpose of this Issue, the Designated Stock Exchange will be BSE.

#### BOOK RUNNING LEAD MANAGER



**GYR CAPITAL ADVISORS PRIVATE LIMITED**  
 428, Gala Empire, Near JB Tower,  
 Drive in Road, Thaltej, Ahmedabad -380 054, Gujarat, India.  
**Telephone:** +91 87775 64648  
**Fax:** N.A.  
**E-mail:** [merritronix.ipo@gvrcapitaladvisors.in](mailto:merritronix.ipo@gvrcapitaladvisors.in)  
**Website:** [www.gvrcapitaladvisors.com](http://www.gvrcapitaladvisors.com)  
**Investor grievance:** [investors@gvrcapitaladvisors.com](mailto:investors@gvrcapitaladvisors.com)  
**Contact Person:** Mr. Mohit Baid  
**SEBI Registration Number:** INM000012810  
**CIN:-** U67200GJ2017PTC096908

#### REGISTRAR TO THE ISSUE



**BIGSHARE SERVICES PRIVATE LIMITED**  
**Address:** Office No. S6-2, 6th Floor, Pinnacle Business Park,  
 Next to Ahura Centre, Mahakali Caves Road,  
 Andheri East, Mumbai - 400 093,  
 Maharashtra, India  
**Telephone:** 022-62638200  
**Fax:** +91 22 6263 8299  
**E-mail id:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**Investor Grievance Email:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
**Contact Person:** Mr. Rajesh Kumawat.  
**SEBI Registration Number:** INR000001385  
**CIN:** U99999MH1994PTC076534

#### ISSUE PROGRAMME

**ANCHOR PORTION ISSUE OPENS/CLOSES ON: FRIDAY, MAY 29, 2026\*** | **BID/ISSUE OPENS ON: MONDAY, JUNE 01, 2026\*** | **BID/ISSUE CLOSES ON: WEDNESDAY, JUNE 03, 2026#**

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

#UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.

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PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND  
DISCLOSURE REQUIREMENTS) REGULATIONS, 2018***

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the same meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time 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 Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning as prescribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.*

Notwithstanding the foregoing, the terms used in **“Industry Overview”**, **“Key Regulations and Policies”**, **“Statement of Special Tax Benefits”**, **“Financial Information”**, **“Basis for Issue Price”**, **“Outstanding Litigation and Material Developments”** and **“Description of Equity Shares and Terms of the Articles of Association”** beginning on pages 121, 175, 118,209, 109, 230 and 299, respectively, shall have the meaning ascribed to them in the relevant section

#### GENERAL AND COMPANY RELATED TERMS

Term	Description
“Company”, “our Company”, “the Company”, “the Issuer”, or “Merritronix”	Merritronix LTD. (Formerly known as Merritronix Private Limited), a public limited company incorporated under the Companies Act, 1956, having its registered office at C-22, Electronic Complex, Kushaiguda, Hyderabad, Telangana, India, 500062
Our Promoters	Mr. Dovari Yesudas, Mr. Dovari Amarnath, Ms. Vanaja D, Mr. Darsy Kethan Chandra and Mr. Dovari Thaman
Promoter’s Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled <b>“Our Promoter and Promoter’s Group”</b> on page 200 of this Red Herring Prospectus.

#### COMPANY RELATED AND CONVENTIONAL TERMS

Term	Description
Articles / Articles of Association/AOA	The Articles of Association of our Company as amended
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled <b>“Our Management”</b> on page 188 of this Red Herring Prospectus.
Auditor / Statutory Auditor	Statutory auditor of our Company, namely, <b>M/s. Dagliya &amp; Co, Chartered Accountants</b> . For details refer section titled <b>“General Information”</b> on page 59 of this Red Herring Prospectus.
Peer Review Auditor	Peer review auditor of our Company, namely, <b>M/s. Dagliya &amp; Co, Chartered Accountants</b> . For details refer section titled <b>“General Information”</b> on page 59 of this Red Herring Prospectus.
Bankers to the Company	CSB Bank Limited
Board of Directors / Board/BOD	The Board of Directors of the Merritronix LTD. unless otherwise specified.
Chairman	Mr. Dovari Yesudas is the Chairman of our Company. For details, see <b>“Our Management”</b> on page 188.
Companies Act	The Companies Act, 2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e. U32100TG1988PLC155611
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being Darsy Kethan Chandra.
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company, being Ms. Mandava Swathi
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
Director(s)	Directors on our Board as described <b>“Our Management”</b> beginning on page 188 of this Red Herring Prospectus.
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company
ED	Executive Director

Term	Description
Group Companies	Companies with which there have been related party transactions, during the last three financial years, as covered under the applicable accounting standards and other companies as considered material by the Board in accordance with the Materiality Policy.
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	INE1RQS01010
Key Managerial Personnel /Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “ <i>Our Management</i> ” on page 188 of this Red Herring Prospectus.
KPI	Key Performance Indicator
KPIs	KPIs are numerical measures of the issuer company’s historical financial or operational performance and financial or operational positions
KPI circular	SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/28 dated February 28, 2025, issued by the Securities and Exchange Board of India (‘SEBI’) titled “ <b>Industry Standards on Key Performance Indicators (“KPIs”) Disclosures in the draft Issue Document.</b> ”
LLP	LLP incorporated under the Limited Liability Partnership Act, 2008.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on March 16, 2026 in accordance with the requirements of the SEBI ICDR Regulations.
MD	The Managing Director of our Company, being Mr. Dovari Amarnath.
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Non-Residents	A person resident outside India, as defined under FEMA
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 188 of this Red Herring Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director.
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000.
Registered Office	C-22, Electronic Complex, Kushaiguda, Hyderabad, Telangana, India, 500062
Restated Financial Information	The Restated Financial Information of our Company, which comprises the Restated Statement of assets and liabilities, the Restated Statement of profit and loss, the Restated Statement of cash flows for the year ended on March 31, 2026, 2025 and 2024, along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
ROC / Registrar of Companies	Registrar of Companies, Hyderabad
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 188 of this Red Herring Prospectus.

## ISSUE RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf
Allocation / Allocation of Equity Shares	Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Applicants.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allotment Date	Date on which Allotment is made.
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges.
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares Issued pursuant to the Fresh Issue pursuant to successful Bidders.
Allottee (s)	The successful applicant to whom the Equity Shares are being / have been Issued
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring

Terms	Description
	Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Issue Period.
Anchor Investor Application Form	The application 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 Bid/ Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	<p>The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price.</p> <p>The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Managers.</p>
Anchor Investor Portion	<p>Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations.</p> <p>With effect from December 1, 2025, in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Third Amendment) Regulations, 2025, 40% of the Anchor Investor Portion shall be reserved for, (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% for life insurance companies and pension funds, subject to valid Bids being received from domestic Mutual Funds, life insurance companies and pension funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in (ii) above, the allocation may be made to domestic Mutual Funds.</p>
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
ASBA Bid	A Bid made by ASBA Bidder.
Bankers to the Issue	Banks which are clearing members and registered with SEBI as bankers to an Issue and with whom the Public Issue Account will be opened, in this case being Axis Bank Limited
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled “ <i>Basis of allotment</i> ” under chapter titled “ <i>Issue Procedure</i> ” starting from page no. 266 of this Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Red Herring Prospectus.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/ Issue Period	<p>The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders.</p> <p>Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</p>

Terms	Description
	In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days.
Bid/Issue Closing Date	<p>Except in relation to Anchor Investors The date after which the Designated Intermediaries will not accept any Bids, being June 03, 2026, which shall be published in All editions of Financial Express (a widely circulated English national daily newspaper), and All editions of Jansatta (a widely circulated Hindi national daily newspaper), and Telugu editions of Mega Jyothi (a widely circulated Regional language daily newspaper) (Telugu being the regional language of Telangana, where our Registered Office is located).</p> <p>Our Company in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations</p>
Bid/Issue Opening Date	Except in relation to Anchor Investors The date on which the Designated Intermediaries shall start accepting Bids, being June 01, 2026, which shall be published in All editions of Financial Express (a widely circulated English national daily newspaper), and All editions of Jansatta (a widely circulated Hindi national daily newspaper) and Telugu editions of Mega Jyothi (a widely circulated Regional language daily newspaper) (Telugu being the regional language of Telangana, where our Registered Office is located).
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of Red Herring Prospectus.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> ) .
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms i.e., Designated SCSB Branch 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 Issue is being made.
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being GYR Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker.
Broker Centers	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
BSE SME	SME Platform of BSE Limited as per the Rules and Regulations laid down by SEBI for listing of equity shares
CAN or Confirmation of Allocation Note'	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalised and above which no Bids will be accepted.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, 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.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in">https://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM.

<b>Terms</b>	<b>Description</b>
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, and occupation and Bank Account details.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Intermediaries/ Collecting Agent	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Designated CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum Application Forms to Collecting Depository Participants.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus, after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/</a> Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	SME Platform of BSE Limited (“BSE SME”)
DP ID	Depository Participant’s Identity Number
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated March 26, 2026 issued in accordance with Section 26 and Section 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible FPI(s)	FPI(s) that are eligible to participate in the Issue in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an Issue / invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares.
Eligible NRI(s)	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Escrow and Sponsor Bank Agreement	Agreement dated May 05, 2026 entered into amongst our Company, the Registrar to the Issue, the Book Running Lead Manager and Banker to the Issue and Sponsor Bank, to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an Issue under the SEBI (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) will be opened, in this case being Axis Bank Limited.
Escrow Account	Accounts opened with the Banker to the Issue pursuant to Escrow and Sponsor Bank Agreement.
First Applicant	The Applicant whose name appears first in the 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(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price will be finalized and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.

Terms	Description
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.
Fresh Issue	The Fresh Issue of upto 47,00,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] Lakhs.
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 (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, Notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
Gross Proceeds	The Issue Proceeds, less the amount to be raised with respect to the Issue for Sale
GIR Number	General Index Registry Number.
IPO/ Issue/ Issue Size/ Public Issue	Initial Public Offering.
“Individual Portion”	The portion of the Net Issue being not less than 35% of the Net Issue consisting of upto 15,64,000 Equity Shares, who applies for minimum application size.
“Individual Bidder(s)” or “Individual Investor(s)” or “II(s)” or “IB(s)”	The minimum application size shall be two lots per application, such that the minimum application size shall be above ₹ 2 lakhs. (Including HUFs applying through their Karta) and Eligible NRIs
Issue Agreement	The agreement dated February 11, 2026 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing	Our Issue shall close on Wednesday, June 03, 2026.
Issue document	Includes Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus to be filed with Registrar of Companies.
Issue Opening	Our Issue shall open on Monday, June 01, 2026.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the BSE Limited.
Market Maker	The Market Maker to the Issue, in this case being Giriraj Stock Broking Private Limited.
Market Maker Reservation Portion	The reserved portion of upto 2,36,000 Equity Shares of ₹ 10 each at an Issue price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Issue.
Market Making Agreement	The Market Making Agreement dated April 07, 2026 between our Company and Book Running Lead Manager and Market Maker.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=43</a> or such other website as may be updated from time to time, which may be used by IIs to submit Bids using the UPI Mechanism.
Monitoring Agency	Monitoring Agency in this case being Brickwork Ratings India Private Limited
Monitoring Agency Agreement	The Agreement entered into between and amongst our company and the Monitoring Agency dated May 08, 2026.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Mutual Fund Portion	5% of the Net QIB Portion (other than anchor allocation), or 45,000 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 Issue Price.
Net Issue	The Issue excluding the Market Maker Reservation Portion of upto 44,64,000 Equity Shares of Face Value of ₹ 10.00 each fully paid for cash at a price of ₹ [●] Equity Share aggregating ₹ [●] Lakhs by our Company.
Net Proceeds	The Gross Proceeds less our Company’s share of the Issue-related expenses applicable to the Fresh Issue. For details about use of the Net Proceeds and the Issue related expenses, see “ <i>Objects of the Issue</i> ” on page 89.
Non-Institutional Applicant / Investors	All Applicants, including FPIs which are individuals, corporate bodies and family offices, that are not QIBs or IIs and who have Application for Equity Shares for an amount of more than ₹2.00 Lakhs (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Net Issue comprising of upto 6,72,000 Equity Shares of face value of ₹ 10 each which shall be available for allocation to Non-Institutional Investors of which one-third of the Non- Institutional Portion will be available

Terms	Description
	for allocation to Bidders with an application size of more than two lots and up to such lots as equivalent to not more than ₹ 10.00 Lakhs and two- thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10.00 Lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub- category of Non-Institutional Portion.
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	The Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the Book Running Lead Managers, and will be advertised in All editions of Financial Express (a widely circulated English national daily newspaper), and All editions of Jansatta (a widely circulated Hindi national daily newspaper) and Telugu editions of Mega Jyothi (a widely circulated Regional language daily newspaper) (Telugu being the regional language of Telangana, where our Registered Office is located), each with a wide circulation, at least two Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor price and at the Cap Price, and shall be available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company in consultation with the Managers, will finalise the Issue Price.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
Public Issue Account	Account to be opened with the Banker to the Issue to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date.
Qualified Institutional Buyers / QIBs	The 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 price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.
Refund Bank(s) /Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited.
Refund Account	Account to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Registered Broker	The stockbrokers registered with 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 and the UPI Circulars, issued by SEBI
Registrar / Registrar to the Issue	Registrar to the Issue being <b>Bigshare Services Private Limited</b> .
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Reservation Portion	The portion of the Issue reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018
Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion.
Revision Form	The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s) QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Individual Applicants can revise their applications during the Issue Period and withdraw their applications until Issue Closing Date.
SCSB	The list of SCSBs notified by SEBI for the ASBA process is available at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> , or at such other website as may be prescribed by SEBI from time to time. A list of the Designated

Terms	Description
	<p>SCSB Branches with which an ASBA Bidder (other than a IB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Application Forms, is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> , or at such other websites as may be prescribed by SEBI from time to time.</p> <p>In relation to Bids submitted 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 Application Forms from the members of the Syndicate is available on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> ) and updated from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> ) as updated from time to time.</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI(<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a>) and (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a>) respectively, as 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 the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.</p>
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System
SEBI Master Circular	The SEBI Circular No. <b>HO/49/14/14(2)2026-CFD-POD2/I/4518/2026</b> dated February 09, 2026.
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Applicants, a list of which will be included in the Application Form
Sponsor Bank	The Banker to the Issue registered with SEBI and appointed by our 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 the Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Stock Exchange	BSE Limited
Sub Syndicate Member	A SEBI Registered member of BSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Offer i.e. Intellect Stock Broking Limited
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members.
Systemically Important Non-Banking Financial Companies	Systemically important non-banking financial company as defined under Regulation 2(1) (iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement entered into between the Underwriter and our Company dated March 06, 2026
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Bidders	Collectively, individual investors applying as (i) Individual Bidders in the Individual Investor Portion, and (ii) Non- Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion, and 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 shall use UPI and shall provide their UPI ID in the 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 websites 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).

Terms	Description
UPI Circular	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI Master circular, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 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 master circular no. HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 09, 2026 along with (i) the circulars issued by the National Stock Exchange of India Limited having reference no. 23/2022 dated July 22, 2022 and reference no. 25/2022 dated August 3, 2022; and (ii) the circulars issued by BSE having reference no. 20220722-30 dated July 22, 2022 and reference no. 20220803-40 dated August 3, 2022; and any subsequent circulars or notifications issued by SEBI, BSE or National Stock Exchange of India Limited 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 Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Individual Bidder to such Mobile App) to the Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a “II” to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Willful Defaulter	Willful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the Hyderabad city as specified in the RedHerring Prospectus are open for business: -  <ol style="list-style-type: none"> <li>However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the Hyderabad city as notified in this RedHerring Prospectus are open for business.</li> <li>In respect to the time period between the Issue Closing Date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.</li> </ol>

## CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS

Term	Description
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
AO	Assessing Officer
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
BG	Bank Guarantee
BSE SME	SME platform of BSE Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI

Term	Description
	Regulations
CDSL	Central Depository Services (India) Limited
CFSS	Companies Fresh Start Scheme under Companies Act, 2013
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Competition Act	Competition Act, 2002, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
CRR	Cash Reserve Ratio
CRAR	Capital to Risk Asset Ratio
CSR	Corporate social responsibility
Demat	Dematerialised
Depositories Act	Depositories Act, 1996 as amended from time to time
Depository or Depositories	NSDL and CDSL both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
DIN	Director identification number
DP/ Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
DP ID	Depository Participant's Identification
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EoGM	Extra-ordinary General Meeting
EPS	Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
Financial Year/ Fiscal Year/FY	The period of twelve months ended March 31 of that particular year
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/ Government/GoI	Government of India
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
IMPS	Immediate Payment Service
Indian GAAP	Generally Accepted Accounting Principles in India
I.T. Act	Income Tax Act, 1961, as amended from time to time
ITAT	Income Tax Appellate Tribunal
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
KYC	Know your customer
LIC	Low-Income Country
Ltd.	Limited

<b>Term</b>	<b>Description</b>
Pvt. Ltd.	Private Limited
MCA	Ministry of Corporate Affairs
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
MSME	Micro, Small, and Medium Enterprises
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NR/ Non-Residents	Non-Resident
NPCI	National Payments Corporation of India
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SAT	Securities Appellate Tribunal
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SCSBs	Self-Certified Syndicate Banks
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Merchant Bankers Regulation	Securities and Exchange Board of India (Merchant Bankers) Regulations,1992, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended
S&P BSE SENSEX	S&P Bombay Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the BSE Limited

<b>Term</b>	<b>Description</b>
STT	Securities Transaction Tax
TDS	Tax Deducted at Source
TAN	Tax deduction account number
TIN	Tax payer Identification Number
TRS	Transaction Registration Slip
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S. Holder	A beneficial owner of Equity Shares that is for United States federal income tax purposes: (a) an individual who is a citizen or resident of the United States; (b) a corporation organised under the laws of the United States, any state thereof or the District of Columbia; (c) an estate whose income is subject to United States federal income taxation regardless of its source; or (d) a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons for all substantial decisions of the trust, or (2) has a valid election in effect under the applicable U.S. Treasury regulations to be treated as a U.S. person
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.
VAT	Value Added Tax
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve month period ending December 31

#### Industry Related Terms

<b>Term</b>	<b>Description</b>
A&D	Aerospace and Defence
AI	Artificial Intelligence
AR/VR	Augmented Reality / Virtual Reality
BIS	Bureau of Indian Standards
B2B	Business to Business
CAGR	Compound Annual Growth Rate
CE	Conformité Européenne
CFPI	Consumer Food Price Index
CPI	Consumer Price Index
DBT	Direct Benefit Transfer
DLI	Design Linked Incentive
EDE	Electronics Design and Engineering
EMC	Electromagnetic Compatibility
ER&D	Engineering Research and Development
ERTLs	Electronics Regional Test Laboratories
ERP	Enterprise Resource Planning
ESDM	Electronics System Design and Manufacturing
ETDCs	Electronics Test and Development Centres
EU	European Union
EV	Electric Vehicle
FDI	Foreign Direct Investment
FSSAI	Food Safety and Standards Authority of India
GDP	Gross Domestic Product
HFI	High Frequency Indicator
HMI	Human Machine Interface
IEC	International Electrotechnical Commission
IMF	International Monetary Fund
Industry Report	“ <b>Custom Report - India Electronics Manufacturing Services (EMS) Market</b> ” which covers the study period from 2019 to 2030, with 2024 as the base year (the “Mordor Intelligence Report”) prepared and issued by Mordor Intelligence Private Limited (“Mordor

Term	Description
	Intelligence”), appointed by us, exclusively commissioned and paid for by us in connection with the Issue. A copy of the Mordor Intelligence Report is available on the website of our Company at <a href="https://www.merritronix.com">https://www.merritronix.com</a> until the Bid/Offer Closing Date.
IoT	Internet of Things
ISO	International Organization for Standardization
IT	Information Technology
LVHM	Low Volume High Mix
ML	Machine Learning
MRI	Magnetic Resonance Imaging
NASSCOM	National Association of Software and Service Companies
NPE	National Policy on Electronics
ODM	Original Design Manufacturer
OEM	Original Equipment Manufacturer
OM	Obsolescence Management
PCB	Printed Circuit Board
PCBA	Printed Circuit Board Assembly
PLC	Programmable Logic Controller
PLI	Production Linked Incentive
PMGDISHA	Pradhan Mantri Gramin Digital Saksharta Abhiyan
PMP	Phased Manufacturing Programme
QA	Quality Assurance
R&D	Research and Development
RDSO	Research Designs and Standards Organization
REACH	Registration, Evaluation, Authorization and Restriction of Chemicals
RBI	Reserve Bank of India
RoHS	Restriction of Hazardous Substances
SEZ	Special Economic Zone
SMT	Surface Mount Technology
SPECS	Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors
STQC	Standardization Testing and Quality Certification
T&C	Testing and Certification
THT	Through Hole Technology
UL	Underwriters Laboratories
U.S.	United States of America
US\$	United States Dollar
USA	United States of America
UK	United Kingdom
VLSI	Very Large Scale Integration
WEO	World Economic Outlook

## KEY PERFORMANCE INDICATORS

KPI	Explanation
Revenue from operations:	Revenue from operations represent the total turnover of the business as well as provides information regarding the year over year growth of our Company.
Total Income	Total Income is used by our management to obtain a comprehensive view of all income including revenue from operations and other income.
EBITDA:	EBITDA is calculated as Restated profit / loss for the period plus tax expense plus depreciation and amortization plus finance costs and any exceptional items. EBITDA provides information regarding the operational efficiency of the business of our Company
EBITDA margin:	EBITDA Margin the percentage of EBITDA divided by revenue from operations and is an indicator of the operational profitability of our business before interest, depreciation, amortization, and taxes.
Restated profit for the period / year:	Restated profit for the period / year represents the profit / loss that our Company makes for the financial year or during a given period. It provides information regarding the profitability of the business of our Company.
Restated profit for the period / year margin:	Restated profit for the period / year Margin is the ratio of Restated profit for the period / year to the total revenue of the Company. It provides information regarding the profitability of the business of our Company as well as to compare against the historical performance of our business.

Return on Net Worth (in %)	Return on Net Worth provides how efficiently our Company generates profits from shareholders' funds.
Return on Average Equity ("RoAE"):	RoAE refers to Restated profit for the period / year divided by Average Equity for the period. Average Equity is calculated as average of the total equity at the beginning and ending of the period. RoAE is an indicator of our Company's efficiency as it measures our Company's profitability. RoAE is indicative of the profit generation by our Company against the equity contribution.
Return on Capital Employed ("RoCE"):	RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed by the Company for the period. RoCE is an indicator of our Company's efficiency as it measures our Company's profitability. RoCE is indicative of the profit generation by our Company against the capital employed.
Debt-Equity Ratio (in times)	Debt- equity ratio is a gearing ratio which compares shareholder's equity to company debt to assess our company's amount of leverage and financial stability.

Notwithstanding the foregoing, terms in "***Description of Equity Shares and Terms of Articles of Association***", "***Statement of Possible Tax Benefits***", "***Industry Overview***", "***Key Industrial Regulations and Policies***", "***Financial Information***", "***Outstanding Litigation and Material Developments***" and "***Issue Procedure***" on pages 299, 118, 121, 175, 209, 230 and 266 respectively of this Red Herring Prospectus, will have the meaning ascribed to such terms in these respective sections.

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## CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

### Certain Conventions

All references to “India” contained in this Red Herring Prospectus 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 Red Herring Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Red Herring Prospectus are to a calendar year.

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

### Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Red Herring Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “**Financial Information**” on Page No. 209 of this Red Herring Prospectus.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Statements of our Company for the year ended on March 31, 2026, 2025 and 2024 which comprise restated summary statement of assets and liabilities, the restated summary statement of profit and loss, the restated summary statement of cash flow and restated summary statement of changes in equity together with the annexures and notes thereto and the examination report thereon, as compiled from the Indian GAAP financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “*Reports in Company Prospectuses (Revised 2019)*” issued by ICAI.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this 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 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, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Red Herring Prospectus should, accordingly, be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” on Page Nos. 22, 149 and 216 respectively, of this Red Herring Prospectus, and elsewhere in this Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with Ind AS, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in “**Risk Factors**”, “**Industry Overview**” and “**Our Business**” on Page Nos. 22, 121 and 149 respectively, this Red Herring Prospectus.

### Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in this Red Herring Prospectus in “lacs” units or in whole numbers where the numbers have been too small to represent in lacs. One lac represents 1,00,000 and one million represents 10,00,000.

### Exchange rates

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

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

Currency	Exchange rate as on		
	March 31, 2026	March 31, 2025*	March 31, 2024*
1 USD	94.65	85.58	83.37

\*The exchange rate has been included as on March 30, 2026, March 28, 2025 and March 28, 2024 due to either public holiday or Saturday or Sunday on March 31, 2026, March 31, 2025 and March 31, 2024

(Source: RBI reference rate)

(Source: [www.rbi.org.in](http://www.rbi.org.in) and [www.fbil.org.in](http://www.fbil.org.in))

## Industry and Market Data

Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “**Custom Report - India Electronics Manufacturing Services (EMS) Market**” which covers the study period from 2019 to 2030, with 2024 as the base year (the “Mordor Intelligence Report”) prepared and issued by Mordor Intelligence Private Limited (“Mordor Intelligence”), appointed by us, and exclusively commissioned and paid for by us in connection with the Issue. Mordor Intelligence is an independent agency which has no relationship with our Company, our Promoters, Promoter Group and any of our Directors or KMPs. The data included herein includes excerpts from the Mordor Intelligence Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that have been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Mordor Intelligence Report and included herein with respect to any particular year refers to such information for the relevant calendar year. *A copy of the Mordor Intelligence Report is available on the website of our Company at <https://www.merritronix.com> until the Bid/Offer Closing Date.*

The extent to which the market and industry data used in this 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 the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, “**Basis for Issue Price**” on Page No. 109 of this Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “**Risk Factors**” on Page No. 22 of this Red Herring Prospectus.

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## FORWARD - LOOKING STATEMENTS

This 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”, “objective”, “plan”, “propose”, “project”, “will”, “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. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

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

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

- Our business model as a B2B Electronics Systems Design and Manufacturing services ("ESDM") provider with limited brand recognition may restrict our pricing power, customer diversification and growth prospects.
- We may not qualify for or win bids to further expand our business in future, which may have an adverse effect on our business, financial condition, results of operations and prospects.
- We typically do not obtain long-term commitments from our customers and they may cancel or change their production requirements. Such cancellations or changes may adversely affect our financial condition, cash flows and results of operations.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” beginning on Page Nos. 22, 149 and 216, respectively, of this Red Herring Prospectus. 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.

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

Forward-looking statements reflect current views as on the date of this 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 Promoters, the Syndicate 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, the Promoters and the Book Running Lead Manager 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 Exchange for the Issue.

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## SECTION II – RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, 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 as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.*

*To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 121, 149 and 216 of this Red Herring Prospectus, respectively. The industry-related information disclosed in this section that is not otherwise publicly available is derived from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.*

*This Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled “Forward-Looking Statements” on page 21 of this Red Herring Prospectus.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “**Custom Report - India Electronics Manufacturing Services (EMS) Market**” which covers the study period from 2019 to 2030, with 2024 as the base year (the “Mordor Intelligence Report”) prepared and issued by Mordor Intelligence Private Limited (“Mordor Intelligence”), appointed by us, and exclusively commissioned and paid for by us in connection with the Issue. Mordor Intelligence is an independent agency which has no relationship with our Company, our Promoters, Promoter Group and any of our Directors or KMPs. The data included herein includes excerpts from the Mordor Intelligence Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that have been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Mordor Intelligence Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the Mordor Intelligence Report is available on the website of our Company at <https://www.merritronix.com> until the Bid/Offer Closing Date.*

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information.*

### **Materiality:**

*The Risk Factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality of Risk Factors:*

- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively; and*
- *Some events may not be material at present but may have a material impact in future.*

*The financial and other related implications of risks concerned, whether quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.*

*In this Red Herring Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.*

*In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to Merritronix LTD.*

*The risk factors are classified as under for the sake of better clarity and increased understanding.*

## **INTERNAL RISK FACTORS**

### **1. *Our business model as a B2B Electronics Systems Design and Manufacturing services ("ESDM") provider with limited brand recognition may restrict our pricing power, customer diversification and growth prospects.***

We operate predominantly as a business-to-business ("B2B") Electronics Systems Design and Manufacturing services ("ESDM") provider catering primarily to customers within specialized industrial and defence ecosystems. We do not manufacture or sell products under our own consumer-facing brand and our revenues are substantially derived from contract manufacturing arrangements with a concentrated customer base operating in defence and industrial sectors., although in certain limited cases we may design, source or own specific components as part of our obsolescence management or value-added service offerings

As a result of our business model, we are dependent on purchase orders, program awards and contract renewals from a concentrated customer base, rather than diversified end-consumer demand. We typically do not own the intellectual property in the products we manufacture and have limited control over product specifications, pricing decisions, end-market strategies or product life cycles. Any reduction, delay, modification or cancellation of orders by our key customers, whether due to changes in their business strategies, financial constraints, government budgetary allocations (including changes in government policies or budgetary allocations), technological shifts or competitive pressures, could materially and adversely affect our revenues, profitability, cash flows and financial condition. The Company does not have direct exposure to government defense spending; however, its business operations may be indirectly impacted to the extent that its customers receive funding from the Government of India or derive a portion of their revenues those are operating in defense sector.

Further, our limited brand visibility outside our specialized operating segments may constrain our ability to independently generate demand, expand into new customer segments or command premium pricing. The ESDM industry is generally characterized by competitive bidding and cost-based pricing for customers. In the absence of long-term contracts, differentiated capabilities or high entry barriers, we may be subject to pricing pressure and margin compression.

In addition, our focus on industrial and defence customers exposes us to project-based revenue cycles, regulatory and compliance requirements, customer audits and elongated procurement timelines, which may result in revenue volatility and extended working capital cycles.

If we are unable to diversify our customer base, enhance our technological differentiation, or strengthen long-term customer relationships, our growth prospects, margins and overall financial performance may be adversely affected.

Company has implemented multiple risk mitigation measures across its operations, aligned with the nature of its business in high-reliability electronics manufacturing.

#### **Operational and Quality Risk Mitigation:**

The Company has established robust manufacturing and quality assurance processes, including adherence to internationally recognized standards such as EN 9100:2018 and IPC-A-610 Class 3. It also deploys automated inspection and testing systems, including AOI, X-ray inspection, and functional testing, to ensure consistency, reliability, and low defect rates.

#### **Customer and Revenue Diversification:**

The Company caters to a diversified customer base across defence, aerospace, telecommunications, and industrial sectors, with a mix of private sector customers and defence public sector undertakings. This diversification mitigates dependency on any single customer or programme and provides resilience to revenue streams.

#### **Order Pipeline and Lifecycle Engagement:**

The Company operates across multiple programmes and maintains long-term engagements through lifecycle support, including maintenance, upgrades, and obsolescence management. This provides revenue visibility and reduces volatility associated with one-time project execution.

#### **Obsolescence and Supply Chain Risk Management:**

The Company has developed capabilities in obsolescence management, including reverse engineering, alternate component qualification, and strategic sourcing of critical and long-lead components. It also maintains relationships with authorized global suppliers to mitigate supply chain disruptions and ensure continuity of operations.

#### **Competitive Positioning and Cost Efficiency:**

The Company maintains competitive cost structures supported by integrated in-house manufacturing capabilities, enabling it to effectively participate in competitive bidding processes and sustain order inflows.

**2. We may not qualify for or win bids to further expand our business in future, which may have an adverse effect on our business, financial condition, results of operations and prospects**

Our business and growth depend on our ability to qualify for and win bids undertaken by Defence PSUs (dPSU's) Entities who may be directly/indirectly rely on these customers. Our Company obtains a significant portion of its business through a competitive bidding process in which it competes for project awards based on, among other things, pricing, technical and technological expertise, reputation for quality, financing capabilities and track record. The bidding and selection process is affected by a number of factors, including factors which may be beyond our control, such as market conditions, project delays, scope adjustments, or external economic factors. Any increase in competition during the bidding process or reduction in our competitive capabilities could have a material adverse effect on our market share.

In addition to meeting bid capacity requirements, we may also be required to pre-qualify for the orders involving dPSU's such as in relation to background checks and prior experience of the bidders. Where required, we also work to meet pre-qualification requirements, including background checks and prior experience criteria. While we are committed to maintaining these capabilities, such criteria may evolve over time, and we remain focused on staying well-positioned to meet them. However, we cannot assure that we shall always maintain our bid capacity and our pre-qualification capabilities, and that we shall be able to continually secure projects so as to enhance our business operations, financial performance and results of operations. Further, such pre-qualification criteria may also change from time to time. Our inability to fulfil and maintain the bid and pre-qualification capabilities may materially impact our operating revenue and profitability.

There can be no assurance that our current or potential competitors will not offer products and solutions 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.

**3. We typically do not obtain long-term commitments from our customers and they may cancel or change their production requirements. Such cancellations or changes may adversely affect our financial condition, cash flows and results of operations.**

The table below sets forth breakup of revenues supported by long term contracts vis à vis revenues supported by purchase orders. (₹ in lakhs)

Sr No	FY	Revenue driven by long term contracts	Revenue driven by tenders and PI	Total	Percentage vide long term contract
1	2023-24	6,003.79	2,566.12	8,569.91	70.06 %
2	2024-25	8,297.45	3,058.92	1,1356.37	73.06 %
3	2025-26	11,523.13	4066.43	15,589.56	73.92 %

We generally do not obtain firm, long-term purchase commitments from our customers, and frequently do not have visibility as to their future demand for our services. Customers also cancel, change or delay design, production or aftermarket service quantities and schedules, or fail to meet their forecasts for a number of reasons beyond our control. Customer expectations can change rapidly, requiring us to take on additional commitments or risks. In addition, customers may fail to meet their commitments to us or our expectations. Cancellations, reductions or delays by a significant customer, or by a group of customers, could seriously harm our operating results and negatively affect our working capital levels. Such cancellations, reductions or delays have occurred from time to time and may continue to occur in the future. The present arrangements do not contain termination, exit, or unilateral withdrawal clauses. The volume and timing of sales to our customers vary due to changes in demand for their products their attempts to manage their inventory; design changes; changes in their manufacturing strategies; and acquisitions of, or consolidations among, customers. While there was no adverse effect on our Company's business and financial condition, pursuant to cancellation, reduction, changes or delays in orders by the customers of the Company in the last three Fiscals, our Company believes that if any such event happens in the future, it may adversely affect our Company's business.

In addition, we make significant decisions based on our estimates of customers' demand, including determining the levels of business that we will seek and accept, manufacturing schedules, component procurement commitments, working capital (including inventory) management, facility and capacity requirements, personnel needs and other resource requirements. The short-term nature of our customers' commitments and the possibility of rapid changes in demand for their products affect our ability to accurately estimate their future requirements.

Further customer arrangements generally do not include minimum order commitments, take-or-pay clauses, or similar binding volume guarantees.

Because certain of our operating expenses are fixed, a reduction in customer demand can harm our operating results. The need for us to correctly anticipate component needs is amplified in times of shortages. The current environment of tight component supply, which might be further impacted by global uncertainties, can increase the difficulties and cost of anticipating changing demand. Moreover, because our margins vary across customers and specific programs, a reduction in demand with higher margin customers or programs will have a more significant adverse effect on our operating results. Low utilization of our manufacturing facilities could also result in our realizing lower margins as we may not be able to undertake manufacturing in large numbers which is critical to our business as our cost structure includes fixed overheads.

There are a number of factors, other than our performance that could cause the loss of a customer. Customers may demand, among others, price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, change their outsourcing strategy by moving more work in-house, or replace their existing products with alternative products, any of which may have an adverse effect on our business, results of operations and financial condition. Cancellations, reductions or instructions to delay manufacturing (thereby delaying delivery of products manufactured by us) by a significant customer could adversely affect our results of operations by reducing our sales volume, as well as by possibly causing delay in our customers' paying us for the order placed for purchasing the inventory with us which we would have manufactured for them. The requirements of our customers are not restricted to one type of product and therefore variations in demand for certain types of products also requires us to make certain changes in our manufacturing processes thereby affecting our manufacturing schedules. We often increase staffing, increase capacity, engage sub-contractors and incur other expenses to meet the anticipated demand of our customers, which could cause reductions in our margins if a customer order gets delayed or cancelled or modified.

Rapid increases in customer demand may stress personnel and other capacity resources. We may not have sufficient resources, including personnel and components, at any given time to meet all of our customers' demands or to meet the requirements of a specific program, which could result in a loss of business from such customers.

**4. We are subject to strict quality requirements, customer inspections and audits, and any failure to comply with quality standards may lead to cancellation of existing and future orders and could negatively impact our reputation and our business and results of operations and future prospects.**

We assemble complex and specialized PCBs customized for a diverse product portfolio spanning various sectors, each with unique and stringent technical requirements established by our customers. Given the mission-critical nature of many of these applications, our customers maintain very high standards for product quality, reliability, and adherence to delivery schedules. Meeting these quality standards is essential not only to satisfy contractual obligations but also to uphold the integrity of the end-products into which our components are integrated.

To support these requirements, we have obtained EN 9100:2018 certification for the manufacture of PCBAs for aerospace and defence applications, which is equivalent to AS 9100D and JISQ 9100:2016, including ISO 9001:2015 quality management principles. However, any failure to meet required specifications—whether arising from component defects, manufacturing inconsistencies, or design deficiencies attributable to customers or third parties—may result in defective or unsafe end-products, potentially impairing system performance and end-user safety.

Such defects, manufacturing non-conformances, or latent safety risks may lead to personal injuries or adverse operational outcomes, triggering product recalls, warranty claims, or legal liabilities. Additionally, off-label uses or inadequate disclosure of product-related risks or information could exacerbate these consequences. Our manufacturing facility, processes, and finished products are subjected to frequent and meticulous inspections and audits by our customers and relevant regulatory bodies to ensure alignment with their internal quality standards. Non-compliance identified during such audits can result in penalties, order cancellations, or loss of business relationships. Moreover, negative publicity arising from product quality issues or safety incidents could significantly damage our reputation, adversely impacting current operations, future business prospects, and financial results.

We acknowledge that any deficiencies in quality, if not appropriately identified, managed, and remediated, may adversely affect the performance and reliability of the end products. Accordingly, the Company adopts a proactive and systematic approach to risk mitigation through the implementation and maintenance of robust quality management systems, comprehensive supplier oversight mechanisms, and continuous process improvement initiatives.

Following are the details of major or minor non-conformities identified during certification audits over the last three financial years, along with details of the corrective actions undertaken and their current status.

**Non-Conformities: Criticality and Closure Status**

The five areas for improvement were identified; company confirms that **all five have been successfully resolved and closed.**

Parameter	Details
Total non-conformities	5

<b>Criticality</b>	<b>Minor</b> (all five issues were classified as minor with no direct impact on product safety or delivery)
<b>Current Status</b>	<b>100% Closed</b> (the auditor verified all corrective actions off-site and officially closed every NCR)

### Recurrence Steps and Corrective Actions

The organization took **proactive and systematic** steps to ensure these minor issues do not recur. Key actions included:

- **Root Cause Analysis (RCA):** A full RCA was performed for every finding to identify underlying procedural gaps.
- **Procedural Revisions:** Five core Quality System Procedures (QSPs) were updated (including those for Marketing, Production, and Incoming Inspection) to mandate stricter controls, such as **cross-functional contract reviews** and **detailed inspection criteria**.
- **Personnel Training:** Comprehensive **awareness training** was conducted for the relevant teams to ensure new protocols are understood and followed consistently.
- **Immediate Containment:** In instances where materials were involved, they were immediately segregated and re-verified to ensure zero impact on customer quality.

In summary, the audit validates that your system is not only effective but also highly responsive, with a **proven track record of zero repeated non-conformities** over the last three-year cycle.

### 5. *Increases in the prices of raw materials required for our operations could adversely affect our business and results of operations*

We source raw material such as Printed Circuit Boards (PCB's), Passive Components, Semiconductor Components, Integrated Circuits (ICs) & Microcontrollers, Field Programmable Grid Arrays (FPGAs), DSPs, Risk processors, RF power amplifiers, CPLDs, Electromechanical Components & Connectors and other components for our manufacturing operations from a combination of domestic and foreign suppliers. For further details of raw material please refer "Our Business" on page no. 149 of this RHP. The table below shows the cost of materials consumed and the percentage of parts and materials sourced from India and outside India for the periods indicated:

(₹ in lakhs)

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in Lakhs)	In %	Amount (₹ in Lakhs)	In %	Amount (₹ in Lakhs)	In %
Cost of materials sourced from suppliers located in India	12,544.81	95.19%	8,876.99	97.32%	8,511.68	98.30%
Cost of materials sourced from suppliers located outside India	633.40	4.81%	244.54	2.68%	147.58	1.70%

For further risks related to our suppliers, see "*We depend on a limited number of suppliers for raw materials. Any interruption in the availability of raw materials could adversely impact our operations. Further, any failure by our suppliers to provide raw materials to us on time or at all, or as per our specifications and quality standards could have an adverse impact on our ability to meet our manufacturing and delivery schedules*" on page 31.

Our inability to procure raw materials on commercially acceptable terms, or at all, may constrain our raw material supply, may adversely effect on our business, financial condition and results of operations. Any increase in price of cost of inputs as well as limitations and/ or disruptions in the supply of such inputs, will adversely affect our business and financial condition. We cannot assure that we shall be able to timely and adequately effect any prices increases corresponding to the input costs escalation. Further, any substantial delay in supply or non-conformance to quality requirements by our suppliers can impact our ability to meet our customer requirements and thus impact our business and results of operations. We typically purchase raw materials based on the order in hand and price trend of upcoming orders.

In addition, the availability and price of our raw materials may be subject to a number of factors beyond our control, including economic factors, environmental factors and changes in government policies and regulations. We cannot assure you that we will always be able to meet our raw material requirements at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of raw materials to our customers.

While historically, we have not experienced a shortfall or limited availability of raw materials that has affected our operations, we cannot assure you that there will not be any significant and prolonged interruption or a shortage in the supply of our critical raw materials. Any inability on our part to procure sufficient quantities of raw materials, on commercially acceptable terms, may lead to a decline in our sales volumes and profit margins and adversely affect our results of operations. Further, an increased cost in the supply of raw material arising in the absence of firm long-term pricing arrangements, from a lack of long-term contracts may have an adverse impact on our ability to meet customer demand for our products and result in lower net revenue from operations both in the short and long term.

**6. *Our Order Book may not be representative of our future results and our actual income may be significantly less than the estimates reflected in our Order Book, which could adversely affect our results of operations.***

Our Order Book as on a particular date consists of contract value of unexecuted or uncompleted portions of our ongoing projects, i.e., the total contract value of ongoing projects as reduced by the value of projects billed till April 30, 2026. As on April 30, 2026 our Company had an Order Book of ₹ 9,664.91 lakhs, and comprised detail of projects in order book. For further details on our Order Book, see “*Our Business – Order Book*” on page 149 of this Red Herring Prospectus. We may not be able to achieve our expected margins or may even suffer losses on one or more of these contracts or we may not be able to realise the revenues which we anticipated in such projects. In addition, there can be no assurance that we will be awarded the projects that we currently expect or that we will be able to execute agreements for these anticipated projects on terms that are favourable to us or at all.

We may encounter problems executing the projects as ordered or executing it on a timely basis. Moreover, factors beyond our control or the control of our clients may postpone a project or cause its cancellation, including delays or failure to obtain necessary permits, authorizations, permissions, and other types of difficulties or obstructions. Due to the possibility of cancellations or changes in scope and schedule of delivery, resulting from our clients’ discretion or problems we encounter in order execution or reasons outside our control or the control of our clients, we cannot predict with certainty when, if or to what extent, a order forming part of our Order Book will be performed and this could reduce the income and profits we ultimately earn from the contracts. Delays in the completion of a project can lead to clients delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such project. Even relatively short delays or surmountable difficulties in the execution of a project could result in our failure to receive, on a timely basis or at all, all payments otherwise due to us on a order. These payments often represent an important portion of the margin we expect to earn on a order. In addition, even where a order proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. Any delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default in regard to our Order Book orders or any other uncompleted orders, or disputes with clients in respect of any of the foregoing, could materially harm our cash flow position, revenues and earnings. We continuously work to mitigate such risks through disciplined contract management and proactive client engagement.

**7. *We have significant working capital requirements. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business, cash flows and results of operations.***

Our business requires significant working capital including in connection with our manufacturing operations, financing our inventory and purchase of raw materials which may be adversely affected by changes in terms of credit and payment. We are required to maintain a high level of working capital because our business activities are characterised by long product development periods and production cycles. Even where milestone payments are allowed, these have to be backed by bank guarantees. Delays in payment under on-going contracts or reduction of advance payments due to lower order intake or inventory and work in progress increases and/or accelerated payments to suppliers, could adversely affect our working capital, lower our cash flows and materially increase the amount of working capital to be funded through external debt financings.

We may also be unable to adequately finance our working capital requirements on account of various factors, including extraneous factors such as delay in disbursements under our financing arrangements, increased interest rates, insurance or other costs, or borrowing and lending restrictions or finance our working capital requirements on commercially acceptable terms or at all, each of which may have a material adverse effect on our business, financial condition, prospects and results of operations. These factors may result, in an increase in the amount of our receivables and short-term borrowings. Continued increase in our working capital requirements may have an adverse effect on our financial condition and results of operations.

The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, engineering design changes, technological changes and additional market developments. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations.

Furthermore, the objects of the offer include funding working capital requirements of our Company. For more information in relation to such management estimates and assumptions, please see “*Objects of the Offer*” on page 89. Our working capital requirements may be affected due to factors beyond our control including force majeure conditions, delay or default of payment

by our clients, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future.

The working capital requirement for the FY 2024, 2025, 2026. The working capital gap (WCG) has been met with an increase in the bank borrowing and capital and Internal cash Accruals of the Company.

(₹ in Lakhs)

Particulars	As at March 31, 2024 (Restated)	As at March 31, 2025 (Restated)	As at March 31, 2026 (Restated)
<b>Current Assets</b>			
Inventories	3,349.77	3,968.62	7,130.76
Trade Receivables	1,118.73	2,035.91	3,654.65
Short term loan and advances	1,115.17	758.34	1,480.62
Other current assets	0.04	4.98	7.22
<b>Total (A)</b>	<b>5,583.71</b>	<b>6,767.85</b>	<b>12,273.25</b>
<b>Current Liabilities</b>			
Trade Payables	3,929.10	1,464.83	2,427.04
Other Current Liabilities & Short-Term Provision	458.76	2,344.22	3,313.33
<b>Total (B)</b>	<b>4,387.86</b>	<b>3,809.05</b>	<b>5,740.37</b>
<b>Total Working Capital (A)-(B)</b>	<b>1,195.85</b>	<b>2,958.80</b>	<b>6,532.88</b>
<b>Funding Pattern</b>			
<b>I) Borrowings for meeting working capital requirements</b>	<b>1,195.85</b>	<b>1,720.28</b>	<b>4,183.43</b>
<b>II) Networth / Internal Accruals</b>	<b>-</b>	<b>1,238.52</b>	<b>2,349.45</b>

**8. An inability to comply with repayment and other covenants in the financing agreements or otherwise meet our debt servicing obligations could adversely affect our business, financial condition, cash flows and credit rating.**

Our Company has entered into agreements in relation to financing arrangements with certain banks for working capital facilities, term loans and bank guarantees. As on March 31, 2026, we had total outstanding borrowings of ₹ 4,319.74 lakhs, as on March 31, 2025, we had total outstanding borrowings of ₹ 1,856.58 lakhs and as of March 31, 2024, we had total outstanding borrowings of ₹ 1,581.78 lakhs. The agreements with respect to our borrowings contain restrictive covenants, including, but not limited to, requirements that we obtain consent from the lenders prior to undertaking certain matters including, among others, effecting a merger, amalgamation or scheme of arrangement, change in capital structure of our Company subject to the threshold prescribed for the shareholding of certain shareholders of our Company and effecting change in the constitutional documents or management of our Company. Further to meet the said requirements our Company has taken consent from all the lenders for the proposed IPO as required in the agreements. For further details, see “Financial Indebtedness” beginning on page 200. As on March 31, 2026 our total secured borrowings amounted to ₹ 4,065.67 lakhs, comprising of 94.12% of our total indebtedness, as on March 31, 2025, our total secured borrowings amounted to ₹ 1,553.78 lakhs, comprising of 83.69% of our total indebtedness and as on March 31, 2024, our total secured borrowings amounted to ₹ 1,122.65 lakhs, comprising of 70.97% of our total indebtedness. Under the terms of our secured borrowings, we are required to create a charge by way of hypothecation on the assets of our Company, together with cash in hand and bank accounts. As these assets are hypothecated in favor of lenders, our rights in respect of transferring or disposing of these assets are restricted. Many of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities or entering into certain transactions. Typically, restrictive covenants under our financing documents relate to obtaining prior consent of the lender for, among others, change in the capital structure, availing additional borrowings, change in ownership or management control, changes in shareholding pattern and management set-up including its constitution and composition, amalgamation, demerger, merger, acquisition, corporate or debt restructuring or similar action. If we fail to meet our debt service obligations or covenants (or do not receive approvals from our lenders to undertake certain transactions) under the financing agreements, the relevant lenders could declare us to be in default of our agreements, accelerate the maturity of our obligations, enforce security, take possession of the assets. As a result, we may be forced to sell some or all of our assets if we do not have sufficient cash or credit facilities to make these repayments.

**9. The majority of our product sales and services is concentrated in the region of Telangana. For the Fiscal 2026, 2025 and 2024 our revenue from sale of products and services in Telangana accounted for 98.19%, 95.63% and 88.85% of our revenue from operations, respectively any adverse developments affecting our sales in these regions could have an adverse impact on our business, financial condition, results of operations and cash flows.**

The sale of our products and services is majorly concentrated in the state of Telangana. The following table sets forth our revenue from operations from Telangana in the periods indicated:

(₹ in Lakhs)

Particulars	F.Y. 25-26	% of Revenue from Operations	F.Y 24-25	% of Revenue from Operations	F.Y 23-24	% of Revenue from Operations
Telangana	15,306.97	98.19%	10,860.87	95.63%	7,614.18	88.85%

Due to the geographic concentration of the sale of our products and services in Telangana state, our operations are susceptible to local and regional factors, such as economic and weather conditions, natural disasters, demographic changes, and other unforeseen events and circumstances. Consequently, any significant social, political or economic disruption, or natural calamities or civil disruptions in this region, or changes in policies of the state or local governments or the government of India or adverse developments related to competition in this region, may adversely affect our business, results of operations, financial condition and cash flows. While we have not experienced any of the above risks that had an adverse impact on our business operations and financial conditions in the last three Fiscals years, we cannot assure you that these risks will not arise in the future.

**10. Our Company has not adequately complied with some of the provisions of Companies Act, 2013. Any penalty or action taken by any regulatory authorities in future, for noncompliance with provisions of corporate and other law could impact the reputation and financial position of the Company to that extent.**

In the past, there have been certain instances of non-compliance which have been missed and subsequently the company has filed compounding application with the RoC. No show cause notice in respect to the above has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same. It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position. The details of the said delays are as follows:

Year	Form No.	Event Date	Event
2021- 2022	INC 22	05.04.2021	notice of intimation of change in Registered office Normal Fee: 600 & Additional Fee:1200
2024- 2025	ADT-1	31.01.2025	Form ADT-1 for the financial year ending on 2024(Casual Vacancy) Normal Fee:600 & Additional Fee: 7200
	Form AOC-4	24.01.2025	Form AOC-4 for the financial year ending on 2024 Normal Fee: 600 & Additional Fee: 8700
	MGT-7	31.01.2025	Form MGT-7 for the financial year ending on 2024 Normal Fee:600 & Additional Fee: 6300
	ADT-1	31.01.2025	Form ADT-1 for the financial year ending on 2029 Normal Fee:600 & Additional Fee: 6000
2025- 2026	DPT-3	05.07.2025	Form DPT-3 for the financial year ending on 2020 Normal Fee:600 & Additional Fee: 7200
	DPT-3	05.07.2025	Form DPT-3 for the financial year ending on 2021 Normal Fee:600 & Additional Fee: 7200
	DPT-3	05.07.2025	Form DPT-3 for the financial year ending on 2022 Normal Fee:600 & Additional Fee: 7200
	DPT-3	05.07.2025	Form DPT-3 for the financial year ending on 2023 Normal Fee:600 & Additional Fee: 7200
	DPT-3	05.07.2025	Form DPT-3 for the financial year ending on 2024 Normal Fee:600 & Additional Fee: 7200
	DPT-3	16.07.2025	Form DPT-3 for the financial year ending on 2024 Normal Fee:600 & Additional Fee: 1200
	PAS-6	03.09.2025	For the Half year ended on 31.03.2025 Normal Fee:600 & Additional Fee: 6000
	MGT-14	13.08.2025	Normal Fee:600 & Additional Fee: 7200
	DIR-12	25.09.2025	Normal Fee:600 & Additional Fee: 1200
2026-27	MGT-14	12.02.2026	Normal Fee:600 & Additional Fee:6000
	MGT-14	18.04.2026	Normal Fee:600 & Additional Fee: 7200

In addition, our Company had filed a compounding application in connection with non-compliance under section 185 of the Companies Act, 2013 under Form GNL-1 on August 13, 2025 vide SRN: AB5914835. The Company received the final order from the Regional Director on March 27, 2026, wherein a compounding fee of ₹5,00,000 was levied on the Company. The said fee has been duly paid by the Company out of its internal accruals on March 21, 2026.

**11. We have been unable to locate certain of our historical corporate records. Our Company was incorporated in 1988 and certain corporate records and documents filed by us with the RoC are not traceable.**

Certain corporate records of our Company and form filings with the Registrar of Companies are not traceable. While we have conducted searches of our records at our Company's offices, the portal of Ministry of Corporate Affairs and the records maintained by the jurisdictional RoC, we have not been able to trace the certain corporate records, form filings and challans. In this regard, we have also relied on the search report dated March 23, 2026 prepared by LA & Associates, practicing company secretaries, which was prepared based on their search of the documents and records available on the portal of the Ministry of Corporate Affairs and physical and online search of the RoC records ("**PCS Search Report**"). Accordingly, we have included the details of the build-up of the share capital of our Company in this Offer document, by placing reliance on other corporate records such as board resolutions, the annual returns filed by our Company, to the extent available, the register of members and register of transfers, maintained by our Company and the PCS Search Report, for our disclosures.

The list of untraceable regulatory filings includes:

Date of Event/Financial Year	Form	Event	Remarks
1988-1989	Form 23AC& 20B	Approved financials & Annual return	-
1989-1990	Form 23AC& 20B	Approved financials & Annual return	-
1990-1991	Form 23AC& 20B	Approved financials & Annual return	-
1991-1992	Form 23AC& 20B	Approved financials & Annual return	-
1992-1993	Form 23AC& 20B	Approved financials & Annual return	-
1993-1994	Form 23AC& 20B	Approved financials & Annual return	-
1994-1995	Form 23AC& 20B	Approved financials & Annual return	-
1995-1996	Form 23AC& 20B	Approved financials & Annual return	-
1988-1996	Form 23B	Appointment of Auditor	-
15.03.1995	Form 5	Increase of Authorised Capital	Increase of authorized capital from Rs.6,000/- to Rs.50,00,000/-
30.03.1995	Form 2	Allotment of equity shares	Allotment of 18,700 equity shares of Rs.100/- each

Further, in relation to our director, Mr. Dovari Amarnath, there is discrepancy in relation to his date of appointment as a Director of our company. As per Form 2, Mr. Dovari Amarnath was appointed as a Director on January 01, 1994. However, in the master data of the Company the date of appointment is mentioned as October 14, 1988 i.e date of incorporation. No forms or documents evidencing his appointment as Director on October 14, 1988 have been provided to us. We have also, by a letter dated May 29, 2025 intimated the RoC regarding such discrepancy.

Although no legal proceedings or regulatory actions have been initiated or are pending against us in relation to such incorrect or untraceable form filings/ corporate records, if we are subject to any such liability, it could adversely affect our reputation, financial condition, cash flows and results of operations.

Further, while we understand that the issuances, allotments and transfers were undertaken in a valid manner in terms of applicable law and our Articles of Association, there can be no assurance that the corporate records and form filings which we have not been able to locate will be available in the future, or that the regulatory filings were made in accordance with applicable law or at all or in a timely manner.

***12. In the past Directors of our company namely Dovari Yesudas, Dovari Amarnath, Sridevi Madati, Maj Ravi Bandreddi and Ramalakshmana Rao Pavuluri have been directors of the companies which were struck off either by ROC or through Voluntary Strike-off.***

The details of our Directors involved in the companies which were struck-off either by ROC or through Voluntary Strike-off are as set out below:

Sr. No.	Name of Company	Name of Directors	Type of Strike-off	Details of Strike-off	Reasons for Strike-off
1.	Merrito Oils (India) Private Limited	Dovari Yesudas and Dovari Amarnath	Voluntary Strike-off	Dovari Yesudas and Dovari Amarnath, who are currently directors of our company, were also directors of Merrito Oils (India) Private Limited. The said company applied for voluntary strike-off pursuant to a resolution	The company failed to file its Annual Financial Statements and Annual Returns for FY 2013-14, 2014-15, and 2015-16. The ROC, Hyderabad issued a notice under

Sr. No.	Name of Company	Name of Directors	Type of Strike-off	Details of Strike-off	Reasons for Strike-off
				<p>passed by its members on December 31, 2018.</p> <p>We have not been provided with a copy of Form STK-7 issued by the Registrar of Companies evidencing the strike-off of the said company. However, as per the records available on the Ministry of Corporate Affairs portal, the present status of Merrito Oils (India) Private Limited is reflected as “Struck Off.”</p> <p>Three directors, Mr. Dovari Amarnath, Mr. Yesudas Dovari, and Mrs. Vanaja D were included in ROC Hyderabad’s first list of disqualified directors under Section 164(2)(a) of the Companies Act, 2013 for the block years 2013–14, 2014–15, and 2015–16. The stated period of disqualification was from November 1, 2016 to October 31, 2021.</p> <p>However, the National Company Law Tribunal, vide its orders dated February 5, 2018 and April 11, 2018, set aside the ROC’s strike-off order and directed restoration of the Company’s name to the Register of Companies. The vacation of disqualification was consequential to, and flowed automatically from, the restoration of the Company, since the disqualification under Section 164(2)(a) had been triggered by the strike-off. Upon restoration of the Company, the basis for such disqualification ceased to exist and, accordingly, the disqualification stood vacated as a matter of legal consequence. Further, the DIN status of all three directors is presently reflected as “Active” on the MCA portal.</p>	<p>Section 248(1) of the Companies Act, 2013, and subsequently struck off the company vide order dated 21.07.2017. The management has attributed this non-filing to the untimely demise of the consultant responsible for regulatory filings, compounded by the Directors' lack of awareness of the applicable legal provisions. It is further noted that the Company was subsequently restored by NCLT (Hyderabad Bench), after which the company passed a special resolution dated 31.12.2018 for voluntary strike-off, and filed Form STK-2 with the ROC accordingly.</p>
2.	Sanvit Softech Private Limited	Dovari Amarnath	Struck off by ROC	Pursuant to Public Notice No. ROC-Hyd/STK-5/J10A/4097/2022 dated 29 September 2022, the Registrar of Companies, Hyderabad, issued notice under Section 248(1)(d) of the Companies Act, 2013 proposing to strike off the names of certain companies listed in Annexure ‘A’, including Sanvit Softech Private Limited.	The Company was struck off by ROC, Hyderabad pursuant to a notice issued under Section 248(1)(d) of the Companies Act, 2013. The reasons cited for such strike-off were: (a) the subscribers to the Memorandum had not paid the subscription

Sr. No.	Name of Company	Name of Directors	Type of Strike-off	Details of Strike-off	Reasons for Strike-off
				<p>The notice stated that the Registrar had reasonable cause to believe that:</p> <p>The subscribers to the Memorandum had not paid the subscription amount they had undertaken to pay at the time of incorporation; and the declaration under Section 10A(1) of the Companies Act, 2013 had not been filed within 180 days from the date of incorporation.</p> <p>Accordingly, the Registrar proposed to remove/strike off the name of the Sanvit Softech Private Limited from the Register of Companies and dissolve the Company unless cause was shown to the contrary within 30 days from the date of the notice.</p> <p>Subsequently, vide Notice No. ROC-H/STK-7/3778/2022, the Registrar of Companies published that Sanvit Softech Private Limited had been struck off from the Register of Companies and Sanvit Softech Private Limited stood dissolved.</p> <p>Based on the information available and review of the MCA records, no disqualification under Section 164 of the Companies Act, 2013 appears to have been incurred by Dovari Amarnath in connection with the strike off of Sanvit Softech Private Limited.</p> <p>Based on information available and MCA records, no disqualification under Section 164 of the Companies Act, 2013 appears to have been incurred by Mr. Dovari Amarnath in connection with the strike-off of this company.</p>	<p>amounts undertaken by them at the time of incorporation; and (b) the declaration under Section 10A(1) of the Companies Act, 2013 had not been filed within 180 days from the date of incorporation. Accordingly, the strike-off was on account of regulatory non-compliance and non-commencement of business.</p>
3.	XEM Distribution Private Limited	Sridevi Madati	Voluntary Strike-off	Ms. Sridevi Madati, who is an Independent Director of this Company, was also an Independent Director of XEM Distribution Private Limited. As per Notice No. ROC-Hyd/STK-7/Co. Nos. 707/2023 dated 17 April 2023, the Registrar of Companies struck off the name of the Company under Section 248(5) of the Companies	Struck off under Section 248(5) of the Companies Act, 2013, vide ROC Notice dated 17 April 2023, on account of a voluntary application filed by the company itself (Form STK-2).

Sr. No.	Name of Company	Name of Directors	Type of Strike-off	Details of Strike-off	Reasons for Strike-off
				Act, 2013, on the ground that an application for strike off had been received from the XEM Distribution Private Limited.  No disqualification of any director in connection with the strike-off of these companies.	
4.	Vihaga Aerospace Private Limited	Maj Ravi Bandreddi	Voluntary Strike-off	Mr. Maj Ravi Bandreddi, who is an Independent Director of our Company, was also a director of Vihaga Aerospace Private Limited (CIN: U72200TG2016PTC103122), which is presently reflected as "Strike Off" in the records of the Registrar of Companies (ROC).  We have not been provided with a copy of Form STK-7 issued by the ROC evidencing the strike-off of the said company. Mr. Ravi Bandreddi has informed us that Vihaga Aerospace Private Limited was voluntarily struck off.	The company is presently reflected as "Strike Off" on ROC records. The Director, Mr. Maj Ravi Bandreddi, has informed that this was a voluntary strike-off. However, Form STK-7 evidencing the formal strike-off order has not been provided.
5.	Kakatiya Electronics Private Limited	Ramalakshmana Rao Pavuluri	Voluntary Strike-off	Mr. Ramalakshmana Rao Pavuluri, who is an Independent Director of this Company, was also an Managing Director of Kakatiya Electronics Private Limited.  As per Notice No. ROC-Hyd/STK-7/Co. Nos. 634/2021 dated 27 December 2021, the Registrar of Companies struck off the name of the Company under Section 248(5) of the Companies Act, 2013, on the ground that an application for strike off had been received from the Company.  No disqualification of any director in connection with the strike-off of these companies.	Struck off under Section 248(5) of the Companies Act, 2013 vide ROC Notice dated 27 December 2021, on the basis of a voluntary application filed by the company itself.

**13. We derive a significant portion of our revenues from a limited number of clients. The loss of any significant clients may have an adverse effect on our business, financial condition, results of operations, and prospect.**

Set out in the table below is the contribution of our top 1, top 5 and 10 customers to our revenue from operations for the Fiscal 2026, Fiscal 2025 and Fiscal 2024.

(₹ in lakhs)

Customer	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue from Operations	(in %)	Revenue from Operations	(in %)	Revenue from Operations	(in %)
Top 1 customer	9,677.27	62.08%	7,172.25	63.16%	5,121.87	59.77%
Top 5 customers	12,488.04	80.11%	9,720.15	85.59%	7,227.59	84.34%
Top 10 customers	13,931.31	89.36%	10,813.01	95.22%	7,907.89	92.28%

Our business heavily relies on our customer base, and the potential loss of any of our customers could have a negative impact on our sales and, consequently, our overall business and financial performance. If we were to lose one or more of our significant or key customers or experience a reduction in the volume of business they provide, it could result in adverse consequences for our business, financial health, and cash flow. We cannot guarantee that we will be able to maintain the same levels of business as we have historically or secure long-term contracts with our major customers on mutually beneficial terms. Additionally, reducing our dependence on a few key customers may pose challenges in the future. Furthermore, factors such as a decline in our product or service quality, increased competition, or shifts in market demand could jeopardize our ability to retain these valuable customers. There is no assurance that we will continue to generate the same amount of business, or any business at all, from these customers, and any loss of their business could significantly impact our revenue and overall financial performance. While our customer mix and revenue streams may naturally evolve with the addition of new clients in the ordinary course of operations, we maintain confidence in our ability to sustain existing business relationships and attract new customers. Nonetheless, it's essential to acknowledge that the continuity of long-term customer relationships and the timely acquisition of new clients are not guaranteed, and uncertainties exist in this regard. Our long-term relationships with the customers are indicative of our quality consciousness and timely execution.

**14. Information relating to capacity utilization of our manufacturing facilities included in this Red Herring Prospectus is based on various assumptions and estimates. Under-utilization of capacity of our manufacturing facilities and an inability to effectively utilize our manufacturing facilities may have an adverse effect on our business and future financial performance.**

Our capacity utilization is affected by the availability of raw materials, industry and market conditions as well as by the product requirements of, and the procurement practice followed by, our customers. In the event that we are unable to achieve full capacity utilization of our current manufacturing facilities, this would result in operational inefficiencies which may have an adverse effect on our business, financial condition, cash flows, future prospects and future financial performance.

The table below presents details of the capacity utilization of our manufacturing facility located in Hyderabad, Telangana, calculated based on the total installed production capacity and actual production for the three fiscal years and the stub period mentioned below:

Section	Particulars	Fiscal 2026		Fiscal 2025	Fiscal 2024
		Installed	Weighted*		
SMD Section	Installed Capacity (in Boards)	10,75,000	8,42,500	7,65,000	7,65,000
	Production (in Boards)	6,98,750	6,98,750	6,84,000	6,48,000
	<b>Utilization (in %)</b>	<b>65.00%</b>	<b>82.94%</b>	<b>89.41%</b>	<b>84.71%</b>
TMD Section	Installed Capacity (in Boards)	6,00,000	6,00,000	6,00,000	6,00,000
	Production (in Boards)	5,94,000	5,94,000	5,64,000	5,40,000
	<b>Utilization (in %)</b>	<b>99.00%</b>	<b>99.00%</b>	<b>94.00%</b>	<b>90.00%</b>
Box Build	Installed Capacity (in Boards)	4,20,000	4,20,000	4,20,000	4,20,000
	Production (in Boards)	4,15,500	4,15,500	3,99,000	3,78,000
	<b>Utilization (in %)</b>	<b>98.93%</b>	<b>98.93%</b>	<b>95.00%</b>	<b>90.00%</b>

As certified by M/s Axium Valuation Services LLP, Chartered Engineer by their certificate dated May 14, 2026.

\*For FY 2025–26, The Panasonic NPM D3A (commissioned in January 2026) increased SMD installed capacity from 7,65,000 to 10,75,000 but contributed zero production during the April–December 2025 window, inflating the denominator without a corresponding production contribution. The 'Actual Utilisation (Corrected)' column shows production against the capacity (8,42,500 for SMD Section is the calculated Weighted Capacity for the year) that was operationally installed during the year.

Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, could adversely impact our business, growth prospects and future financial performance. In addition, we have made, and may continue to make significant investments in our manufacturing facilities. Our expected return on capital invested is subject to, among other factors, the ability to ensure satisfactory performance of personnel to further grow our business, our ability to absorb additional

infrastructure costs and utilize the expanded capacities as anticipated. In case of oversupply in the industry or lack of demand, we may not be able to utilize our capacity efficiently. However, as of the date of this Red Herring Prospectus and in the past three years there have been no such instances.

**15. Our Company has experienced negative cash flow in prior periods and net decrease in cash and cash equivalents which may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.**

As per our Restated Financial Statements, our cash flows from operating activities were negative for the financial year ended March 31, 2026 and March 31, 2025 as set out below:

(₹ in Lakhs)			
Particulars	March 31, 2026	March 31, 2025	March 31, 2024
Net Cash Flow from/(used in) Operating Activities	(2,338.21)	(664.33)	453.24

Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares. For further details, see “Financial Information” on page 209.

**Reason for Negative Cash flow in the Fiscal 2026 and 2025:**

a. The Company's revenue grew at a CAGR of a 34% between FY24 to FY26. Sustaining this growth required proportionate expansion of the working capital base specifically, procurement of raw materials ahead of production and build-up of WIP for orders under execution. In a turnkey defence electronics business, where production cycles are long and revenue is recognised only upon delivery and customer acceptance, significant capital is deployed in inventory and WIP before any corresponding cash inflow is received.

b. In FY25, the operating profit before working capital changes stood at ₹1,484.37 Lakhs and ₹ 2,708.62 Lakhs in FY 26. The negative Cash flow from operating activity arose entirely from working capital movements within that year, principally the inventory build-up and expansion in trade receivables commensurate with higher billing. This is not a profitability issue it is a timing and scaling issue inherent to the Company's business model.

c. Revenue Recognition and Cash Realization: revenue is recognized upon execution of projects or delivery of goods/services, while cash realization occurs subsequently based on agreed credit terms. This leads to Delayed cash inflows, particularly in case of milestone-based turnkey projects

d. Increase in advances and Other Current Assets: Higher advances to suppliers and other operational advances have also contributed to temporary cash outflows, as funds are deployed in advance for procurement and project execution. Also, company has parked fund of approximately ₹ 800 lakhs in Fixed deposits as a margin money deposit against borrowing facility availed from financial institutions, hence amount id presented amount is under other asset (including other bank balances)

This resulting in negative cash flow from operating activities.

**16. Our Registered Office and Manufacturing facility from where we operate is not owned by us.**

We operate our registered office and Manufacturing facility on lease/rental basis, details where of are as under:

S.No.	Address	Description & Usage	Name of Lessor	Tenure of Lease	Ownership Status	Lessor is related or not
1.	C-22, in survey No,324/1, Electronic complex, Kushaiguda, ECIL POST, Hyderabad - 500062	Registered Office & Manufacturing Facility	M/S. Amar Electronics	31/03/2030	Leased	Yes

The above-mentioned transactions are not on arm’s length basis as the related parties are charging rents significantly less than the prevailing market rates. We cannot assure you that we will be able to continue the above arrangement on commercially acceptable/favourable terms in future. If we are required to vacate the current premises, we would be required to make alternative arrangements for new office and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

**17. The Company derive significant portion of the revenue from Turnkey Manufacturing/build-to-print activity as accounted for 92.07%, 82.64% and 80.72% of the revenue from operations in 2026, 2025 and 2024 respectively. An inability to**

*anticipate and adapt to evolving customer preferences and demand for particular project, or ensure project quality may adversely impact our business, results of operations, financial condition and cash flows.*

The Company's financial performance has been primarily supported by its Turnkey Manufacturing/build-to-print activities. Over the years, the Company has developed operational capabilities, customer relationships and execution expertise in this segment, which has contributed to consistent growth in revenue.

The company's financial performance is dependent primarily on the Turnkey Manufacturing/build-to-print activity. The following table sets forth information on our operations mix in the periods indicated:

(₹ in lakhs)

S. No.	Product Segments	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Amount	In % of Revenue from Operations	Amount	In % of Revenue from Operations	Amount	In % of Revenue from Operations
1.	Turnkey Manufacturing/build-to-print	14,353.01	92.07%	9,384.62	82.64%	6,917.32	80.72%
2.	Obsolescence engineering management	1,018.02	6.53%	916.52	8.07%	1,092.33	12.75%
3.	Trading Sales	99.55	0.64%	830.64	7.31%	329.51	3.84%
4.	Job Work	118.98	0.76%	224.60	1.98%	230.75	2.69%
	<b>Total</b>	<b>15,589.56</b>	<b>100.00</b>	<b>11,356.38</b>	<b>100.00%</b>	<b>8,569.91</b>	<b>100.00%</b>

The company derives substantial portion of the revenue from the Turnkey Manufacturing/build-to-print activity.

While the Company remains focused on strengthening and expanding this business segment, the industry may from time to time be subject to factors such as changes in project timelines, fluctuations in material prices, execution schedules, availability of approvals or clearances and other operational considerations. Any prolonged impact arising from such factors could influence project execution timelines and operational efficiency.

The Company continues to focus on project planning, customer engagement and operational monitoring to mitigate such challenges. Further, there has been no instance of any material disruption in the Turnkey Manufacturing/build-to-print business activities during the last three Fiscals, and the Company has maintained continuity in project execution.

**18. The company derived significant portion of the revenue from certain non-government sectors activity as accounted for 92.98%, 91.27% and 92.53% of the revenue from operations in 2026, 2025 and 2024 respectively, and any adverse developments in these sectors may materially and adversely affect the business, financial condition, results of operations and cash flows of the company.**

The company derives majority of the revenue from the Non-government Sector. The following table sets forth information on the revenue mix in the periods indicated:

(₹ in lakhs)

S. No.	Sector	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Amount	In % of Revenue from Operations	Amount	In % of Revenue from Operations	Amount	In % of Revenue from Operations
1.	Government Entities	1094.87	7.02%	991.02	8.73%	639.87	7.47%
2.	Non - Government	14,494.69	92.98%	10,365.36	91.27%	7,930.04	92.53%
	<b>Total</b>	<b>15,589.56</b>	<b>100.00%</b>	<b>11,356.38</b>	<b>100.00%</b>	<b>8,569.91</b>	<b>100.00%</b>

If non-government sector in which we operate experience a slowdown or adverse developments, demand for the services from such sectors may decline. This may result in reduced order inflows, project delays, pricing pressure, or lower capacity utilisation, which could materially and adversely affect the business, results of operations, financial condition and cash flows of the company.

Accordingly, any adverse changes in the performance or outlook of the non-government sector, from which we derive a significant portion of our revenue, could materially and adversely affect our business, financial condition and results of operations. However, the Company has not experienced any such adverse incidences in the past.

**19. The company derived significant portion of the revenue from Aerospace & Defence industry as accounted for 97.81%, 88.50% and 80.26% of the revenue from operations in 2026, 2025 and 2024 respectively, and any adverse developments in this industry may materially and adversely affect our business, financial condition, results of operations and cash flows.**

The business operations are significantly dependent on revenue derived from *Aerospace & Defence* industry in which the customers operate. The following table sets forth information on the revenue from various industries in the periods indicated:

(₹ in lakhs)

S. No.	Sector	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Amount	In % of Revenue from Operations	Amount	In % of Revenue from Operations	Amount	In % of Revenue from Operations
1.	Aerospace & Defence	15,247.55	97.81%	10,051.19	88.50%	6,878.93	80.26%
2.	Complex PCBA & NPI	312.55	2.00%	258.36	2.28%	247.58	2.89%
3.	Medical Electronics	4.47	0.03%	1.41	0.01%	2.24	0.03%
4.	Micro Electronics	24.99	0.16%	772.98	6.81%	1,083.10	12.64%
5.	Others	-	-	272.44	2.40%	358.06	4.18%
<b>Total</b>		<b>15,589.56</b>	<b>100.00%</b>	<b>11,356.38</b>	<b>100.00%</b>	<b>8,569.91</b>	<b>100.00%</b>

Further, Aerospace & Defence industry-specific risks may lead to delays, modifications or cancellations of existing orders and contracts, as well as reduced opportunities for securing new business. In addition, our ability to diversify into other industries may be limited due to factors such as lack of domain expertise, customer relationships, or increased competition.

Any significant decline in demand from the Aerospace & Defence industry that contribute a major portion of the revenue, or the inability to effectively diversify the industry exposure, could materially and adversely affect the business operations, revenue, profitability, cash flows and financial condition of the company.

There can be no assurance that the demand from Aerospace & Defence industry will remain stable or grow in the future, or that we will be able to mitigate the risks associated with such industry concentration. However, the company did not face such kind of incidence in the past.

**20. We depend on a limited number of suppliers for raw materials. Any interruption in the availability of raw materials could adversely impact our operations. Further, any failure by our suppliers to provide raw materials to us on time or at all, or as per our specifications and quality standards could have an adverse impact on our ability to meet our manufacturing and delivery schedules.**

Set out in the table below is the contribution of our top 1, 3, 5 and 10 suppliers to Total purchases for the Fiscal 2026, Fiscal 2025 and Fiscal 2024.

Concentrated suppliers	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	In % of Total Purchases	Amount	In % of Total Purchases	Amount	In % of Total Purchases
Top 1 suppliers	2641.18	17.19%	2,134.13	21.61%	1,727.63	17.54%
Top 3 suppliers	5524.71	35.95%	4,635.40	46.93%	4,359.55	44.27%
Top 5 suppliers	7992.25	52.01%	6,409.20	64.89%	6,276.10	63.73%
Top 10 suppliers	12,049.48	90.74%	8,664.15	87.71%	9,016.55	91.56%

We cannot assure that we will be able to get the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue seeking new suppliers for our product for better quality and price in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time.

We source our raw materials from a limited number of third-party suppliers from various geographies including India, USA, UK, Taiwan, Hong Kong, Peoples Republic of China, Malaysia, Singapore etc. We do not have long-term contracts with our suppliers for such raw materials. Our dependence on foreign suppliers subjects us to certain risks and uncertainties which include political and economic instability in the countries in which such suppliers are located, disruptions in transportation, currency exchange

rates and transport costs, amongst others. If we fail to (i) receive the quality of raw materials that we require; (ii) negotiate appropriate financial terms; (iii) obtain adequate supply of raw materials in a timely manner, or if our principal suppliers discontinue the supply of such raw materials, or were to experience business disruptions or become insolvent, we cannot assure you that we will be able to find alternate sources for the procurement of raw materials in a timely manner. Moreover, in the event that either our demand increases, or our suppliers experience a scarcity of resources, our suppliers may be unable to meet our demand for raw materials.

While other than in the ordinary course of business, there has not been any reduction or interruption in the supply of raw materials to our Company for Fiscals 2026, 2025 and 2024, any reductions, or interruptions in the supply of raw materials, and any inability on our part to find alternate sources in a timely manner for the procurement of such raw materials, may have an adverse effect on our ability to manufacture our products in a timely or cost-effective manner. The occurrence of any such event may adversely affect our business, results of operations, cash flows and financial condition.

**21. Our Group Companies have incurred losses in the past and may incur losses in the future.**

Our Group Companies have incurred losses in the preceding three fiscals. The details of profit/loss of such Group Companies for the preceding three fiscals are as follows:

Particulars	Profit/loss for the year		
	Fiscal 2025	Fiscal 2024	Fiscal 2023
Merrictro Products Private Limited	30.61	(46.34)	(115.76)
Merrito Polymers (India) Private Limited	(260.69)	(139.86)	(227.50)

(₹ in Lakhs)

**22. We are completely reliant on third-party logistics service providers for transport of input materials and finished products.**

We procure input materials from domestic and international suppliers, which are brought to our manufacturing units through third party logistics providers including overland transport companies. Similarly, our finished products are transported from our manufacturing units to distribution points by overland transport. The logistics service providers are, therefore, integral to our Company's business operations. While we have over the years engaged the services of various logistics service providers for our business operations, we do not have, and we do not propose to enter into, contractual arrangements with such third-party logistics providers. While these third-party logistics service providers have generally, in the past, been reliable, we cannot assure you that they will continue to be available to us as required. If such third-party logistics service providers discontinue their services for a reasonable length of time and, if we are unable to obtain the services of other service providers, our business operations could be adversely impacted, at times, significantly. Moreover, we cannot assure you that we will not be liable for acts of negligence or other acts which may result in harm or injury to third parties. Any such acts could result in serious liability claims (for which we may not be adequately insured) which may, in addition to resulting in pecuniary liability also entail personal liability, which could significantly adversely impact our business operations and financial condition. In addition, our Company also transport input materials and products and from one unit to another unit of our Company's manufacturing facilities for which it relies on its own transport system as well as third-party transporters, for which our Company does purchase any insurance.

**23. Our Company, our Directors and our Promoter are party to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.**

Our Company, our Directors and Promoter are party to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various legal forums. A summary of outstanding litigation proceedings involving our Company, as on the date of this Red Herring Prospectus as disclosed in "**Outstanding Litigations and Material Developments**" on page 234, in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

Nature of Cases	Number of outstanding cases	Amount Involved <sup>^</sup>
<b>Litigation involving our Company</b>		
Criminal proceeding against our Company	Nil	Nil
Criminal proceedings by our Company	Nil	Nil
Material civil litigation against our Company	1	Not Ascertainable
Material civil litigation by our Company	Nil	Nil
Actions by statutory or regulatory Authorities	Nil	Nil
Direct and indirect tax proceedings	11	56.17
<b>Litigation involving our Directors (other than Promoters)</b>		
Criminal proceedings against our Directors (other than Promoters)	Nil	Nil
Criminal proceedings by our Directors (other than Promoters)	Nil	Nil
Material civil litigation against our Director (other than Promoters)	Nil	Nil
Material civil litigation by our Director (other than Promoters)	Nil	Nil

(₹ in lakhs)

<b>Nature of Cases</b>	<b>Number of outstanding cases</b>	<b>Amount Involved<sup>^</sup></b>
Actions by statutory or regulatory authorities (other than Promoters)	Nil	Nil
Direct and indirect tax proceedings	3	10.41
<b><i>Litigation involving our Promoters</i></b>		
Criminal proceedings against our Promoters	Nil	Nil
Criminal proceedings by our Promoters	Nil	Nil
Material civil litigation against our Promoters	Nil	Nil
Material civil litigation by our Promoters	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	9	37.92
<b><i>Litigation involving our Key Managerial Personnel and Senior Managerial Personnel (Other than Directors and Promoters)</i></b>		
Criminal proceedings against our Key Managerial Personnel and Senior Managerial Personnel (Other than Directors and Promoter)	Nil	Nil
Criminal proceedings by our Key Managerial Personnel and Senior Managerial Personnel (Other than Directors and Promoter)	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil

<sup>^</sup> Rounded off to closest decimal

There can be no assurance that legal proceedings involving our Company, our Directors and our Promoters will be decided in favour of our Company, our Directors or our Promoters it may divert the attention of our management and Promoters and consume our corporate resources and we may incur significant expenses in such proceedings and we may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against Company, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares.

Furthermore, we may not be able to quantify all the claims in which we are involved. Failure to successfully defend these or other claims or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subjected to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure that similar proceedings will not be initiated in the future. This could adversely affect our business, cash flows, financial condition, and results of operation. For further details, please refer to “***Outstanding Litigation and Material Developments***” on page 234.

***24. We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, any failure to obtain, retain and renew such approvals and licences or comply with such rules and regulations may adversely affect our operations.***

We require several statutory and regulatory permits, licenses and approvals to operate our business, some of which are either received or applied for. Many of these approvals are subject to periodical renewal. Any failure to renew the approvals that may expire, or to apply for the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects.

Additionally, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals which may result in the interruption of our operations and may have a material adverse effect on our business, financial condition, cash flows and results of operations. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change, we may incur increased costs, be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations. For further details, see “***Key Industry Regulations and Policies***” and “***Government and Other Approvals***” for permits/licenses required for the business on pages 175 and 234, respectively.

***25. We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights***

Our Company has made application dated June 11, 2025, for its logo  and wordmark ‘Merritronix’ under classes 9, 35, 40 and 42 under the Trade Mark Act, 1999 which is pending as on date of this Red Herring Prospectus. There can be no assurance that we will be able to successfully obtain registration against the application for the logo of the Company, which may affect our ability to use such trade marks in the future. If we are unable to renew or register our trademarks for various reasons including our inability to remove objections to any trademark application, or if any of our unregistered trademark are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by

other entities, causing damage to our business prospects, reputation and goodwill in India and abroad. Apart from this, any failure to register or renew registration of our registered trademark may affect our right to use such trademark in future.

Further, our efforts to protect our intellectual property in India and abroad may not be adequate and any third-party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered brand name in India and abroad which has been registered by us in India. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad.

Further, if we do not maintain our brand name and identity, which we believe is one of the factors that differentiates us from our competitors, we may not be able to maintain our competitive edge in India and abroad. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand name is subject to risks, including general litigation risks. Furthermore, we cannot assure you that such brand name will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source in India and abroad. Any damage to our brand name, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position in India and abroad.

For further details see “*Our Business - Intellectual Property*” and “*Government and Other Statutory Approvals*” on pages 149 and 234, respectively.

**26. Our Promoters are involved in a venture which is in the similar line of business/unit as that of our Company.**

The Promoter of the Company, Mr. Dovari Amarnath, is presently engaged in a separate business undertaking, namely Sunrise Telecom, a sole proprietorship operating in a line of business similar to that of the Company. Such involvement may give rise to actual or potential conflicts of interest, which could adversely impact the Company’s operations, strategic decision-making, and financial performance.

The table below sets forth details of Sunrise Telecom:

Party Name	Description of the business	Similarities	Distinguishing points
Sunrise Telecom	Electronics components Trading	Trading of electronic components	Does not undertake manufacturing, assembly, or ESDM services; no direct participation in defence and aerospace electronics manufacturing

The interests of the Promoter and the Promoter Group may, from time to time, diverge from those of the Company and its shareholders. The existence of overlapping business activities may result in competition for resources, market opportunities, and market share. Further, the Promoter’s engagement in such parallel ventures may constrain the time, attention, and resources available for the management and growth of the Company.

There can be no assurance that decisions taken by the Promoter or the Promoter Group in relation to such other ventures will be aligned with, or in the best interests of, the Company. Any such divergence may have a material adverse effect on the Company’s business, financial condition, and results of operations.

However, the Company has entered into a non-compete agreement with Sunrise Telecom, pursuant to which appropriate safeguards have been contractually established to mitigate potential conflicts arising from such overlapping business activities.

**27. Our Company proposes to utilize part of the Net Proceeds for repayment or pre-payment, in full or in part, of all or certain secured borrowings availed by our Company and accordingly, the utilization of that portion of the Net Proceeds will not result in creation of any tangible assets.**

We propose to utilize the Net Proceeds towards repayment/prepayment of certain borrowings availed by our Company and general corporate purposes in the manner specified in “*Objects of the Offer*” on page 89 of this Red Herring Prospectus. 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 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 redeploying the unutilized portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

**28. *The Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titles "Objects of the Issue".***

The objects of the Issue on page no. 89 of this Red Herring Prospectus have not been appraised by any bank or financial institution, and our funding requirement is based on current conditions, internal estimates, estimates received from the third-party agencies and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy. Based on the competitive nature of our industry, we may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change. Such internal estimates may differ from the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our expenditure, subject to applicable laws. In case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to us, including internal accruals and additional equity and/or debt arrangements, and may have an adverse impact on our business, results of operations, financial condition and cash flows. Accordingly, investors in the Equity Shares will be relying on the judgment of our management regarding the application of the Net Proceeds. Further, pursuant to Section 27 of the Companies Act, any variation in the Objects of the Issue would require a special resolution of the shareholders and the promoter 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 Issue, at such price and in such manner in accordance with applicable law.

Pending utilization of the Net Proceeds for the purposes described above, our Company may temporarily deposit the Net Proceeds within one or more scheduled commercial banks included in the Second Schedule of RBI Act as may be approved by our Board. We will appoint a monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 242 of the SEBI ICDR Regulations.

**29. *Increasing competition in the electronics system design and manufacturing industry may create pressures of pricing and market share that may adversely affect our business, prospects, results of operations, cash flows and financial condition.***

We operate in the ESDM industry, which is highly competitive. The competition varies by market, geographic areas and type of products manufactured. As a result, to remain competitive in our markets, we must continuously strive to reduce our costs of production, transportation and distribution and improve our operating efficiencies. We compete with a variety of independent suppliers and distributors, as well as the in-house operations of certain OEMs. We compete primarily on the basis of product quality, technology, cost, delivery and service, as well as quality and depth of senior level relationships as well as the operating level relationships.

We may face competition from larger competitors with significant resources and which benefit from economies of scale and scope. If our competitors develop and implement methodologies that yield greater efficiency and productivity, they may be able to offer services and solutions similar to ours at lower prices without adversely affecting their profit margins. Even if our offerings address industry and customer needs, our competitors may be more successful at selling their services and solutions. If we are unable to provide our customers with superior services and solutions at competitive prices or successfully market those services to current and prospective customers, our business, results of operations and financial condition may suffer. We may face competition in countries where we currently operate, as well as in countries in which we expect to expand our operations and may have limited or no experience. We also expect additional competition from ESDM companies with operations in other countries and regions, such as China and Vietnam. Additionally, we believe that our ability to compete also depends in part on factors outside of our control, such as the price at which our competitors offer comparable services, and the extent of our competitors' responsiveness to their customers' needs.

Our inability to compete adequately and effectively may have a material adverse effect on our business prospects, financial condition and results of operations. We cannot assure that our Company will be able to successfully compete within this increasingly competitive industry.

**30. *Our Company is yet to place orders for the plant and machinery. Any delay in placing orders or procurement of such plant and machinery may delay the schedule of implementation and possibly increase the cost of commissioning the manufacturing unit.***

We intend to utilize a portion of the Net Proceeds for funding capital expenditure requirements. Accordingly, orders worth ₹ 2136.43 Lakhs, which constitute 100% of the total estimated costs of the machinery and equipment are yet to be placed. There can be no assurance that we will be able to place orders for such plant and machinery, in a timely manner or at all. We have not entered into any definitive agreements to utilize the Net Proceeds for these objects of the Issue and have relied on the quotations received from third parties for estimation of the cost.

We have obtained quotations from vendors for the proposed capital expenditure, most of these quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. Additionally, in the event of any delay in placement of such orders, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations. For further details, please see “*Objects of the Issue*” on page 89 of this Red Herring Prospectus.

**31. We appoint contract labours for carrying out certain operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition**

In order to retain flexibility and control costs, our Company has entered into contract with independent contractors who in turn engage some work force to enable some temporary augmentation of resources in certain operations of our Company. Although our Company does not engage such resources directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by independent contractors. Any requirement to fund their wage requirements may have some adverse impact

on our results of operations and financial condition and we may also be subject to legal proceedings in this regard. However, there has been no such instances during the past three fiscals.

**32. Our contingent liabilities as stated in our Restated Financial Statements could adversely affect our financial condition.**

Below are the contingent liabilities, for the Fiscal ending March 31, 2026, March 31, 2025 and March 31, 2024 as disclosed in our Restated Financial Statements in accordance with applicable accounting standards:

(₹ In Lakhs)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
<b>I. Contingent Liabilities</b>			
(a) claims against the company not acknowledged as debt*;	71.85	75.73	12.04
(b) guarantees excluding financial guarantees; and	-	-	-
(c) other money for which the company is contingently liable	-	-	-
<b>II. Commitments</b>			
(a) estimated amount of contracts remaining to be executed on capital account and not provided for**		-	-
(b) uncalled liability on shares and other investments partly paid	-	-	-
(c) other commitments	-	-	-
<b>*Note:-</b>			
1. The GST Department has raised demand of Rs. 4.12 lakhs vide Order No. ZD360225092988Q and Rs. 0.01 lakhs vide order no. ZD3602250930499 issued u/s 74 of the Central Goods & Service Act, 2017 and Telangana Goods & Service Act, 2017 and Rs. 45.76 lakhs vide order no. ZD360225093074G and Rs. 13.80 lakhs vide order no. dated February 28, 2025 issued u/s 73 of the Central Goods & Service Act, 2017 and Telangana Goods & Service Act, 2017; against which the company has filed an appeal to the appellate authority dated November 26, 2024.			
2. Income tax demand u/s 154 of Income Tax Act, 1961 amounting to Rs. 12.04 lakhs was raised for assessment year 2019-20. The said demand of Rs. 12.04 lakhs has been paid during FY 2025-26. Interest on income tax amounting to Rs. 5.38 lakhs is outstanding as on 30.09.2025. Petition for rectification is pending with the income tax department.			
3. TDS demands amounting to Rs. 2.78 lakhs pertaining from FY 2007-08 to FY 2012-13 is outstanding as on 30.09.2025. Rectification petition is being filed with the income tax department.			

For further details of the contingent liabilities and commitments of our Company as on March 31, 2026, March 31, 2025 and March 31, 2024, see “*Restated Financial Information*” on page 209 of this Red Herring Prospectus. If a significant portion of these liabilities materialize, fully or partly, it could have an effect on our results of operations and financial condition. Further, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

**33. We have, in the past, entered into certain transactions with related parties and may continue to do so in the future, which may potentially involve conflict of interest with equity shareholders. Any related party transactions that are not on an arm's length basis may adversely affect our business, results of operation and financial condition.**

We have, in the past, entered into certain transactions with related parties and may continue to do so in the future. Such related party transactions may potentially involve conflict of interest with equity shareholders. For further details, see “*Summary of related party transactions*” and “*Restated Financial Information*” on pages 56 and 209, respectively. While we believe that all such transactions have been conducted on an arms-length basis, we cannot assure you that we would not have achieved more favourable commercial terms had such transactions not been entered into with related parties. Further, we may enter into related party transactions in the future, and such transactions may potentially involve conflicts of interest. There can be no assurance that such transactions, individually or in the aggregate, will always be in the best interests of our public shareholders and will not have an adverse effect on our results of operations and financial condition.

**34. Changes in technology may affect our business by making our manufacturing facilities or equipment less competitive.**

Our profitability and competitiveness are to a certain extent dependent on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. Changes in technology may make newer generation manufacturing equipment more competitive than ours or may require us to make additional capital expenditures to upgrade our manufacturing facilities. Our inability to continue to invest in new and more advanced technologies and equipment, may result in our inability to respond to emerging industry standards and practices in a cost-effective and timely manner that is competitive with other manufacturing companies. The development and implementation of such technology entail technical and business risks. However, as of the date of this Red Herring Prospectus, there have been no such instances in the past three years we cannot assure you that we will be able to successfully implement new technologies or adapt our processing systems to emerging industry standards. If we are unable to adapt in a timely manner to changing market conditions or technological changes, our business and financial performance could be adversely affected. However, there has been no such instances during past three fiscals.

**35. Any non-compliance or delays in GST Return Filings, EPF and ESIC Payments may expose us to penalties from the regulators.**

As a Company, we are required to file GST returns and make payments in respect of Employee Provident Fund and ESIC contribution with the respectively authorities. However, there are certain inadvertent delays in relation to filling of GST returns and make payments in respect of Employee Provident Fund and ESIC contribution in the past for which the Company have paid the penalties and taken the steps to improve the internal system for payment such obligations to mitigate the technical difficulties.

**Instances of Noncompliance or delay in payment of statutory dues or filings: -**

Financial Year	Month/Period	Return Type	No. of Employees	Date of Filing	Due Date	Delay (No. of Days )
2025-26	Jun-25	ESI	21	16-07-2025	15-07-2025	1
2023-24	Jan-24	ESI	23	16-02-2024	15-02-2024	1
2023-24	Jan-24	Provident Fund	24	16-02-2024	15-02-2024	1
2022-23	Jul-22	Provident Fund	28	16-08-2022	15-08-2022	1
2023-24	Apr-23	GSTR-1	-	15-05-2023	11-05-2023	4
2022-23	Apr-22	GSTR-1	-	18-05-2022	11-05-2022	7
2022-23	May-22	GSTR-1	-	16-06-2022	11-06-2022	5
2022-23	Aug-22	GSTR-1	-	12-09-2022	11-09-2022	1
2022-23	Feb-23	GSTR-1	-	15-03-2023	11-03-2023	4
2022-23	May-22	GSTR-3B	-	24-06-2022	20-06-2022	4
2022-23	Jun-22	GSTR-3B	-	21-07-2022	20-07-2022	1
2022-23	Jul-22	GSTR-3B	-	23-08-2022	20-08-2022	3
2022-23	Aug-22	GSTR-3B	-	21-09-2022	20-09-2022	1
2022-23	Oct-22	GSTR-3B	-	23-11-2022	20-11-2022	3
2022-23	Jan-23	GSTR-3B	-	28-02-2023	20-02-2023	8
2022-23	Feb-23	GSTR-3B	-	21-03-2023	20-03-2023	1

*These delays were primarily due to server issues and a vendor's representative not filing the returns on the designated due dates.*

*To address these issues and prevent future delays, we have taken several corrective actions, including:*

**Increasing Manpower:** *We have augmented our team to ensure that there is sufficient coverage to manage the GST filing process efficiently, even in cases of unforeseen technical issues.*

**Enhanced Monitoring and Vendor Follow-up:** *We have implemented stricter monitoring and internal tracking systems to ensure that all filing deadlines are met without exception. Additionally, we have instituted a more rigorous follow-up process with our vendors to ensure they adhere to filing deadlines, thereby preventing delays caused by external parties.*

**Backup Procedures:** *We have established backup procedures to handle technical difficulties, including ensuring that alternative systems or personnel are available to complete filings on time.*

**Training and Accountability:** *Additional training has been provided to our staff to reinforce the importance of meeting compliance deadlines, and accountability measures have been introduced to prevent recurrences.*

However, we cannot assure that we will not be subject to any legal proceeding or regulatory actions, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in our GST filing or EPF payment or ESIC contribution in future, which may adversely affect our business, financial condition, and reputation.

**36. We will continue to be controlled by our Promoter and Promoter Group after the completion of the Issue, which will allow them to influence the outcome of matters submitted for approval of our shareholders.**

As on the date of this Red Herring Prospectus, our Promoter and Promoter Group hold 85.17% of the issued and outstanding paid-up share capital of our Company. As a result, they will have the ability to influence matters requiring shareholders' approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association, and any other business decisions. We cannot assure you that our Promoters and Promoter Group will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business. For further details regarding our shareholding, please refer to chapter titled "Capital Structure" beginning on Page 71 of this Red Herring Prospectus.

**37. Our individual Promoters play a key role in our operations and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoter and Executive Directors remain associated with us. Our success also depends upon the services of our key managerial personnel and our ability to attract and retain key managerial personnel and our inability to attract them may affect our operations.**

We benefit from our relationship with our individual Promoters and our success depends upon the continuing services of our Promoters and executive Directors who have been responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business. Our Promoters and executive Directors have been actively involved in the day-to-day operations and management. Accordingly, our performance is heavily dependent upon the services of our Promoters and executive Directors. If our Promoters and executive directors are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. Further, we rely on the continued services and performance of our key executives and senior management for continued success and smooth functioning of the operations of the Company. If we lose the services of any of our key managerial personnel, it may take reasonable time to locate suitable or qualified replacements and may incur additional expenses to recruit and train new personnel, which could adversely affect our operations and impair our ability to continue to manage and expand our business. Our Promoters and executive Directors, along with the key managerial personnel have, over the years, built relationships with key customers and other persons who form part of our stakeholders and are connected with us. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected. However, since our Company is a family-run business established by the first generation and currently managed by the third generation of the Promoter family, we have not experienced any such instance of leadership discontinuity to date. Nevertheless, there can be no assurance that such circumstances will not arise in the future.

For further details of our Directors and Key Managerial Personnel, please refer to Chapter titled "Our Promoter", "Our Management – Board of Directors" and "Our Management – Key Managerial Personnel" on page no. 200, 188 and 188 respectively of this Red Herring Prospectus.

**38. In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors (Promoters) are interested in our Company to the extent of their shareholding and dividend entitlement and rent received from our Company.**

Some of our Directors (Promoters) are interested in our Company to the extent of their shareholding, dividend entitlement in our Company and rent received from our Company. For further details, see "Our Business" on page 149, in addition to normal remuneration or benefits and reimbursement of expenses. As a result, our directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. To enhance our business operations and prospects, our directors and Key Management Personnel are committed to consistently exercising their shareholder rights in the best interest of our Company, positively influencing our business, operational results, and future prospects.

**39. We are subject to impact of foreign exchange fluctuation. Any significant movement in foreign exchange rates, could adversely impact our revenue from exports and costs of sourcing raw materials through imports, which in turn could adversely impact our operations.**

Our Restated Financial Information are reported in the Indian Rupee. Accordingly, our financial results and assets and liabilities may be materially affected by changes in the exchange rates of foreign currencies, which have fluctuated significantly in recent years. A proportion of our financial results, assets and liabilities are accounted for in currencies other than the Indian Rupee before being converted into and reported in the Indian Rupees. In addition, the policies of the Reserve Bank of India (“RBI”) may change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our business, financial condition, cash flows and results of operations. To the extent that we incur costs in one currency and make sales in another, our profit margins may be affected by changes in the exchange rates between the two currencies. Since the currency in which sales are recorded may not be the same as the currency in which expenses are incurred, foreign exchange rate fluctuations may materially affect our results of operations. In the past, our exposure to foreign exchange rate fluctuation risks was mainly derived from revenue from exports and import of raw materials, we may continue to experience such fluctuations due to ongoing exports and imports

The following table provides a breakdown of revenue from exports for the periods indicated:

S No.	Locations	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Amount	In % of Revenue from Operations	Amount	In % of Revenue from Operations	Amount	In % of Revenue from Operations
<b>Export Revenue</b>							
1.	USA	44.60	0.29%	127.02	1.12%	109.58	1.28%
2.	Switzerland	12.74	0.08%	-	-	-	-
<b>Total</b>		<b>57.34</b>	<b>0.37%</b>	<b>0.08%</b>	<b>1.12%</b>	<b>109.58</b>	<b>1.28%</b>

The following table provides a breakdown of materials sourced from domestic suppliers and through imports for the periods indicated:

(₹ in Lakhs)

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in Lakhs)	In %	Amount (₹ in Lakhs)	In %	Amount (₹ in Lakhs)	In %
Cost of materials sourced from suppliers located in India	15,078.89	98.12	9,633.18	97.52	9,700.22	98.50
Cost of materials sourced from suppliers located outside India	288.9	1.88	244.54	2.48	147.58	1.50

Exchange rate fluctuations can also affect the Indian Rupee value of our monetary assets and liabilities denominated in foreign currencies irrespective of operating results, which could have an adverse impact on the value of our Equity Shares.

**40. The average cost of acquisition of Equity Shares by our Promoters is lower than the Issue Price.**

Our Promoters average cost of acquisition of Equity Shares in our Company is lower than the Issue Price of the shares proposed to be offered through this prospectus. For Details regarding average cost of acquisition of Equity Shares by our Promoters in our Company, please refer the table below:

Name of Promoter	No. of shares held	Average Cost of Acquisition (in ₹)
Dovari Yesudas	19,73,025	1.09
Dovari Amarnath	34,71,450	0.78
Vanaja D	26,13,525	1.26
Darsy Kethan Chandra	14,15,700	0
Dovari Thaman	14,15,700	0

**41. We have issued Equity Shares during the last one year at a price that may be below the Issue Price.**

During the last one year we have issued Equity Shares at a price that may be lower than the Issue Price. For further details, see “Capital Structure” on page 71. The prices at which Equity Shares have been issued by us in last one year should not be taken to be indicative of the Price Band, Issue Price and the trading price of our Equity Shares after listing.

**42. None of the Executive Directors of the Company have experience of being a director of a public listed company.**

The Directors of the Company do not have the experience of having held directorship of public listed company. Accordingly, they have limited exposure to management of affairs of the listed company which inter-alia entails several compliance requirements and scrutiny of affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, the company will require to adhere strict standards pertaining to accounting, corporate governance and reporting that it did not require as an unlisted company. The company will also be subject to the SEBI Listing Regulations, which will require it to file audited annual and unaudited quarterly reports with respect to its business and financial condition. If the company experiences any delays, we may fail to satisfy its reporting obligations and/or it may not be able to readily determine and accordingly report any changes in its results of operations as promptly as other listed companies.

Further, as a publicly listed company, the company 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 the company's disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, the Board of Directors of the company may have to provide increased attention to such procedures and their 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.

***43. Any failure in our quality control processes may damage our reputation, and adversely affect our business, cash flows, results of operations and financial condition. We may face reputational harm or proceedings if the quality of our products and services does not meet our customers' expectations.***

It is possible that our products and services may contain quality issues or undetected errors or defects, especially when first introduced or when new products are developed, resulting from manufacturing defects and negligence in storage or handling of our products or other raw materials. We set internal quality standards, including consistent definitions of defects to be detected. However, given the high volume of raw materials, we are not able to inspect every single item, and may rely instead on selective methods such as sampling. Although there have been no material instances in the past, we cannot assure you that our quality standards will be adhered to, and if they are not, that our quality control processes and inspections will accurately detect all deficiencies in the quality of our products at all times before such products reach the customers. We have, from time to time, due to quality defects, exchanged or accepted returns of products sold to our customers, or otherwise. In the event the quality of our products is not in accordance with our standards or our products are defective, our customers may return our products, we may be required to recall or exchange such products at additional cost to us and our reputation may be impacted. Any deficiencies in the quality of our products may cause adverse reactions to users of such products. This may expose us to product liability claims and legal proceedings brought against us by customers. Although there have been no such actions against us in the past, we cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims. Product liability claims, successful or otherwise, may adversely affect our reputation, brand image and sales. Our inability to avoid or defend product liability claims may adversely affect our business, cash flows, results of operations and financial condition. The Company confirms that, as of the date hereof, no such material quality-related incidents have been identified or reported in the past three years.

***44. The requirements of being a public listed company may strain our resources and impose additional requirements.***

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we were not required to incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations.

There can be no assurance that we will be able to satisfy our reporting obligations. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner. Failure of our Company to meet the listing requirements of stock exchange, if any, could lead to imposition of penalties, including suspension of trading in shares of the Company.

***45. Our inability to effectively implement our business and growth strategy may have an adverse effect on our operation and growth.***

The success of our business will largely depend on our ability to effectively implement our business and growth strategy. In the past we have generally been successful in execution of our business but there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse effect on our business, financial condition and results of operations.

**46. Certain sections of this Red Herring Prospectus disclose information from the Mordor Intelligence Report which has been commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.**

Certain sections of this Red Herring Prospectus include information based on, or derived from, the “*Custom Report - India Electronics Manufacturing Services (EMS) Market*” which covers the study period from 2019 to 2030, with 2024 as the base year prepared and issued by Mordor Intelligence Private Limited (“**Mordor Intelligence**”) (the “**Mordor Intelligence Report**”), which has been exclusively commissioned and paid for by our Company in connection with the Offer. Mordor Intelligence is an independent agency which has no relationship with our Company, our Promoters, Promoter Group and any of our directors or KMPs.

Further, Mordor Intelligence Report is prepared based on information on specific dates and may no longer be current or reflect current trends. Certain information in this Report is subject to limitations and is also based on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources do not guarantee the accuracy, adequacy or completeness of the data. The Mordor Intelligence Report uses certain methodologies for market sizing and forecasting. Furthermore, the Mordor Intelligence Report is not a recommendation to invest/ disinvest in any company covered in the Mordor Intelligence Report. Accordingly, Investors should not place undue reliance on or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Red Herring Prospectus based on, or derived from, the Mordor Intelligence Report. You should consult your own advisors and undertake an independent assessment of information in this Red Herring Prospectus based on, or derived from, the Mordor Intelligence Report before making any investment decision regarding the Offer. For further details, see “*Industry Overview*” on page 121 of this Red Herring Prospectus.

**47. Any future issuance of Equity Shares or convertible securities, including options under any stock option plan or other equity linked securities may dilute your shareholding, and significant sales of Equity Shares by our major shareholders, may adversely affect the trading price of our Equity Shares.**

Future issuances of Equity Shares by our Company after this Offer will dilute investors holdings in our Company. Further, any significant sales of Equity Shares after this Offer may adversely affect the trading price of our Equity Shares. In addition, the perception that such issuance or significant sales of Equity Shares may occur may adversely affect the trading price of our Equity Shares and impair our future ability to raise capital through offerings of Equity Shares.

**48. Impairment of Goodwill May Adversely Affect Our Financial Condition and Results of Operations**

Any deterioration in the performance of our business or the business of any acquired entity, adverse market or economic conditions, changes in the regulatory environment, or other relevant factors may require us to perform an interim goodwill impairment analysis. If the fair value of a reporting unit were determined to be less than its carrying amount, we would be required to recognize an impairment charge, which could have a material adverse effect on our financial condition, results of operations, and prospects. Furthermore, any future acquisitions could result in the recognition of additional goodwill, thereby increasing the potential for future impairment charges.

There can be no assurance that we will not be required to record additional impairment losses related to goodwill in future periods. Any such impairment could materially impact our reported earnings and shareholders’ equity and may result in volatility in the trading price of our equity securities. Further for the past three financial years company, our company has not recognised goodwill in the financial statement.

**49. 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 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. 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 among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, our ability to pay dividends may also be restricted by the terms of financing arrangements that we may enter into. Dividends distributed by us may also attract taxes at rates applicable from time to time. We cannot assure you that we will be able to pay dividends in the future. For further details, see “*Dividend Policy*” on page 208.

**50. Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition.**

While we maintain insurance coverage, in amounts which we believe are commercially appropriate, including related to our registered office, our movable property and employees, provide appropriate coverage in relation to fire, explosions, floods,

inundations, earthquakes, landslides we may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable and in the event of severe damage to our business. Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an effect on our business, results of operations, financial condition and cash flows.

In addition, in the future, we may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an effect on our business, results of operations, financial condition and cash flows.

***51. Failure or disruption of our Information and Technology (“IT”) and/ or enterprise resources planning systems may adversely affect our business, financial condition, results of operations and future prospects.***

The efficient operation of our business depends on our IT infrastructure and our enterprise resources planning systems established at our manufacturing facilities. Our IT infrastructure comprises of third-party solutions and applications maintained internally. Since we operate multiple platforms, the failure of our IT infrastructure and/or our enterprise resources planning systems could disrupt our business and adversely affect our results of operation. In addition, our IT infrastructure and/or our enterprise resources planning systems are vulnerable to damage or interruption from, amongst others, natural or man-made disasters, terrorist attacks, computer viruses or hackers, power loss, other computer systems, internet telecommunications or data network failures. Any such interruption could adversely affect our business and results of operations. While we have processes implemented for IT infrastructure management including patch management, anti-virus management and backup processes to protect sensitive and confidential business information from disaster, damage, theft, and system failure, we cannot assure you that such IT infrastructure management systems including data backup would be able to ensure sufficient safeguards to prevent significant disruption of our IT systems. However, notwithstanding, 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 our inability to access the back-up information critical for our business on a timely basis, may affect our ability to plan, track, record and analyse work / projects in progress, Electronic System, Design and manufacturing improvements and revenue, process financial information, manage our creditors and 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 future prospects. However there has been no such instances during the stub period and past three fiscals.

***52. After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop***

The price of the Equity Shares on the Stock Exchange may fluctuate as a result of the factors, including:

- Volatility in the Indian and global capital market;
- Company’s results of operations and financial performance;
- Performance of Company’s competitors,
- Adverse media reports on Company or pertaining to our Industry;
- Changes in our estimates of performance or recommendations by financial analysts;
- Significant developments in India’s economic and fiscal policies; and
- Significant developments in India’s environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Offer. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Offer or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Offer.

***53. The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to Sell your Equity Shares at or above the Issue Price***

The Issue Price of our Equity Shares has been determined by book building method. This price is based on numerous factors (For further information, please refer chapter titled “Basis for Offer Price” beginning on page 109 of this Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Offer. The market price of our 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 sell your Equity Shares at or above the Offer Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Individual Investors can revise or withdraw their Bids during the Bid/Offer Period. While our Company is required to complete Allotment pursuant to the Offer within such period as may be prescribed under applicable law, events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

**55. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.**

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.

**56. Delay in raising funds from the IPO could adversely impact the implementation schedule**

The proposed fund requirement, for working capital requirement, general corporate purposes and Offer expenses, primarily, as detailed in the chapter titled "*Objects of the Offer*" beginning on page 89 is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Offer proceeds may delay the implementation schedule. We, therefore, cannot assure that we would be able to execute our future plans/strategy within the estimated time frame.

**57. Pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders of our Company who do not agree to such proposal to vary the objects, in such manner as may be prescribed in future by the SEBI.**

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 enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Offer and our business and financial results may suffer.

**58. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares**

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short-term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 12.5%, in excess of Rs.1,25,000. Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

**EXTERNAL RISK FACTOR**

**59. Natural calamities and force majeure events may have an adverse impact on our business.**

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely

affect the Indian securities markets. 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 the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. 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 market price of the Equity Shares.

***60. The Indian tax regime is currently undergoing substantial changes which could adversely affect our business.***

The goods and service tax (“GST”) that has been implemented with effect from July 1, 2017 combines taxes and levies by the GoI and state governments into a unified rate structure, and replaces indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, cess and surcharge and excise that were being collected by the GoI and state governments.

As regards the General Anti-Avoidance Rules (“GAAR”), The general anti avoidance rules (“GAAR”) provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18. The GAAR provisions intend to declare an arrangement as an “impermissible avoidance arrangement”, if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm’s length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

***61. A third party could be prevented from acquiring control of us because of the anti-takeover provisions under Indian law***

There are provisions in Indian law that may discourage a third party from attempting to take control over us, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Under the Takeover Regulations an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. These provisions may discourage or prevent certain types of transactions involving an actual or threatened change in control of us.

***62. Our ability to raise foreign capital may be constrained by Indian law***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Regulatory restrictions may limit our financing sources for our projects under development and hence could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that an adverse effect on our ability to raise foreign capital, which in turn may affect our business, prospects, financial condition and results of operation.

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

A public limited company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe to a proportionate number of equity shares to maintain their existing ownership, prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by a three-fourths majority of the equity shareholders voting on such resolution.

If you are a foreign investor and the law of the foreign jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such foreign jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make 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 your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

***64. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.***

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

- the macroeconomic climate, including any increase in Indian interest rates or inflation;

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- Any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- Prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- other significant regulatory or economic developments in or affecting India or its ER&D sector; international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;

***65. Any changes in the regulatory framework could adversely affect our operations and growth prospects.***

The company is subject to various regulations and policies. For details see section titled "***Key Industry Regulations and Policies***" beginning on page no. 175 of this Red Herring Prospectus. The company's current businesses and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that it will succeed in obtaining all requisite regulatory approvals in the future for its operations or that compliance issues will not be raised in respect of its operations, either of which could have a material adverse effect on the business, financial condition and results of operations.

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

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

***67. We are subject to risks arising from interest rate fluctuations, which could adversely impact our business, financial condition and operating results.***

Changes in interest rates could significantly affect our financial condition and results of operations. If the interest rates for future borrowings increase significantly, our cost of servicing such debt will increase. This may negatively impact our results of operations, planned capital expenditures and cash flows.

***68. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) 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 fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

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## SECTION III – INTRODUCTION

### THE ISSUE

(Rs. in Lakhs except share data)

<b>PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS</b>	
Issue of Equity Shares <sup>(1) (2)</sup>	Up to 47,00,000 Equity Shares of face value of ₹ 10/- each fully paid up of our company at a price of ₹ [●] per Equity share aggregating up to ₹ [●] lakhs
<b>Out of which:</b>	
Market Maker Portion Reservation	Issue of Upto 2,36,000 Equity Shares having a face value of ₹ 10/- each at a price of ₹ [●] per Equity Shares aggregating ₹ [●] lakhs
Net Issue to Public <sup>(3)</sup>	Issue of Upto 44,64,000 Equity Shares having a face value of ₹ 10/- each at a price of ₹ [●] per Equity Shares aggregating ₹ [●] lakhs
<b>Out of which*:</b>	
<b>A. QIB Portion</b> <sup>(4) (5)</sup>	Not more than 22,28,000 Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] Lakhs
<b>Of Which*</b>	
(a) Anchor Investor Portion	Upto 13,36,000 Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] Lakhs
(b) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	Upto 8,92,000 Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] Lakhs
<b>Of which*</b>	
(i) Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion))	Upto 45,000 Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] Lakhs
(ii) Balance of QIB Portion for all QIBs including Mutual Funds	Upto 8,92,000 Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] Lakhs
<b>B. Non-Institutional Category</b>	Not Less than 6,72,000 Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] Lakhs
<b>Of which*</b>	
i. One-third of the Non-Institutional Portion available for allocation to Non-Institutional Bidders with an application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs	Up to 2,24,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹[●] per Equity Share aggregating ₹[●] Lakhs
ii. Two-third of the portion available to noninstitutional investors shall be reserved for applicants with application size of more than ₹10 lakhs	Up to 4,48,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹[●] per Equity Share aggregating ₹[●] Lakhs
<b>C. Individual Investor Portion</b>	Not Less than 15,64,000 Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] Lakhs
<b>Pre and post-Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	1,27,84,854 Equity Shares of face value of ₹10/- each
<b>Equity Shares outstanding after the Issue</b>	[●] Equity Shares of face value of ₹10/- each
<b>Use of Net Proceeds</b>	Please refer “ <i>Objects of the Issue</i> ” on page 89 for further information about the use of the Net Proceeds.

\*Subject to finalisation of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of Issue price.

#### **Notes:**

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation 229(2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on January 16, 2026 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on January 17, 2026.
- 3) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Individual Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Individual Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

- 4) The SEBI ICDR Regulation, 2018, permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e., not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Individual Investors and not less than 15% of the Net Issue shall be available for allocation to non-institutional bidders. Further, (a) 1/3rd of the portion available to NIBs shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than Rs.10,00,000, and (b) 2/3rd of the portion available to NIBs shall be reserved for applicants with application size of more than Rs.10,00,000. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), could be allocated to applicants in the other sub-category of NIBs .The allocation to each NIB shall not be less than the minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, was available for allocation on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. 4) Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.
- 5) Our Company, in consultation with BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will be accordingly reduced for the Equity Shares allocated to Anchor Investors.

Forty per cent of the anchor investor portion, within the limits specified shall be reserved as under –

- (i) 33.33 per cent for domestic mutual funds; and
- (ii) 6.67 per cent for life insurance companies and pension funds

Any under-subscription in the reserved category specified in clause (ii) above may be allocated to domestic mutual funds, subject to valid Bids being received from domestic Mutual Funds, life insurance companies and pension funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations 2018.

In case of under-subscription or non- Allotment in the Anchor Investor Portion, the remaining Equity Shares will be added back to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders other than Anchor Investors, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event of under- subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. For further information, see “Issue Procedure” on 266.

- 6) SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025 effective from the date of their publication in official gazette, has prescribed the allocation to each Individual Investors which shall not be less than minimum application size applied by such individual investors and Subject to the availability of shares in non-institutional investors’ category, the allotment to Non- Institutional Investors shall be more than two lots which shall not be less than the minimum application size in the Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Further, SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, has prescribed that all individual Investors applying in initial public offerings opening on or after May 1, 2022, where the Bid amount is up to ₹ 5,00,000 shall use UPI. UPI Bidders using the UPI Mechanism, shall provide their UPI ID in the Bid cum Application Form for Bidding through 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.

For details, including grounds for rejection of Bids, refer to “*Issue Structure*” and “*Issue Procedure*” on page 262 and 266, respectively. For details of the terms of the Issue, see “*Terms of the Issue*” on page 252.

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## SUMMARY OF FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Financial Information as on March 31, 2026, 2025 and 2024. The Restated Financial Information referred to above is presented under the section titled "Financial Information" beginning on Page No. 209 of this Red Herring Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the chapters titled "Financial Information" and "Management's Discussion and Analysis of Financial Position and Results of Operations" beginning on Page Nos. 209 and 216, respectively of this Red Herring Prospectus.

Sr. No.	Details	Page Number
1.	Summary of Financial Information	S-1 to S-3

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**MERRITRONIX LTD.**  
(formerly known as MERRITRONIX PVT LTD.)  
(CIN:- U32100TG1988PLC155611)

**ANNEXURE - I**  
**STATEMENT OF ASSETS & LIABILITIES AS RESTATED**

Particulars	Note No.	As at (Rs. in lakhs)		
		31/03/2026	31/03/2025	31/03/2024
<b>I. EQUITY &amp; LIABILITIES</b>				
<b>(1) Shareholders Fund</b>				
a) Share capital	1.1	1,278.49	145.20	145.20
b) Reserves and surplus	1.2	4,034.47	1,538.95	673.00
<b>Total Shareholder's Fund</b>		<b>5,312.96</b>	<b>1,684.15</b>	<b>818.20</b>
<b>(2) Non-Current Liabilities</b>				
a) Long-Term Borrowings	1.3	529.56	481.07	590.47
b) Deferred Tax Liabilities (Net)	1.4	18.86	17.34	22.70
c) Other long term liabilities	1.5	-	13.00	-
d) Long Term provisions	1.6	48.14	37.93	33.77
<b>Total Non Current Liabilities</b>		<b>596.56</b>	<b>549.34</b>	<b>646.94</b>
<b>(3) Current Liabilities</b>				
a) Short Term Borrowings	1.7	3,790.18	1,375.51	991.31
b) Trade Payables				
- total outstanding dues of Micro and small enterprises; and	1.8	426.21	1,221.79	3,145.38
- total outstanding dues of creditors other than Micro and small enterprises		2,000.83	243.04	783.72
c) Other Current Liabilities	1.9	2,627.85	1,973.71	354.55
d) Short Term Provisions	1.10	685.48	370.51	104.21
<b>Total Current Liabilities</b>		<b>9,530.55</b>	<b>5,184.56</b>	<b>5,379.17</b>
<b>Total Equity &amp; Liability</b>		<b>15,440.07</b>	<b>7,418.05</b>	<b>6,844.31</b>
<b>II. ASSETS</b>				
<b>(1) Non-Current Assets</b>				
a) Property, Plant and Equipments & Intangible assets	1.11			
(i) Property, Plant and Equipments		585.99	373.76	409.24
(ii) Intangible Assets		6.46	0.07	0.07
<b>Total</b>		<b>592.45</b>	<b>373.83</b>	<b>409.31</b>
b) Deferred Tax Asset (Net)	1.4	-	-	-
c) Long Term Loans and Advances	1.12	-	-	425.00
d) Other Non-current Assets	1.13	4.75	34.31	35.73
<b>Total Non Current Assets</b>		<b>597.20</b>	<b>408.14</b>	<b>870.04</b>
<b>(2) Current assets</b>				
a) Inventories	1.14	7,130.76	3,968.62	3,349.77
b) Trade Receivables	1.15	3,654.65	2,035.91	1,118.73
c) Cash and Bank Balances	1.16	2,569.62	242.06	390.56
d) Short Term Loans and advances	1.17	1,480.62	758.34	1,115.17
e) Other Current Assets	1.18	7.22	4.98	0.04
<b>Total Current Assets</b>		<b>14,842.87</b>	<b>7,009.91</b>	<b>5,974.27</b>
<b>Total Assets</b>		<b>15,440.07</b>	<b>7,418.05</b>	<b>6,844.31</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

For Dagliya & Co.  
Chartered Accountants  
FRN: 00671S

For and on behalf of Board of  
MERRITRONIX LTD.

sd/-  
Mayank Jain  
Partner  
Membership No: - 225914  
Place: - Hyderabad  
Date: - 11-05-2026  
UDIN No: - 26225914FUNYGGK5776

sd/-  
Dovari Amarnath  
(Managing Director)  
DIN No: - 01265446

sd/-  
Kethan Chandra Darsy  
(Chief Financial Officer & Director)  
DIN No: - 09753724

sd/-  
Dovari Yesudas  
(Director)  
DIN No: - 01794872

sd/-  
Swathi Mandava  
(Company Secretary)  
(Membership No: A49113)

**MERRITRONIX LTD.**  
(formerly known as MERRITRONIX PVT LTD.)  
(CIN:- U32100TG1988PLC155611)

**ANNEXURE - II**  
**STATEMENT OF PROFIT & LOSS AS RESTATED**

Particulars	Note No.	For the year ended (Rs. in lakhs)		
		31/03/2026	31/03/2025	31/03/2024
<b>Income</b>				
Revenue from Operations	II.1	15,589.56	11,356.38	8,569.91
Other Income	II.2	35.27	47.62	31.42
<b>Total Income (A)</b>		<b>15,624.83</b>	<b>11,404.00</b>	<b>8,601.33</b>
<b>Expenditure</b>				
Cost of Material Consumed	II.3	13,178.21	9,121.53	8,659.26
Purchase of Stock-in-Trade	II.4	101.38	757.62	582.94
Changes in inventories of finished goods, work in progress and stock in trade	II.5	(1,021.82)	(610.86)	(1,750.81)
Employee Benefit Expenses	II.6	234.47	170.51	172.08
Finance Cost	II.7	408.15	282.63	218.28
Depreciation & Amortisation Expenses	I.10	47.18	39.37	40.67
Other Expenses	II.8	375.27	403.55	249.69
<b>Total Expenses (B)</b>		<b>13,322.84</b>	<b>10,164.35</b>	<b>8,172.11</b>
<b>Profit before Tax C = (A - B)</b>		<b>2,301.99</b>	<b>1,239.65</b>	<b>429.22</b>
Current tax expense	VIII	690.17	379.06	122.60
Deferred tax expense / (Income)		1.52	(5.36)	1.59
<b>Total (D)</b>		<b>691.69</b>	<b>373.70</b>	<b>124.19</b>
<b>Net Profit After Tax E = (C - D)</b>		<b>1,610.30</b>	<b>865.95</b>	<b>305.03</b>
<b>Earnings per equity share (Rs.) (Post bonus &amp; Spilt) :</b>	<b>VII</b>			
- Basic		<b>13.92</b>	<b>7.95</b>	<b>2.80</b>
- Diluted		<b>13.92</b>	<b>7.95</b>	<b>2.80</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

For Dagliya & Co.  
Chartered Accountants  
FRN: 00671S

For and on behalf of Board of  
MERRITRONIX LTD.

sd/-  
**Mayank Jain**  
Partner  
Membership No: - 225914  
Place: - Hyderabad  
Date: - 11-05-2026  
UDIN No: - 26225914FUNYGK5776

sd/-  
**Dovari Amarnath**  
(Managing Director)  
DIN No: - 01265446

sd/-  
**Dovari Yesudas**  
(Director)  
DIN No: - 01794872

sd/-  
**Kethan Chandra Darsy**  
(Chief Financial Officer & Director)  
DIN No: - 09753724

sd/-  
**Swathi Mandava**  
(Company Secretary)  
(Membership No: A49113)

**MERRITRONIX LTD.**  
(formerly known as MERRITRONIX PVT LTD.)  
(CIN:- U32100TG1988PLC155611)

**ANNEXURE - III**  
**STATEMENT OF CASH FLOW AS RESTATED**

PARTICULARS	For the year ended (Rs. in lakhs)		
	31/03/2026	31/03/2025	31/03/2024
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Profit before Tax as per Profit &amp; Loss A/c</b>	<b>2,301.99</b>	<b>1,239.65</b>	<b>429.22</b>
<b>Adjusted for :</b>			
a. Depreciation	47.18	39.37	40.67
b. Interest expense	356.73	211.42	162.42
c. Discount on chit fund scheme	15.78	27.67	40.33
d. Dividend income	(4.76)	(7.51)	(17.06)
e. Interest income	(10.84)	(28.96)	(8.30)
f. Gratuity	10.23	5.94	12.29
g. Unrealised forex gain / loss	(6.27)	(0.04)	(0.37)
h. Unpaid bonus write back	-	(2.23)	-
i. Sundry balance written back	(1.42)	(0.94)	-
<b>Operating profit before working capital changes</b>	<b>2,708.62</b>	<b>1,484.37</b>	<b>659.20</b>
<b>Adjusted for :</b>			
a. Decrease / (Increase) in Inventories	(3,162.14)	(618.85)	(2,366.61)
b. Decrease / ( Increase ) in trade receivable	(1,612.47)	(917.14)	1,190.64
c. ( Increase ) / Decrease in loans and advances	(738.07)	354.41	(884.14)
d. ( Increase ) / Decrease in Other Assets ( Including other bank balances)	(778.68)	4.87	26.08
e. Increase / ( Decrease ) in Trade Payables	963.63	(2,463.33)	1,861.88
f. Increase / ( Decrease ) in other current liabilities	656.12	1,605.88	5.52
g. Increase / (Decrease) in provisions	(0.72)	(2.22)	(3.76)
<b>Cash generated from operations</b>	<b>(1,963.71)</b>	<b>(552.01)</b>	<b>488.81</b>
Net Income Tax (Paid)/Refund	(374.50)	(112.32)	(35.57)
<b>Net Cash Generated/(Used) From Operating Activities (A)</b>	<b>(2,338.21)</b>	<b>(664.33)</b>	<b>453.24</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
a. Purchase of Property, Plant and Equipments (Including Capital advances)	(265.80)	(3.89)	(225.35)
b. Refund of Capital Advance	-	425.00	-
c. Interest income received	7.26	26.83	2.26
<b>Net Cash Generated/(Used) From Investing Activities (B)</b>	<b>(258.54)</b>	<b>447.94</b>	<b>(223.09)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
a. Interest expense paid	(348.71)	(208.91)	(160.06)
b. Proceeds from share issued including Premium ( Net of issue expense)	2,018.51	-	-
c. Proceeds from borrowings (including net proceeds from chit fund scheme)	3,236.90	2,011.94	454.44
d. Repayments of borrowings (including net repayment towards chit fund scheme)	(791.97)	(1,728.88)	(266.90)
<b>Net Cash Generated/(Used) From Financing Activities (C)</b>	<b>4,114.73</b>	<b>74.15</b>	<b>27.48</b>
<b>Net Increase / ( Decrease ) in cash and cash equivalents ( A+B+C)</b>	<b>1,517.98</b>	<b>(142.24)</b>	<b>257.63</b>
<b>Cash &amp; Cash Equivalents As At Beginning of the Year</b>	<b>145.13</b>	<b>287.37</b>	<b>29.74</b>
<b>Cash &amp; Cash Equivalents As At End of the Year</b>	<b>1,663.11</b>	<b>145.13</b>	<b>287.37</b>
<b>Component of Cash and Cash Equivalent consists of:</b>			
Cash In Hand	11.96	5.15	12.43
Balance With Bank (in Current Accounts)	1,651.15	139.98	274.94

**Note:**

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'. Previous year's figures have been regrouped / rearranged / recasted wherever necessary to make them comparable with those of current year

For Dagliya & Co.  
Chartered Accountants  
FRN: 00671S

For and on behalf of Board of  
MERRITRONIX LTD.

sd/-  
Mayank Jain  
Partner  
Membership No: - 225914  
Place: - Hyderabad  
Date: - 11-05-2026  
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sd/-  
Dovari Amarnath  
(Managing Director)  
DIN No: - 01265446

sd/-  
Kethan Chandra Darsy  
(Chief Financial Officer & Director)  
DIN No: - 09753724

sd/-  
Dovari Yesudas  
(Director)  
DIN No: - 01794872

sd/-  
Swathi Mandava  
(Company Secretary)  
(Membership No: A49113)

## SUMMARY OF CONTINGENT LIABILITIES

Following are the details as per the Restated Financial Information for the Financial Years ended on March 31, 2026, 2025 and 2024:

(₹ in lacs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
<b>I. Contingent Liabilities</b>			
(a) claims against the company not acknowledged as debt*;	71.85	75.73	12.04
(b) guarantees excluding financial guarantees; and	-	-	-
(c) other money for which the company is contingently liable	-	-	-
<b>II. Commitments</b>			
(a) estimated amount of contracts remaining to be executed on capital account and not provided for**	-	-	-
(b) uncalled liability on shares and other investments partly paid	-	-	-
(c) other commitments	-	-	-
*Note:			
<p>1. The GST Department has raised demand of Rs. 4.12 lakhs vide Order No. ZD360225092988Q and Rs. 0.01 lakhs vide order no. ZD3602250930499 issued u/s 74 of the Central Goods &amp; Service Act, 2017 and Telangana Goods &amp; Service Act, 2017 and Rs. 45.76 lakhs vide order no. ZD360225093074G and Rs. 13.80 lakhs vide order no. dated February 28, 2025 issued u/s 73 of the Central Goods &amp; Service Act, 2017 and Telangana Goods &amp; Service Act, 2017; against which the company has filed an appeal to the appellate authority dated November 26, 2024.</p>			
<p>2. Income tax demand u/s 154 of Income Tax Act, 1961 amounting to Rs. 12.04 lakhs was raised for assessment year 2019-20. The said demand of Rs. 12.04 lakhs has been paid during FY 2025-26. Interest on income tax amounting to Rs. 5.38 lakhs is outstanding as on 31.03.2026. Petition for rectification is pending with the income tax department.</p>			
<p>3. TDS demands amounting to Rs. 2.78 lakhs pertaining from FY 2007-08 to FY 2012-13 is outstanding as on 31.03.2026. Rectification petition is being filed with the income tax department.</p>			

For further details, please refer “Annexure – XI: Details of Contingent Liabilities & Commitments As Restated” from the chapter titled “Restated Financial Information” beginning on Page No. 209 of this Red Herring Prospectus.

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## SUMMARY OF RELATED PARTY TRANSACTIONS

Following are the details as per the Restated Financial Information for the Financial Years ended on March 31, 2026, 2025 and 2024:

**(a) Transactions with related parties are as follows:**

(₹ in Lakhs)

Particulars	Nature of relationship	year ended		
		31/03/2026	31/03/2025	31/03/2024
<b>Remuneration paid to Directors</b>				
- Dovari Yesu Das	Director	15.50	11.25	10.00
- Dovari Amarnath	Promotor & Managing Director	13.20	13.20	13.20
- Darsy Ketan Chandra	Chief Financial Officer & Director	8.40	5.45	4.05
<b>Total</b>		<b>37.10</b>	<b>29.90</b>	<b>27.25</b>
<b>Salary</b>				
- Swathi Mandava	Company secretary	10.20	1.00	-
- Thaman dovari	Relative of director	4.80	-	-
- Jayapradha	Relative of director	-	-	2.30
- D Vanaja	Relative of director	-	-	12.00
<b>Total</b>		<b>15.00</b>	<b>1.00</b>	<b>14.30</b>
<b>Lease Rent paid</b>				
- Amar Electronics	Proprietorship concern of director	0.74	0.71	0.68
<b>Total</b>		<b>0.74</b>	<b>0.71</b>	<b>0.68</b>
<b>Sales</b>				
- Merrictro Products Private Limited	Common director	-	-	68.31
- Merrito Polymers (India) Private Limited	Common director	-	31.40	261.19
- Sunrise Telecom	Proprietorship concern of director	-	-	-
<b>Total</b>		<b>-</b>	<b>31.40</b>	<b>329.50</b>
<b>Purchases</b>				
- Merrictro Products Private Limited	Common director	-	-	-
- Merrito Polymers (India) Private Limited	Common director	-	-	59.63
- Sunrise Telecom	Proprietorship concern of director	228.80	146.66	175.45
- Pavitra Global Fab	Proprietorship concern of Relative	36.78	-	-
<b>Total</b>		<b>265.58</b>	<b>146.66</b>	<b>235.08</b>
<b>Short Term Loans &amp; Advances</b>				
<b>Advance given</b>				
- Dovari Amarnath	Promotor & Managing Director	-	554.77	480.62
- Dovari Yesu Das	Director	-	34.78	44.94
- D Vanaja	Relative of director	-	0.90	2.40
- Darsy Ketan Chandra	Chief Financial Officer & Director	-	44.52	-
- Merrictro Products Private Limited	Common director	90.03	-	-
- Merrito Polymers (India) Private Limited	Common director	44.65	-	-
- Sunrise Telecom	Proprietorship concern of director	484.46	-	-
<b>Advance recovered</b>				
- Dovari Amarnath	Promotor & Managing Director	-	570.57	475.18
- Dovari Yesu Das	Director	-	127.18	38.80
- D Vanaja	Relative of director	-	13.33	-

- Darsy Ketan Chandra	Chief Financial Officer & Director	-	47.01	-
- Merrictro Products Private Limited	Common director	90.00	-	37.88
- Merrito Polymers (India) Private Limited	Common director	44.65	-	-
- Sunrise Telecom	Proprietorship concern of director	-	-	-
<b>Interest Income</b>				
- Dovari Amarnath	Promotor & Managing Director	-	9.45	-
- Dovari Yesu Das	Director	-	6.65	-
- D Vanaja	Relative of director	-	-	-
- Darsy Ketan Chandra	Chief Financial Officer & Director	-	2.49	-
- Merrictro Products Private Limited	Common director	-	-	-
<b>Transfer to Capital advance given</b>				
- Dovari Amarnath	Promotor & Managing Director	-	-	225.00
<b>Transfer to Capital recovered</b>				
- Dovari Amarnath	Promotor & Managing Director	-	425.00	-
<b>Long term Borrowings</b>				
<b>Loan taken</b>				
- Dovari Amarnath	Promotor & Managing Director	59.82	20.36	-
- Dovari Yesu Das	Director	3.16	1.07	-
- Darsy Kethan Chandra	Chief Financial Officer & Director	0.03	2.76	-
<b>Loan repaid</b>				
- Dovari Amarnath	Promotor & Managing Director	68.57	-	-
- Dovari Yesu Das	Director	4.10	-	-
- Darsy Kethan Chandra	Chief Financial Officer & Director	2.70	-	-

**(b) Balances outstanding are as follows:**

Particulars	Nature of relationship	As at		
		31/03/2026	31/03/2025	31/03/2024
<b>a) Short Term Loans &amp; Advances</b>				
- Dovari Amarnath	Promotor & Managing Director	-	-	6.35
- Dovari Yesu Das	Director	-	-	85.75
- D Vanaja	Relative of director	-	-	12.43
- Merrictro Products Private Limited	Common director	0.03	-	-
- Sunrise Telecom	Proprietorship concern of director	484.46	-	-
<b>b) Long term Borrowings</b>				
- Dovari Amarnath	Promotor & Managing Director	11.61	20.36	-
- Dovari Yesu Das	Director	0.13	1.07	-
- Darsy Kethan Chandra	Chief Financial Officer & Director	0.09	2.76	-
	Common director			
<b>c) Trade payable</b>				
- Merrito Polymers (India) Private Limited	Common director	-	0.69	19.65

<b>d) Trade receivable</b>				
- Sunrise Telecom	Proprietorship concern of director	-	1.05	331.28
<b>e) Capital advance</b>				
- Dovari Amarnath	Promotor & Managing Director	-	-	425.00
<b>f) Salary / Remuneration payable</b>				
- Dovari Yesu Das	Director	2.00	1.00	1.00
- Dovari Amarnath	Promotor & Managing Director	1.10	1.10	1.10
- Darsy Ketan Chandra	Chief Financial Officer & Director	1.00	0.50	0.35
- Jayapradha	Relative of director	-	-	0.20
- D Vanaja	Relative of director	-	-	1.00
- Swathi Mandava	Company secretary	0.40	0.45	-
- Thaman dovari	Relative of director	0.40	-	-

For further details, please refer “Annexure – X: Related Party Disclosures” from the chapter titled “Restated Financial Information” beginning on Page No. 209 of this Red Herring Prospectus.

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## GENERAL INFORMATION

### Registered Office of our Company

#### **Merritronix LTD.**

(Formerly known as Merritronix Private Limited)

C-22, Electronic Complex,

Kushaiguda, Hyderabad, India, 500062

For details of change in the registered office of our Company, see “*History and Certain Corporate Matters – Changes in the Registered Office*” on page 183.

### Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are set forth below:

Particulars	Number
Company registration number	155611
Corporate identification number	U32100TG1988PLC155611

### Corporate Office of our Company

As on date of this Red Herring Prospectus, our Company does not have a corporate office.

### Registrar of Companies

Our Company is registered with the Registrar of Companies, Hyderabad situated at the following address:

**Registrar of Companies, Hyderabad**  
**2nd Floor, Corporate Bhawan,**  
**GSI Post, Tattiannaram Nagole,**  
**Bandlaguda, Hyderabad - 500 068.**

### Board of Directors of our Company

Set forth below are the details of our Board of Directors as on the date of this Red Herring Prospectus:

S. No.	Name	Designation	DIN	Address
1.	Mr. Dovari Amarnath	Managing Director	01265446	LIG-281, Dr. AS Rao Nagar, Kapra, ECIL Post, Ranga Reddy District, Hyderabad, Telangana – 500062
2.	Mr. Dovari Yesudas	Chairman and Executive Director	01794872	LIG-281, Dr. AS Rao Nagar, Kapra, Secunderabad, Hyderabad, Telangana – 500062
3.	Mr. Darsy Kethan Chandra	Executive Director	09753724	LIGB-327, Dr. AS Rao Nagar, Kapra, Secunderabad, Kushaiguda, Hyderabad, Telangana – 500062
4.	Mr. Ramalakshmana Rao Pavuluri	Independent Director	01852484	2-2-15/1/501, Gem Garden, D D colony, near water tank, Bagh Amberpet, Hyderabad, Telangana, 500007
5.	Ms. Sridevi Madati	Independent Director	02446610	House Number 20-3/2/A, Goutham Nagar, VTC: Malkajgiri, PO: Malkaigi, Sub District: Malkajgiri, K.v. Rangareddy, Telangana, 500047
6.	Mr. Maj Ravi Bandreddi	Independent Director	07406992	1-6-14/1, Radhika Theater Lane, Secunderabad, PO: Kushaiguda, DIST: Hyderabad, Telangana - 500062

For detailed profile of our directors, please refer to the chapter titled “*Our Management*” on page 188 of the Red Herring Prospectus.

### Company Secretary and Compliance Officer

**Ms. Mandava Swathi**, is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

Merritronix LTD.  
C-22, Electronic Complex,  
Kushaiguda, Hyderabad, India, 500062  
**Telephone:** +91 8297912056  
**E-mail:** [cs@merritronix.com](mailto:cs@merritronix.com)

#### **Investor grievances**

**Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-issue or post-issue related problems, such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.**

All grievances relating to the issue other than the Anchor Investors may be addressed to the Registrar to the issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidders should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

Further, the investors shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/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 Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All grievances relating to the Anchor Investors may be addressed to the BRLM, giving full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidders DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form.

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

#### **Details of Key Intermediaries pertaining to this Issue of our Company:**

##### **Book Running Lead Manager/Syndicate Member**

###### **GYR Capital Advisors Private Limited**

428, Gala Empire, Near JB Tower,  
Drive in Road, Thaltej,  
Ahmedabad-380 054,  
Gujarat, India.

**Telephone:** +91 877 756 4648

**Facsimile:** N.A.

**Email ID:** [merritronix.ipo@gyrcapitaladvisors.in](mailto:merritronix.ipo@gyrcapitaladvisors.in)

**Website:** [www.gyrcapitaladvisors.com](http://www.gyrcapitaladvisors.com)

**Investor Grievance ID:** [investors@gyrcapitaladvisors.com](mailto:investors@gyrcapitaladvisors.com)

**Contact Person:** Mr. Mohit Baid

**SEBI Registration Number:** INM000012810

**CIN:** U67200GJ2017PTC096908

##### **Registrar to the Issue**

###### **BIGSHARE SERVICES PRIVATE LIMITED**

**Address:** Office No. S6-2, 6th Floor, Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri East, Mumbai – 400 093,  
Maharashtra, India

**Telephone:** +91 022-62638200

**Fax Number:** +91 22 6263 8299

**E-mail id:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

**Investor Grievance Email:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**Contact Person:** Mr. Sagar Pathare

**SEBI Registration Number:** INR000001385

CIN: U99999MH1994PTC076534

#### Legal Advisor to the Issue

**M/s. Vidhigya Associates, Advocates**

**Address:** B-607/608, 6th floor, Mittal Commercial,  
Off M. V. Road, Near Mittal Estate,  
Marol, Andheri East, Mumbai 400 059  
Maharashtra, India

**Contact Person:** Mr. Rahul Pandey

**Tel:** +91 84240 30160

**Email:** [rahul@vidhigyaassociates.com](mailto:rahul@vidhigyaassociates.com)

**Website:** [www.vidhigyaassociates.com](http://www.vidhigyaassociates.com)

#### Statutory and Peer Review Auditor of our Company

**Dagliya & Co**

Chartered Accountants

**Address:** 5-5-9/13, 2nd Floor,  
Srinivasa Building, Ranigunj,  
Secunderabad-500 003

**Contact No.:** +91 9885744332

**Email:** [dagliya@gmail.com](mailto:dagliya@gmail.com)

**Contact Person:** Mayank Jain

**Membership No.:** 225914

**Firm Registration No.:** 000671S

**Peer Review Certificate No.:** 016353

#### Bankers to our Company

**Name:** CSB Bank Limited

**Address:** APT Zonal office 4th floor, D.NO 7-1-621-93. S R Nagar, Main road Telangana 500038

**Contact person:** Mamidi Rajkuma

**Telephone number:** +91 9494961351

**Fax number:** NA

**E-mail id:** [Mamidirajkumar@csb.bank.in](mailto:Mamidirajkumar@csb.bank.in)

**Website:** <https://www.csb.bank.in/>

**CIN:** L65I91KLI920PLC000175

#### Monitoring Agency

**Brickwork Ratings India Private Limited**

**Address:** 3rd Floor, Raj Alkaa Park, Kalena Agrahara, Bannerghatta Road, Bangalore 560076

**Telephone number:** 080-4040 9940 / 080-4040 9999

**E-mail ID:** [ritesh.agrawal@brickworkratings.com](mailto:ritesh.agrawal@brickworkratings.com)

**Website:** [www.brickworkratings.com](http://www.brickworkratings.com)

**Contact person:** Ritesh Govind Agrawal

**SEBI registration number:** IN/CRA/005/2008

**CIN:** U67190KA2007PTC043591

#### Banker to the Issue/Refund Bank/Sponsor Bank

**Axis Bank Limited**

Ground and First Floor,  
Door No. 1-1-299/2, Arul Colony,  
Dr. A.S. Rao Nagar, Kapra  
Hyderabad, Telangana- 500062 .

**Tel:** 8142204271

**Facsimile:** N.A.

**Email:** [brhd427@axis.bank.in](mailto:brhd427@axis.bank.in)

**Website:** <https://www.axisbank.com/>

**Contact person:** Mr. Rajesh Manovarthi

**SEBI Registration Number:** INBI00000017

## Sub - Syndicate Member

### INTELLECT STOCK BROKING LIMITED

**Address:** 232 Chittaranjan Avenue 7th Floor, Kolkata, West Bengal, India, 700006

**Tel:** 9831805555/9330350100

**Email:** rpandey@intellectmoney.com

**Website:** <https://intellectmoney.com/>

**Contact Person:** Ram Ishwar Pandey

## Designated Intermediaries

### Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

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, Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

### SCSBs enabled for UPI 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, Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and 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 the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

### Syndicate SCSB branches

In relation to Bids (other than Bids by Anchor Investors and IIs) submitted 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 such other website as may be 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 at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35) or any such other website as may be prescribed by SEBI from time to time.

### Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at BSE Limited at [www.bseindia.com](http://www.bseindia.com) as updated from time to time.

### Registrar and Share Transfer Agent

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com) as updated from time to time.

### Collecting Depository Participants

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

## **IPO Grading**

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency.

## **Credit Rating**

As this is an Issue of Equity Shares, credit rating is not required.

## **Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

## **Brokers to the Issue**

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

## **Debenture Trustees**

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

## **Monitoring Agency**

As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds ₹ 5,000 Lakh. As the size of the Issue exceeds ₹ 5,000 Lakh, our Company has appointed Brickwork Ratings India Private Limited as the Monitoring Agency to monitor the utilisation of the Net Proceeds, in accordance with Regulation 262 of the SEBI ICDR Regulations. For details in relation to the proposed utilisation of the Net Proceeds, see “*Objects of the Issue*” on page 89.

## **Appraising Entity**

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

## **Expert opinion**

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

### Peer Review Chartered Accountant:

Our Company has received written consent dated May 11, 2026 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated May 11, 2026 on our restated financial information; and (ii) its report dated May 11, 2026 on the statement of special tax benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

### Chartered Engineer:

Our Company has received written consent dated May 14, 2026 from Axiom Valuation Services LLP, a Chartered Engineer, to include their name as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in this Red Herring Prospectus in respect of their certificate dated May 14, 2026 regarding brief description, e.g., the installed capacity, plant & machinery details, or project implementation schedule, as applicable. Such consent has not been withdrawn as on the date of this Red Herring Prospectus.

### ROC Physical Search Report:

Our Company has received written consent dated March 23, 2026 from LA & ASSOCIATES, a Practising company secretary, to include their name as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in this Red Herring Prospectus in respect of their ROC search report dated March 23, 2026 confirming the status of charges, litigation, or other matters as applicable. Such consent has not been withdrawn as on the date of this Red Herring Prospectus.

## **Inter-se Allocation of Responsibilities**

GYR Capital Advisors Private Limited being the sole Book Running Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required.

## Filing

The Draft Red Herring Prospectus was not filed with SEBI, nor SEBI issued any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, a copy of Red Herring Prospectus shall be furnished to the Board.

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus and Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of the Red Herring Prospectus, will be filed with the SME Platform of BSE Limited, where the Equity Shares are proposed to be listed.

A copy of the Red Herring Prospectus, Prospectus along with the material contracts and documents will also be filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

## Changes in Auditors during the last three years

Except as stated below, there has been no change in the Auditors of our Company during the last three years:

Name of Auditor	Date of Change	Reason for change
Dagliya & Co.	September 30, 2024	Re-appointment as statutory auditor of the Company to hold the office till conclusion of AGM of the Company to be held in 2029
Dagliya & Co.	March 01, 2024	Appointment due to resignation of previous Auditor
Chengalrayulu & Associates	November 15, 2023	Resignation due to pre-occupancy

## BOOK BUILDING PROCESS

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of this Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process and advertised in all editions of the Financial Express, English national newspaper, all editions of Jansatta Hindi national newspaper and in Telugu edition of Mega Jyothi regional newspaper where our registered office is situated at least two working days prior to the Bid/Issue Opening date. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/Issue Closing Date.

Principal parties involved in the Book Building Process are-

- Our Company;
- The Book Running Lead Manager, in this case being GYR Capital Advisors Private Limited;
- The Syndicate Member shall be BRLM who is an intermediary registered with SEBI and eligible to act as Underwriters.;
- The Registrar to the Issue;
- The Escrow Collection Banks/ Bankers to the Issue/ Sponsor Bank being Axis Bank Limited and
- The Designated Intermediaries

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

The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the Book Running Lead Manager, 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 domestic Mutual Funds at or above the Anchor Investor Allocation Price. However, with effect from December 1, 2025, pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Third Amendment) Regulations, 2025, 40% of the Anchor Investor Portion shall be reserved for, (i) 33.33% shall be available for allocation to domestic Mutual Funds and (ii) 6.67% shall be available

for allocation to life insurance companies and pension funds, subject to valid Bids being received from domestic Mutual Funds, life insurance companies, and pension funds at or above the Anchor Investor Allocation Price. In the event of under-subscription under (ii) above, the allocation may be made to domestic Mutual Funds. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price.

Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation to Individual Investors who applies for minimum application size, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

In an Issue made through book building process, the allocation in the non-institutional investors' category shall be as follows:

(a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs;

(b) two third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs:

Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of non-institutional investors.”

All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

All Bidders, other than Anchor Investors are mandatorily required to use the ASBA process in the Issue.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Individual Investors (subject to the Bid Amount being up to ₹5 Lakh) who apply for minimum application size could revise their Bid(s) during the Bid/Issue Period and withdraw their Bid(s) until Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Offer Period. Allocation to the Anchor Investors will be on a discretionary basis

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors who applies for minimum application size applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “Issue Procedure” beginning on page 266 of the Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “Issue Procedure” on page 266 of this Red Herring Prospectus.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the

table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Company in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

#### Steps to be taken by the Bidders for Bidding:

1. Check eligibility for making a Bid (see section titled “Issue Procedure” on page 266 of this Red Herring Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
4. Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
5. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

#### Bid/Issue Program:

Event	Indicative Dates
Anchor Portion Issue Opens/Closes On	Friday, May 29, 2026
Bid/Issue Opening Date	Monday, June 01, 2026
Bid/Issue Closing Date	Wednesday, June 03, 2026
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Thursday, June 04, 2026
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Friday, June 05, 2026
Credit of Equity Shares to Demat accounts of Allottees	On or before Friday, June 05, 2026
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Monday, June 08, 2026

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public

Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

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

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

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right not to proceed with the Issue at any time before the Bid/Issue Opening Date without assigning any reason thereof.

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

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

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

## UNDERWRITING AGREEMENT

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the by the BRLM.

Pursuant to the terms of the Underwriting Agreement dated March 06, 2026 entered into by Company and Underwriters, the obligations of the Underwriters are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriters	No. of shares underwritten*	Amount Underwritten (₹ in Lakh)	% of the total Issue Size Underwritten
<b>GYR CAPITAL ADVISORS PRIVATE LIMITED</b> 428, Gala Empire, Near JB Tower, Drive in Road, Thaltej, Ahmedabad -380 054, Gujarat, India. <b>Telephone:</b> +91 87775 64648 <b>Fax:</b> N.A. <b>E-mail:</b> <a href="mailto:merritronix.ipo@gyrcapitaladvisors.in">merritronix.ipo@gyrcapitaladvisors.in</a> <b>Website:</b> <a href="http://www.gyrcapitaladvisors.com">www.gyrcapitaladvisors.com</a> <b>Investor grievance:</b> <a href="mailto:investors@gyrcapitaladvisors.com">investors@gyrcapitaladvisors.com</a> <b>Contact Person:</b> Mr. Mohit Baid <b>SEBI Registration Number:</b> INM000012810 <b>CIN:-</b> U67200GJ2017PTC096908	Upto 47,00,000	[●]	100%

\*Includes 2,36,000 Equity shares of ₹10.00 each for cash of ₹ [●]/- the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above-mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full. The above-mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act and registered as brokers with the Stock Exchanges.

#### DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company has entered into a Market Making Agreement dated April 07, 2026 with the following Market Maker for fulfilling the Market Making obligations under this Issue:

Name, address, telephone number and e-mail address of the Market Maker	Indicative Number of shares	Amount	% of the total Issue size
<b>Giriraj Stock Broking Private Limited</b> <b>Address:</b> Shantiniketan Building, 8 Camac Street, 15 <sup>th</sup> Floor, Suite No. 1501, Kolkata- 700017 <b>Tel No.:</b> 033- 45096990 / 9547473969 <b>Email:</b> <a href="mailto:giriraj@girirajstock.com">giriraj@girirajstock.com</a> <b>Website:</b> <a href="http://www.girirajstock.com">www.girirajstock.com</a> <b>Contact Person:</b> Mr. Kuntal Laha <b>SEBI Registration No:</b> INZ000212638 <b>Market Maker Registration No.:</b> 6551	Upto 2,36,000	[●]	5.02%

In accordance with Regulation 261 of the SEBI ICDR Regulations, our Company have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with BSE Limited to fulfil the obligations of Market Making) dated April 07, 2026 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares issued in this Issue.

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

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

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

- The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being Issued by the Market Maker.
- The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to Issue their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
- After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the upto 2,36,000 Equity Shares of face value of ₹ 10 each ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 2,36,000 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
- There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE Limited may intimate the same to SEBI after due verification.
- There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
- On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.

8. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. The Market Maker shall have the right to terminate said arrangement by giving one-month notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

11. **Risk containment measures and monitoring for Market Maker:** SME Platform of BSE Limited will have all margins which are applicable on the BSE Limited Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE Limited can impose any other margins as deemed necessary from time-to-time.
12. **Punitive Action in case of default by Market Maker:** SME Platform of BSE Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (issuing two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
13. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.
14. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
15. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
16. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.
17. Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

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

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

18. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

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

<b>Issue Size</b>	<b>Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue size)</b>	<b>Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue size)</b>
Above ₹80 Crore	12%	11%

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI / BSE Limited from time to time.

*(The remainder of this page is intentionally left blank)*

## CAPITAL STRUCTURE

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

		<i>(In ₹ except share data)</i>	
		Aggregate value at face value	Aggregate value at Issue Price*
<b>A</b>	<b>AUTHORIZED SHARE CAPITAL <sup>(1)</sup></b>		
	1,80,00,000 Equity Shares of face value of ₹ 10 each	18,00,00,000	-
	<b>TOTAL</b>	<b>18,00,00,000</b>	
<b>B</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
	1,27,84,854 Equity Shares of face value of ₹ 10 each	12,78,48,540	-
<b>C</b>	<b>PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS</b>		
	Fresh Issue of up to 47,00,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] Lakhs	[●]	[●]
<b>D</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE</b>		
	[●] Equity Shares of face value of ₹ 10 each*	[●]	[●]
<b>E</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue (as on date of this Red Herring Prospectus)		₹ 1,867.75 Lakhs
	After the Issue		[●]

\* To be updated upon finalization of the Issue Price.

<sup>(1)</sup> For details in relation to the changes in the authorised share capital of our Company, see 'History and Certain Corporate Matters - Amendments to our Memorandum of Association' on page 183.

### Classes of Shares

Our Company has only one class of share capital i.e. Equity Shares with a face value of ₹ 10/- each. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Red Herring Prospectus.

### Details of changes in Authorized Share Capital of our Company since incorporation

The initial authorised capital of our Company was ₹ 6,00,000/- (Rupees Six lakhs only) divided into 6,000 Equity Shares of ₹ 100/- each. Further, the authorised share capital of our Company has been altered in the manner set forth below:

Date of Shareholder's Meeting	Particulars of Change		AGM/EGM
	From	To	
March 15, 1995*	₹ 6,00,000/- divided into 6,000 Equity Shares of ₹ 100/- each	₹ 50,00,000/- divided into 50,000 Equity Shares of ₹ 100/- each	EGM
November 10, 2010	₹ 50,00,000/- divided into 50,000 Equity Shares of ₹ 100/- each	₹ 75,00,000/- divided into 75,000 Equity Shares of ₹ 100/- each	EGM
March 26, 2012	₹ 75,00,000/- divided into 75,000 Equity Shares of ₹ 100/- each	₹ 1,00,00,000/- divided into 1,00,000 Equity Shares of ₹ 100/- each	EGM
August 10, 2012	₹ 1,00,00,000/- divided into 1,00,000 Equity Shares of ₹ 100/- each	₹ 1,50,00,000/- divided into 1,50,000 Equity Shares of ₹ 100/- each	EGM
December 05, 2024	₹1,50,00,000/- divided into 1,50,000 Equity Shares of ₹ 100/- each	₹15,00,00,000/- divided into 15,00,000 Equity Shares of ₹ 100/- each	EGM
December 05, 2024	Pursuant to resolutions passed by the Shareholders at their EGM held on December 05, 2024, our Company has sub-divided 15,00,000 equity shares of face value of ₹100 each to 1,50,00,000 Equity Shares of face value of ₹10 each.		
May 22, 2025	₹15,00,00,000/- divided into 1,50,00,000 Equity Shares of ₹ 10/- each	₹16,00,00,000/- divided into 1,60,00,000 Equity Shares of ₹ 10/- each	EGM
August 30, 2025	₹16,00,00,000/- divided into 1,60,00,000 Equity Shares of ₹ 10/- each	₹18,00,00,000/- divided into 1,80,00,000 Equity Shares of ₹ 10/- each	EGM

*\*Our Company has been unable to trace certain corporate records in relation to increase in authorised capital. We have conducted a search at the RoC for these records but were unable to retrieve all and have relied on the search report dated March 23, 2026 prepared by LA & Associates, independent practicing company secretaries, along with minutes of the company. See “Risk Factors—We have been unable to locate certain of our historical corporate records. Our Company was incorporated in 1988 and certain corporate records and documents filed by us with the RoC are not traceable.” on page 27.*

## Notes to the Capital Structure

### 1. Equity Share capital history of our Company

(a) The following table sets forth the history of the Equity Share capital of our Company:

Date of allotment/Buy Back of Equity Shares	Reason / Nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Cumulative No. of Equity Shares	Cumulative paid - up Capital (₹)
On Incorporation <sup>(1)</sup>	Initial subscription to the MoA	30	100	100	Cash	30	3,000
March 30, 1995* <sup>(2)</sup>	Further Allotment	18,700	100	100	Cash	18,730	18,73,000
March 31, 2005* <sup>(3)</sup>	Further Allotment	10,153	100	300	Cash	28,883	28,88,300
September 30, 2006 <sup>(4)</sup>	Further Allotment	9,340	100	100	Cash	38,223	38,22,300
March 28, 2007 <sup>(5)</sup>	Further Allotment	9,200	100	300	Cash	47,423	47,42,300
December 16, 2010 <sup>(6)</sup>	Further Allotment	22,780	100	100	Cash	70,203	70,20,300
March 30, 2012 <sup>(7)</sup>	Further Allotment	25,000	100	100	Cash	95,203	95,20,300
August 21, 2012 <sup>(8)</sup>	Further Allotment	50,000	100	100	Cash	1,45,203	1,45,20,300
Pursuant to a resolution passed by our Shareholders at the EGM dated December 05, 2024, the Equity Shares of face value of ₹100/- each were sub-divided into Equity Shares of face value of ₹10/- each. Therefore, the cumulative number of issued, subscribed and paid-up Equity Shares, pursuant to sub-division was increased from 1,45,203 equity shares of ₹100 each to 14,52,030 Equity Shares of ₹ 10/- each.							
May 23, 2025 <sup>(9)</sup>	Bonus Issue	94,38,195	10	Nil	Other than Cash	1,08,90,225	10,89,02,250
September 02, 2025 <sup>(10)</sup>	Preferential Issue	8,61,748	10	108	Cash	1,17,51,973	11,75,19,730
December 01, 2025 <sup>(11)</sup>	Preferential Issue	4,55,763	10	108	Cash	1,22,07,736	12,20,77,360
March 16, 2026 <sup>(12)</sup>	Preferential Issue	5,77,118	10	108.40	Cash	1,27,84,854	12,78,48,540

*\*Our Company has been unable to trace certain corporate records in relation to certain allotments. We have conducted a search at the RoC for these records but were unable to retrieve all and have relied on the search report dated March 23, 2026 prepared by LA & Associates, independent practicing company secretaries, along with minutes and registers available with the company. See “Risk Factors—We have been unable to locate certain of our historical corporate records. Our Company was incorporated in 1988 and certain corporate records and documents filed by us with the RoC are not traceable.” on page 27.*

(1) Initial Subscribers to Memorandum of Association held Equity Shares each of face value of ₹ 100/- fully paid up as per the details given below:

SN	Name of Allottee	No. of Shares Allotted
1.	Prabhala N. Sastry	10
2.	Dovari Yesudas	10
3.	Pattan Razila Begam	10
<b>Total</b>		<b>30</b>

(2) The details of allotment of 18,700 Fully Paid-up Equity Shares made on March 30, 1995 by way of further allotment is as

follows:

<b>SN</b>	<b>Name of Allottee</b>	<b>No. of Shares Allotted</b>
1.	Dovari Yesudas	6,400
2.	Dovari Amarnath	2,300
3.	Jayapradha Doovari	2,000
4.	Vanaja D	1,900
5.	K S Prasad	1,100
6.	Jaya Madhuri	1,100
7.	S. Hari Haran	1,000
8.	Darsy Suresh	1,000
9.	A. Kamala	500
10.	D. Nageswara Rao	500
11.	Chakraiah	500
12.	Kataiah	400
<b>Total</b>		<b>18,700</b>

(3) The details of allotment of 10,153 Fully Paid-up Equity Shares made on March 31, 2005 by way of further allotment is as follows:

<b>SN</b>	<b>Name of Allottee</b>	<b>No. of Shares Allotted</b>
1.	Dovari Amarnath	2,700
2.	Dovari Yesudas	2,353
3.	Vanaja D	2,100
4.	Jayapradha Doovari	2,000
5.	Darsy Suresh	1,000
<b>Total</b>		<b>10,153</b>

(4) The details of allotment of 9,340 Fully Paid-up Equity Shares made on September 30, 2006 by way of further allotment is as follows:

<b>SN</b>	<b>Name of Allottee</b>	<b>No. of Shares Allotted</b>
1.	Dovari Yesudas	1,625
2.	Vanaja D.	1,700
3.	Dovari Amarnath	2,350
4.	Darsy Suresh Kumar	1,625
5.	D. Kataiah	1,040
6.	D. Kamala	1,000
<b>Total</b>		<b>9,340</b>

(5) The details of allotment of 9,200 Fully Paid-up Equity Shares made on March 28, 2007 by way of further allotment is as follows:

<b>SN</b>	<b>Name of Allottee</b>	<b>No. of Shares Allotted</b>
1.	Dovari Amarnath	2,300
2.	D. Kataiah	2,000
3.	Vanaja D	1,650
4.	Dovari Yesudas	1,625
5.	Darsy Suresh Kumar	1,625
<b>Total</b>		<b>9,200</b>

(6) The details of allotment of 22,780 Fully Paid-up Equity Shares made on December 16, 2010 by way of further allotment is as follows:

<b>SN</b>	<b>Name of Allottee</b>	<b>No. of Shares Allotted</b>
1.	Dovari Yesudas	22,780
<b>Total</b>		<b>22,780</b>

(7) The details of allotment of 25,000 Fully Paid-up Equity Shares made on March 30, 2012 by way of further allotment is as

follows:

<b>SN</b>	<b>Name of Allottee</b>	<b>No. of Shares Allotted</b>
1.	Dovari Yesudas	10,000
2.	Dovari Amarnath	10,000
3.	Vanaja D	5,000
<b>Total</b>		<b>25,000</b>

(8) The details of allotment of 50,000 Fully Paid-up Equity Shares made on August 21, 2012 by way of further allotment is as follows:

<b>SN</b>	<b>Name of Allottee</b>	<b>No. of Shares Allotted</b>
1.	Dovari Yesudas	15,000
2.	Dovari Amarnath	20,000
3.	Vanaja D	10,000
4.	Jayapradha Doovari	5,000
<b>Total</b>		<b>50,000</b>

(9) The details of allotment of 94,38,195 Fully Paid-up Equity Shares made on May 23, 2025 by way of Bonus Issue in the ratio of 13:2 is as follows:

<b>SN</b>	<b>Name of Allottee</b>	<b>No. of Shares Allotted</b>
1.	Dovari Amarnath	30,08,590
2.	Vanaja D	22,65,055
3.	Dovari Yesudas	17,09,955
4.	Dovari Thaman	12,26,940
5.	Darsy Kethan Chandra	12,26,940
6.	V Swarnalatha	650
7.	Chilakama Srirangan	65
<b>Total</b>		<b>94,38,195</b>

(10) The details of allotment of 8,61,748 Fully Paid-up Equity Shares made on September 02, 2025 by way of Preferential Issue is as follows:

<b>SN</b>	<b>Name of Allottee</b>	<b>No. of Shares Allotted</b>
1.	Raghavendra Rao Bondada	2,50,000
2.	Deepanshu Goel	1,50,000
3.	Amarnadh Rao Kancherla	50,000
4.	Baratam Satyanarayana	50,000
5.	Anand Rajaraman	40,000
6.	Srinivas Narasimham Chilakamarri	37,000
7.	Vivekanand Vellanki	23,150
8.	Krishna Prasad Anumolu	23,148
9.	Raghurama Krishna Srigiriraju	20,000
10.	Subhaschandra Bose Kollareddy	20,000
11.	Sanjeev Kumar	20,000
12.	Godavarty Radhakrishna	18,870
13.	Jayakrishnan S	18,500
14.	Asha Pragathi Kanth	18,500
15.	Ramesh Bheemanadham	11,000
16.	Aiwale Maruti Annapa	10,000
17.	Ashwini Sanjeeva Kunder	10,000
18.	Koneru Ravi Teja	10,000
19.	Garlapati Siva Srikar	10,000
20.	Sai Swaroop Tatavarthy	10,000
21.	Ritika Ramesh	9,300
22.	Mummadi Shankara Chary	9,000

<b>SN</b>	<b>Name of Allottee</b>	<b>No. of Shares Allotted</b>
23.	Naveen Somarajan Jain	5,750
24.	Baddam Karunakar Reddy	5,000
25.	Ganesh Kumar Koppiseti	4,650
26.	Kushant Uppal	4,650
27.	Karthik Srinivas	4,650
28.	Lakshmi Ramesh	4,650
29.	Suresh S	4,650
30.	Tarun Batra	4,650
31.	Sreenivasa Rao Akula	4,630
<b>Total</b>		<b>8,61,748</b>

(11) The details of allotment of 4,55,763 Fully Paid-up Equity Shares made on December 01, 2025 by way of Preferential Issue is as follows:

<b>SN</b>	<b>Name of Allottee</b>	<b>No. of Shares Allotted</b>
1.	Shrikant Hambirrao Rane	92,600
2.	Rakhi Hardas Rajani	65,000
3.	Pratiksha Ajit Nalawde	46,300
4.	Sandeep Rameshchandra Jaiswal	55,555
5.	Easy Investology Private Limited	55,000
6.	Bhushan Pramod Bhusari	46,300
7.	Uma Jitesh Makwana	24,000
8.	Sarvesh Hiranmay Sane	22,220
9.	Hase Mahesh Subhash	14,000
10.	Santosh S Kawle	14,000
11.	Prasanna Arun Malave	10,000
12.	Neelam Giri Keni	5,788
13.	Madhusudhan Rao Varada	5,000
<b>Total</b>		<b>4,55,763</b>

(12) The details of allotment of 5,77,118 Fully Paid-up Equity Shares made on March 16, 2026 by way of Preferential Issue is as follows:

<b>SN</b>	<b>Name of Allottee</b>	<b>No. of Shares Allotted</b>
1.	Founders Collective Fund	4,61,255
2.	Jash Investments	55,351
3.	V Ramanan	23,062
4.	Sachin D Jain	14,000
5.	Raghurama Krishna Srigiriraju	18,450
6.	Arigela Navya	5,000
<b>Total</b>		<b>5,77,118</b>

**(b) Equity Shares issued for consideration other than cash or out of Free reserves**

Except as set out below we have not issued Equity Shares for consideration other than cash:

<b>Date of allotment</b>	<b>Number of Equity Shares allotted</b>	<b>Face value (₹)</b>	<b>Issue Price</b>	<b>Nature of allotment</b>
May 23, 2025	94,38,195	10	Nil	Bonus Issue of Equity Shares out of Free reserves in the ratio of 13:2 <sup>(1)</sup>

(1) For list of allottees see note (09) of paragraph titled "Equity Share capital history of our Company" mentioned above.

**(c) Equity Shares allotted in terms of any schemes of arrangement**

Our Company has not allotted any Equity Shares in terms of any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-232 of the Companies Act, 2013.

(d) *We have not issued any equity share (including bonus shares) by capitalizing any revaluation reserves.*

(e) *Equity Shares allotted at a price lower than the Issue Price in the last year*

Our Company has not issued any Equity Shares at a price which may be lower than the Issue Price, during a period of one year preceding the date of this Red Herring Prospectus.

Except for the allotment of equity shares pursuant to the bonus issue and preferential allotments undertaken by our Company on May 23, 2025, September 02, 2025, December 01, 2025 and March 16, 2026 our Company has not issued any equity shares at a price that may be lower than the Issue Price during the last one year preceding the date of this Red Herring Prospectus. For further details, see “*Capital Structure –Notes to the Capital Structure - Equity Share capital history of our Company*” on page 66.

2. **As on the date of this Red Herring Prospectus, our Company does not have any outstanding preference shares.**

3. **Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme/ stock appreciation rights for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme/ stock appreciation rights from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.**

4. *Equity Shares issued pursuant to employee stock option schemes*

As on date of this Red Herring Prospectus, our Company has not issued Equity Shares pursuant to employee stock option schemes.

#### 5. **Shareholding Pattern of our Company**

The Shareholding Pattern of our Company before the issue as per Regulation 31 of the SEBI (LODR) Regulations, 2015 is given here below:

Sr. No.	Particular	Yes/No	Promoters and Promoters Group	Public shareholder	Non-Promoters – Non-Public
1.	Whether the Company has issued any partly paid-up shares?	No	No	No	No
2.	Whether the Company has issued any Convertible Securities?	No	No	No	No
3.	Whether the Company has issued any Warrants?	No	No	No	No
4.	Whether the Company has any shares against which depository receipts are issued?	No	No	No	No
5.	Whether the Company has any shares in locked-in? *	No	No	No	No
6.	Whether any shares held by Promoters are pledge or otherwise encumbered?	No	No	No	No
7.	Whether company has equity shares with differential voting rights?	No	No	No	No
8.	Whether the listed entity has any significant beneficial owner?	No	No	No	No

\* All Pre-IPO Equity Shares of our Company will be locked-in prior to listing of shares on SME Platform of BSE.

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

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of Equity Shares held = (IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Number of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)	
								Number of voting rights					Total as a % of (A+B+C)	Number (a)	As a % of total Equity Shares held (b)	Number (a)		As a % of total Equity Shares held (b)
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoters and Promoter Group	05	1,08,89,400	-	-	1,08,89,400	85.17	1,08,89,400	-	1,08,89,400	85.17	-	-	-	-	-	1,08,89,400	
(B)	Public	61	18,95,454	-	-	18,95,454	14.83	18,95,454	-	18,95,454	14.83	-	-	-	-	-	18,95,454	
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C)(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C)(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total (A)+(B)+(C)</b>	<b>66</b>	<b>1,27,84,854</b>	<b>-</b>	<b>-</b>	<b>1,27,84,854</b>	<b>100</b>	<b>1,27,84,854</b>	<b>-</b>	<b>1,27,84,854</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,27,84,854</b>	

1) As on the date of this Red Herring Prospectus 1 Equity Share holds 1 Vote.

2) We have only one class of Equity Shares of face value of ₹10/- each.

3) We have entered into tripartite agreement with NSDL and CDSL.

4) Our Company will file the shareholding pattern of our Company, in the form prescribed under the SEBI Listing Regulations as amended from time to time, one day prior to the listing of Equity Shares. The shareholding pattern will be uploaded on the website of Stock Exchange before commencement of trading of such Equity Shares

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## 6. Major shareholders

The list of our major Shareholders and the number of Equity Shares held by them is provided below:

- a) The details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Issue share capital
1.	Dovari Yesudas	19,73,025	15.43
2.	Dovari Amarnath	34,71,450	27.15
3.	Vanaja D	26,13,525	20.44
4.	Darsy Kethan Chandra	14,15,700	11.07
5.	Dovari Thaman	14,15,700	11.07
6.	Founders Collective Fund	4,61,255	3.61
7.	Raghavendra Rao Bondada	2,50,000	1.96
8.	Deepanshu Goel	1,50,000	1.17
<b>Total</b>		<b>1,17,50,655</b>	<b>91.91</b>

- b) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company ten days prior to the date of filing of this Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Issue share capital
1.	Dovari Yesudas	19,73,025	15.43
2.	Dovari Amarnath	34,71,450	27.15
3.	Vanaja D	26,13,525	20.44
4.	Darsy Kethan Chandra	14,15,700	11.07
5.	Dovari Thaman	14,15,700	11.07
6.	Founders Collective Fund	4,61,255	3.61
7.	Raghavendra Rao Bondada	2,50,000	1.96
8.	Deepanshu Goel	1,50,000	1.17
<b>Total</b>		<b>1,17,50,655</b>	<b>91.91</b>

- c) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company one year prior to the date of filing of this Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Issue share capital
1.	Dovari Yesudas	2,63,070	2.15
2.	Dovari Amarnath	4,62,960	3.79
3.	Vanaja D	3,48,470	2.85
4.	Darsy Kethan Chandra	1,88,760	1.55
5.	Dovari Thaman	1,88,760	1.55
<b>Total</b>		<b>14,52,020</b>	<b>99.99</b>

- d) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company two years prior to the date of filing of this Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Issue share capital
1.	Dovari Yesudas	29,044	20.00
2.	Dovari Amarnath	29,036	20.00
3.	Vanaja D	27,587	19.00
4.	Darsy Kethan Chandra	18,876	13.00
5.	Dovari Thaman	18,876	13.00
6.	Jayaprada Doovari	7,263	5.00
7.	D. Ranadheer	7,260	5.00
8.	D. Sireen	7,260	5.00
<b>Total</b>		<b>1,45,202</b>	<b>99.99</b>

7. Except for the Allotment of Equity Shares pursuant to this Issue, there will be no further issue of Equity Shares whether by way of a split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly, for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or through a rights issue or further public issue of Equity Shares, or otherwise, until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be.
8. Except for the Allotment of Equity Shares pursuant to this Issue, there is no proposal or intention or negotiations or consideration by our Company to alter our capital structure by way of split or consolidation of the denomination of the shares or issue of specified securities on a preferential basis or issue of bonus or rights issue or further public offer of specified securities within a period of six months from the Bid / Issue Opening Date. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
9. There are no outstanding options or stock appreciation rights or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Red Herring Prospectus.
10. As on the date of this Red Herring Prospectus, our Company has a total of 66 (Sixty-six) Shareholders.

#### 11. Details of Shareholding of our Promoters and members of the Promoter Group in the Company

##### (i) *Equity Shareholding of the Promoter*

As on the date of this Red Herring Prospectus, our Promoters hold 1,08,89,400 Equity Shares of face value of ₹ 10 each, equivalent to 85.17% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below.

S. No.	Name of the Shareholder	Pre-Issue Equity Share Capital		Post-Issue Equity Share Capital*	
		No. of Equity Shares	% of total Share-holding	No. of Equity Shares	% of total Share-holding
<b>(A) Promoters</b>					
1.	Dovari Yesudas	19,73,025	15.43	[●]	[●]
2.	Dovari Amarnath	34,71,450	27.15	[●]	[●]
3.	Vanaja D	26,13,525	20.44	[●]	[●]
4.	Darsy Kethan Chandra	14,15,700	11.07	[●]	[●]
5.	Dovari Thaman	14,15,700	11.07	[●]	[●]
<b>Total (A)</b>		<b>1,08,89,400</b>	<b>85.17</b>	[●]	[●]
<b>(B) Promoter Group</b>					
Nil					
<b>Total (B)</b>		<b>Nil</b>	<b>Nil</b>	[●]	[●]
<b>Total (A) + (B)</b>		<b>1,08,89,400</b>	<b>85.17</b>	[●]	[●]

\* Subject to finalisation of Basis of Allotment

- (ii) All Equity Shares held by our Promoters are in dematerialized form as on the date of this Red Herring Prospectus.

(iii) *Build-up of the Promoters' shareholding in our Company*

The build-up of the Equity shareholding of our Promoters since the incorporation of our Company is set forth in the table below:

Date	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in Rs.)	Issue / Transfer Price	Cumulative no. of Equity Shares	% of Pre-Issue Equity Paid Up Capital	% of Post-Issue Equity Paid Up Capital	No. of Shares Pledged	% of shares pledged
					(in Rs.)					
<i>Mr. Dovari Amarnath</i>										
March 30, 1995	Further Allotment	Cash	2,300	100	100	2,300	0.02	[●]	N.A.	N.A.
March 31, 2005	Further Allotment	Cash	2,700	100	300	5,000	0.02	[●]	N.A.	N.A.
September 30, 2006	Further Allotment	Cash	2,350	100	100	7,350	0.02	[●]	N.A.	N.A.
March 28, 2007	Further Allotment	Cash	2,300	100	300	9,650	0.02	[●]	N.A.	N.A.
March 30, 2012	Further Allotment	Cash	10,000	100	100	19,650	0.08	[●]	N.A.	N.A.
August 20, 2012	Transfer of Shares from Kataiah	Cash	300	100	100	19,950	0.00	[●]	N.A.	N.A.
August 20, 2012	Transfer of shares from K.S Prasad	Cash	1,100	100	100	21,050	0.01	[●]	N.A.	N.A.
August 20, 2012	Transfer of shares from Jaya Madhuri	Cash	1,100	100	100	22,150	0.01	[●]	N.A.	N.A.
August 20, 2012	Transfer of Shares from A. kamala	Cash	1,500	100	100	23,650	0.01	[●]	N.A.	N.A.
August 21, 2012	Further Allotment	Cash	20,000	100	100	43,650	0.16	[●]	N.A.	N.A.
March 30, 2017	Transfer of Shares to M. Murali	Cash	-1	100	100	43,649	-0.00	[●]	N.A.	N.A.
March 30, 2019	Transfer of Shares from M. Murali	Cash	1	100	100	43,650	0.00	[●]	N.A.	N.A.
March 28, 2023	Transfer of Shares to M. Murali	Cash	-1	100	100	43,649	-0.00	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares to Dovari Sireen	Other than Cash Gift	-616	100	Nil	43,033	-0.00	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares to Dovari Thaman	Other than Cash-Gift	-18,876	100	Nil	24,157	-0.15	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares to Jayaprada Doovari	Other than Cash-Gift	-2,123	100	Nil	22,034	-0.02	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares from Vanaja D	Other than Cash-Gift	62	100	Nil	22,096	0.00	[●]	N.A.	N.A.

November 20, 2023	Transfer of Shares from Doovari Jayaprada	Other than Cash-Gift	4,997	100	Nil	27,093	0.04	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares from Dovari Yesudas	Other than Cash-Gift	1,943	100	Nil	29,036	0.02	[●]	N.A.	N.A.
Pursuant to a resolution of our Shareholders dated December 05, 2024 each equity shares of our Company bearing Face Value of Rs.100/- each was Sub divided into 10 equity shares of bearing face value of Rs.10/- each. Accordingly, the shareholding of Dovari Amarnath changed from 29,036 equity shares bearing face value of Rs. 100/- each to 2,90,360 shares bearing face value of Rs.10/- each.										
January 11, 2025	Transfer of Shares from Dovari Sireen	Other than Cash-Gift	72,600	10	Nil	3,62,960	0.57	[●]	N.A.	N.A.
January 13, 2025	Transfer of Shares from Dovari Yesudas	Other than Cash-Gift	1,00,000	10	Nil	4,62,960	0.78	[●]	N.A.	N.A.
April 25, 2025	Transfer of Shares to Varada Swarna Latha	Other than Cash-Gift	-100	10	Nil	4,62,860	-0.00	[●]	N.A.	N.A.
May, 23, 2025	Bonus Issue	Other than Cash	30,08,590	10	Nil	34,71,450	23.53	[●]	N.A.	N.A.
<b>Total</b>			<b>34,71,450</b>			<b>-</b>	<b>27.15</b>	<b>[●]</b>		
<b>Mr. Dovari Yesudas</b>										
On Incorporation	Subscription to MOA	Cash	10	100	100	10	0.00	[●]	N.A.	N.A.
March 30, 1995	Further Allotment	Cash	6,400	100	100	6,410	0.05	[●]	N.A.	N.A.
March 30, 2002	Transfer of Shares from Prabhala N Shastry	Cash	10	100	100	6,420	0.00	[●]	N.A.	N.A.
March 30, 2002	Transfer of Shares from Razia Begum	Cash	10	100	100	6,430	0.00	[●]	N.A.	N.A.
March 20, 2002	Transfer of Shares from S. Hari Haran	Cash	1,000	100	100	7,430	0.01	[●]	N.A.	N.A.
March 31, 2005	Further Allotment	Cash	2,353	100	300	9,783	0.02	[●]	N.A.	N.A.
September 30, 2006	Further Allotment	Cash	1,625	100	100	11,408	0.01	[●]	N.A.	N.A.
March 28, 2007	Further Allotment	Cash	1,625	100	300	13,033	0.01	[●]	N.A.	N.A.
March 30, 2010	Transfer of Shares from D. Suresh	Cash	2,950	100	100	15,983	0.02	[●]	N.A.	N.A.
December 16, 2010	Further Allotment	Cash	22,780	100	100	38,763	0.18	[●]	N.A.	N.A.
March 30, 2012	Further Allotment	Cash	10,000	100	100	48,763	0.08	[●]	N.A.	N.A.
August 21, 2012	Further Allotment	Cash	15,000	100	100	63,763	0.12	[●]	N.A.	N.A.

March 30, 2017	Transfer of Shares to M. Venkateshwara Rao	Cash	-1	100	100	63,762	-0.00	[●]	N.A.	N.A.
March 30, 2019	Transfer of Shares from M. Venkateshwara Rao	Cash	1	100	100	63,763	0.00	[●]	N.A.	N.A.
March 28, 2020	Transfer of Shares to M. Venkateshwara Rao	Cash	-1	100	100	63,762	-0.00	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares to Darsy Kethan Chandra	Other than Cash-Gift	-18,876	100	Nil	44,886	-0.15	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares to Darsy Ranadheer	Other than Cash-Gift	-7,260	100	Nil	37,626	-0.06	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares to Dovari Sireen	Other than Cash-Gift	-6,644	100	Nil	30,982	-0.05	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares to Dovari Amarnath	Other than Cash-Gift	-1,943	100	Nil	29,039	-0.02	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares to Chilakamarri	Cash	-1	100	100	29,038	-0.00	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares from M. Venkateshwara Rao	Cash	1	100	100	29,039	0.00	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares from M. Murli Krishna	Cash	1	100	100	29,040	0.00	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares from N. Devashayam	Cash	1	100	100	29,041	0.00	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares from K.CH. Venkateswara Rao	Cash	1	100	100	29,042	0.00	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares from Sudhakar Engineering	Cash	1	100	100	29,043	0.00	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares from SJR Engineering	Cash	1	100	100	29,044	0.00	[●]	N.A.	N.A.

Pursuant to a resolution of our Shareholders dated 5th December, 2024 each equity shares of our Company bearing Face Value of Rs.100/- each was Sub divided into 10 equity shares of bearing face value of Rs.10/- each. Accordingly, the shareholding of Dovari Yesudas changed from 29,044 equity shares bearing face value of Rs. 100/- each to 2,90,440 shares bearing face value of Rs.10/- each.

January 01, 2025	Transfer of Shares to Dovari Amarnath	other than Cash-Gift	-1,00,000	10	Nil	1,90,440	-0.78	[●]	N.A.	N.A.
February 03, 2025	Transfer of Shares from Jayaprada Doovari	other than Cash-Gift	72,630	10	Nil	2,63,070	0.57	[●]	N.A.	N.A.
May 23, 2025	Bonus Issue	Other than Cash	17,09,955	10	Nil	19,73,025	13.37	[●]	N.A.	N.A.
<b>Total</b>			<b>19,73,025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15.43</b>	<b>[●]</b>		
<b>Mr. Darsy Kethan Chandra</b>										
November 20, 2023	Transfer of Shares from Dovari Yesudas	Other than Cash-Gift	18,876	100	Nil	18,876	0.15	[●]	N.A.	N.A.
Pursuant to a resolution of our Shareholders dated 5th December, 2024 each equity shares of our Company bearing Face Value of Rs.100/- each was Sub divided into 10 equity shares of bearing face value of Rs.10/- each. Accordingly, the shareholding of Darsy Kethan Chandra changed from 18876 equity shares bearing face value of Rs. 100/- each to 1,88,760 shares bearing face value of Rs.10/- each.										
May 23, 2025	Bonus Issue	Other than Cash	12,26,940	10	Nil	14,15,700	9.60	[●]	N.A.	N.A.
<b>Total</b>			<b>14,15,700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11.07</b>	<b>[●]</b>		
<b>Mr. Dovari Thaman</b>										
November 20, 2023	Transfer of Shares from Dovari Amarnath	Other than Cash-Gift	18,876	100	Nil	18,876	0.15	[●]	N.A.	N.A.
Pursuant to a resolution of our Shareholders dated 5th December, 2024 each equity shares of our Company bearing Face Value of Rs.100/- each was Sub divided into 10 equity shares of bearing face value of Rs.10/- each. Accordingly, the shareholding of Dovari Thaman changed from 18876 equity shares bearing face value of Rs. 100/- each to 1,88,760 shares bearing face value of Rs.10/- each.										
May 23, 2025	Bonus Issue	Other than Cash	12,26,940	10	Nil	14,15,700	9.60	[●]	N.A.	N.A.
<b>Total</b>			<b>14,15,700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11.07</b>	<b>[●]</b>		
<b>Ms. Vanaja. D</b>										
March 30, 1995	Further Allotment	Cash	1,900	100	100	1,900	0.01	[●]	N.A.	N.A.
March 31, 2005	Further Allotment	Cash	2,100	100	300	4,000	0.02	[●]	N.A.	N.A.
September 30, 2006	Further Allotment	Cash	1,700	100	100	5,700	0.01	[●]	N.A.	N.A.
March 28, 2007	Further Allotment	Cash	1,650	100	300	7,350	0.01	[●]	N.A.	N.A.
March 15, 2010	Transfer of Shares from D. Suresh	Other than Cash-Gift	2,300	100	Nil	9,650	0.02	[●]	N.A.	N.A.
March 30, 2012	Further Allotment	Cash	5,000	100	100	14,650	0.04	[●]	N.A.	N.A.
August 20, 2012	Transfer of Shares from A. Kataiah	Cash	3,000	100	100	17,650	0.02	[●]	N.A.	N.A.
August 21, 2012	Further Allotment	Cash	10,000	100	100	27,650	0.08	[●]	N.A.	N.A.
March 31, 2017	Transfer of Shares to N. Devasahayam	Cash	-1	100	100	27,649	-0.00	[●]	N.A.	N.A.

March 30, 2019	Transfer of Shares from N. Devashayam	Cash	1	100	100	27,650	0.00	[●]	N.A.	N.A.
March 28, 2020	Transfer of Shares to N. Devashayam	Cash	-1	100	100	27,649	-0.00	[●]	N.A.	N.A.
November 20, 2023	Transfer of Shares to Dovari Amarnath	Other than Cash-Gift	-62	100	Nil	27,587	-0.00	[●]	N.A.	N.A.
Pursuant to a resolution of our Shareholders dated 5th December, 2024 each equity shares of our Company bearing Face Value of Rs.100/- each was Sub divided into 10 equity shares of bearing face value of Rs.10/- each. Accordingly, the shareholding of D. Vanaja changed from 27,587 equity shares bearing face value of Rs. 100/- each to 2,75,870 shares bearing face value of Rs.10/- each.										
March 15, 2025	Transfer of Shares from Ranadheer	Other than Cash-Gift	72,600	10	Nil	3,48,470	0.57	[●]	N.A.	N.A.
May 23, 2025	Bonus Issue	Other than Cash	22,65,055	10	Nil	26,13,525	17.72	[●]	N.A.	N.A.
<b>Total</b>			<b>26,13,525</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20.44</b>	<b>[●]</b>		

\* Subject to finalisation of Basis of Allotment

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- (iv) All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares.
- (v) As on the date of this Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.
- (vi) Except as disclosed below and in “– **Build-up of the Promoter’s shareholding in our Company**” on page 74, none of the members of the Promoter Group, the Promoter, the Directors of our Company, the directors of our Promoter, nor any of their respective relatives, as applicable, have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Red Herring Prospectus:
- (vii) There have been no financing arrangements whereby our Promoter, members of the Promoter Group, our Directors, the directors of our Promoter, or their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Red Herring Prospectus.

## 12. Promoter’s Contribution and other Lock-In details:

In accordance with Regulations 236 and 238 of the SEBI (ICDR) Regulations, the Promoters of our Company shall be subject to the following lock-in restrictions on their shareholding:

**Minimum Promoters’ Contribution:** An aggregate of 20.00% of the fully diluted post-Issue share capital of the Company, held by the Promoters, shall be locked in for a period of three years from the date of allotment (the "Minimum Promoters' Contribution").

**Excess 50% of Promoter Shareholding over Minimum Promoters’ Contribution:** The Promoters' shareholding in excess of the Minimum Promoters’ Contribution, i.e., 21.14% of the fully diluted post-Issue capital (equivalent to upto 36,96,213 Equity Shares), shall be locked in for a period of two years from the date of allotment in the Issue.

**Further Excess Promoter Shareholding:** The remaining 50% of the Promoters' holding in excess of the Minimum Promoters’ Contribution, i.e., 21.14% of the fully diluted post-Issue capital (equivalent to upto 36,96,212 Equity Shares), shall be locked in for a period of one year from the date of allotment in the Issue.

The lock-in of the Minimum Promoter’s Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock exchange before the listing of the Equity Shares.

Following are the details of Minimum Promoter’s Contribution:

Number of Equity Shares locked-in <sup>*(1)(2)(3)</sup>	Date of Allotment and Date when made fully paid-up	Nature of Allotment / Transfer	Face value (in ₹)	Issue / Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post- Issue paid-up capital	Period of lock-in
<b>Mr. Dovari Amarnath</b>							
Upto 6,99,395	May 23, 2025	Bonus Issue	10	Nil	Other than Cash	[●]	3 years
<b>Mr. Dovari Yesudas</b>							
Upto 6,99,395	May 23, 2025	Bonus Issue	10	Nil	Other than Cash	[●]	3 years
<b>Mr. Darsy Kethan Chandra</b>							
Upto 6,99,395	May 23, 2025	Bonus Issue	10	Nil	Other than Cash	[●]	3 years
<b>Mr. Dovari Thaman</b>							
Upto 6,99,395	May 23, 2025	Bonus Issue	10	Nil	Other than Cash	[●]	3 years
<b>Ms. Vanaja. D</b>							
Upto 6,99,395	May 23, 2025	Bonus Issue	10	Nil	Other than Cash	[●]	3 years

\* Subject to finalisation of Basis of Allotment.

(1) For a period of three years from the date of allotment.

(2) All Equity Shares have been fully paid-up at the time of allotment.

(3) All Equity Shares held by our Promoter are in dematerialized form.

For details of the build-up of the Equity Share capital held by our Promoter, see chapter titled “**Capital Structure - Shareholding of our Promoter**” on Page No. 71.

The Promoter's Contribution has been brought to the extent of not less than the specified minimum lot and from persons defined as 'promoter' under the SEBI (ICDR) Regulations.

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoter's Contribution under Regulation 237 of the SEBI (ICDR) Regulations. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares which are being locked-in do not, and shall not, consist of:

**Eligibility of Share for "Minimum Promoter Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018**

<b>Reg. No.</b>	<b>Promoter' Minimum Contribution Conditions</b>	<b>Eligibility Status of Equity Shares forming part of Promoter's Contribution</b>
237(1)(a)(i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction.	The Minimum Promoter's contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. <b>Hence Eligible</b>
237(1)(a)(ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum Promoter' contribution.	The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible</b>
237(1)(b)	Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer.	The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible</b>
237(1)(c)	Specified securities allotted to promoters during the preceding one year at a price less than the Offer price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible.	The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible</b>
237(1)(d)	Specified securities pledged with any creditor.	Our Promoters have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible</b>

The Equity Shares allotted to promoters during the year preceding the date of Red Herring Prospectus, at a price less than the issue price, against funds brought in by them during that period, formed by conversion of partnership firm, where the partners of the erstwhile partnership firm are the promoters of the issuer and there is no change in the management; And that the Equity Shares allotted to promoters are against the capital existing in partnership firm for a period of less than one year on a continuous basis;

All the Equity Shares held by the Promoter and the members of the Promoter Group are held in dematerialized form.

In terms of undertaking executed by our Promoter, Equity Shares forming part of Promoter's Contribution subject to lock in will not be disposed/ sold/ transferred by our Promoter during the period starting from the date of filing of this Red Herring Prospectus till the date of commencement of lock in period as stated in this Red Herring Prospectus.

***Details of Equity Shares held by Promoters in excess of minimum promoters' contribution***

Lock in of Equity Shares held by Promoters in excess of minimum promoters' contribution as per Regulation 238 of the SEBI ICDR Regulations, 2018 read with SEBI (ICDR) (Amendment) Regulations, 2025. Pursuant to Regulation 238(b) of the SEBI ICDR Regulations, 2018 read with SEBI (ICDR) (Amendment) Regulations, 2025, the Equity Shares held by our Promoters and promoters' holding in excess of minimum promoters' contribution shall be locked as follows:

- a. Fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of two years from the date of allotment in the initial public offer i.e. pre-Issue of upto 36,96,213 Equity Shares shall be subject to lock-in; and
- b. Remaining fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of

one year from the date of allotment in the initial public offer i.e. pre- Issue of upto 36,96,212 Equity Shares shall be subject to lock-in.

#### ***Details of Equity Shares held by persons other than the Promoters***

Lock in of Equity Shares held by persons other than promoters as per Regulation 239 of the SEBI ICDR Regulations and amendment thereto. The entire pre-issue capital held by persons other than the promoters shall be locked-in for a period of one year from the date of allotment in the initial public offer, i.e. pre-Issue of Upto 18,95,454 Equity Shares shall be subject to lock-in.

#### ***Other requirements in respect of 'lock-in'***

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoter prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code as applicable.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoter which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to and amongst Promoter / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans.

In terms of Regulation 242(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoter which are locked-in for a period of one year from the date of allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

#### **Transferability of Locked in Equity Shares:**

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription 'non-transferable' along with the Ratio of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

13. Our Company, our Promoter, our Directors and the Book Running Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
14. The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.
15. There have been no financing arrangements whereby 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 Red Herring Prospectus.
16. No person connected with the Issue, including, but not limited to, our Company, 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, except for fees or commission for services rendered in relation to the Issue.
17. There neither have been and there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Red Herring Prospectus until the Equity Shares have been listed on the Stock Exchange or all application monies have been refunded, as the case may be.
18. Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Red Herring Prospectus.
19. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

20. Our Company shall ensure that any transactions in Equity Shares by our Promoter and the Promoter Group during the period between the date of filing the Red Herring Prospectus and the date of closure of the Issue, shall be reported to the Stock Exchanges within 24 hours of the transaction.
21. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus.
22. As on the date of this Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The BRLM and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
23. Our Promoter and the members of our Promoter Group will not participate in the Issue.
24. Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel

Sr. No.	Name	Designation	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1.	Dovari Amarnath	Managing Director	34,71,450	27.15
2.	Dovari Yesudas	Director	19,73,025	15.43
3.	Darsy Kethan Chandra	Director and CFO	14,15,700	11.07

25. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
26. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “**Issue Procedure**” beginning on Page No. 266 of this Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (1) of SEBI (ICDR) Regulations, as amended from time to time.
27. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
28. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
29. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the BRLM, Promoter and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines
30. Our Company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Red Herring Prospectus.
31. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.
32. As on date of this Red Herring Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.
33. None of the Equity Shares held by our Promoter/ Promoter Group are pledged or otherwise encumbered.
34. As per RBI regulations, OCBs are not allowed to participate in this Issue.
35. All Equity Shares held by our Promoters and Promoter Group are in Dematerialised Form. Hence Pre-Issue paid up capital of our Company is 100% Dematerialised.
36. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.

## OBJECTS OF THE ISSUE

The Issue comprises of entirely a fresh Issue of up to 47,00,000 Equity Shares of our Company at an Issue Price of Rs. [●] per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects: -

### Fresh Issue

The details of the Net Proceeds are set forth below:

(₹ in Lakhs)

Particulars	Estimated Amount*
Gross Proceeds of the Issue	Upto [●]**
Less: Estimated Issue related Expenses#	[●]
<b>Net Proceeds of the Issue</b>	<b>[●]</b>

\*To be finalised upon determination of the Issue Price and updated in the Prospectus at the time of filing with the RoC.

\*\*Subject to full subscription to the Fresh Issue.

# For details, see “- Issue expenses” on page 88.

### Requirement of Funds:

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

(₹ in Lakhs)

Sr.No.	Particulars	Estimated Amount*
1.	Capital expenditure towards purchase of Machinery and equipment	Upto ₹ 2,136.43
2.	Funding working capital requirements	Upto ₹ 2,195.21
3.	Repayment/ prepayment, in full or part, of all or certain outstanding borrowings availed by our Company	Upto ₹1,271.92
4.	General corporate purposes*#	[●]
	<b>Total#</b>	<b>[●]</b>

\*To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.

#The amount to be utilized for general corporate purposes shall not exceed 15% of the gross proceeds or 10 crores whichever is lower.

(collectively, referred to herein as the “Objects”)

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake its existing business activities and the activities for which funds are being raised through the Fresh Issue. In addition, our Company expects to receive the benefits of listing its Equity Shares on the Stock Exchanges, including enhancing its visibility and brand image, and creating a public market for our Equity Shares.

### Utilization of Net Proceeds and Proposed Schedule of Implementation and Deployment of Net Proceeds

The Net Proceeds are proposed to be utilised in the manner set out in the following table:

(₹ in Lakhs)

Sr. No.	Particulars	Estimated Amount*	% of Net Proceeds*	Estimated Utilization of Net Proceeds in F.Y. 2026 – 2027
1.	Capital expenditure towards purchase of Machinery and equipment	Upto ₹ 2,136.43	[●]	Upto ₹ 2,136.43
2.	Funding working capital requirements	Upto ₹ 2,195.21	[●]	Upto ₹ 2,195.21
3.	Repayment/ prepayment, in full or part, of all or certain outstanding borrowings availed by our Company	Upto ₹1271.92	[●]	Upto ₹1271.92
4.	General corporate purposes*#	[●]	[●]	[●]
	<b>Total#</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

\*To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.

# The amount to be utilised for general corporate purposes shall not exceed 15% of the gross proceeds of the Fresh Issue or 10 crore whichever is lower, in accordance with the SEBI ICDR Regulations.

The deployment of funds indicated above will be based on management estimates, existing circumstances of our business and prevailing market conditions, which may subject to change. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. See “Risk Factors- The Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titles “Objects of the Issue”” on page 34

Given the nature of our business, and since the amount of the Net Proceeds proposed to be utilized towards the Objects are not towards implementing any specific project, we may have to revise our funding requirements and deployment from time to time, on account of a variety of factors such as our financial condition, business strategies and external factors such as market conditions, any epidemic, competitive environment and other external factors, which would not be within the control of our management. This may entail rescheduling or revising the proposed utilisation of the Net Proceeds, implementation schedule and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable laws. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements.

Subject to applicable law, if the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes, to extent that the total amount to be utilized will not exceed 25% of the gross proceeds of the Fresh Issue.

The fund requirements set out for the aforesaid Objects are proposed to be met entirely from the Net Proceeds, internal accruals, and existing debt financing. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

We propose to deploy the entire Net Proceeds towards the Objects in the Financial Year 2026-27. However, if the Net Proceeds are not completely utilised for the Objects in the stated period, such amounts will be utilised (in part or full) in Financial Year 2027-28, in accordance with applicable law.

### Details of the Objects of the Fresh Issue

#### 1. Capital expenditure towards purchase of machinery and equipment

Our Board in its meeting dated March 05, 2026 took note that an amount of ₹ Upto 2,136.43 Lakhs is proposed to be utilised for Funding of capital expenditure requirements of our company towards purchase of machinery and equipment from the Net Proceeds. As part of our capacity expansion and technology upgradation initiatives, our Company proposes to procure certain equipment including a Screen Printer NPM-GP/L, Board Handling Units, Solder Paste Inspection System, Reflow Oven and 3D AOI (Automated Optical Inspection) systems. These machines are intended to enhance our surface mount technology (SMT) assembly capabilities, improve manufacturing efficiency, strengthen quality control processes and support the production of high-density and complex PCB assemblies for applications across industries including defence, aerospace and industrial electronics.

The table below sets forth details of capacity expansion pursuant to Capital expenditure towards purchase of Machinery and equipment:

Particulars	Ground Floor (Sq. Mtrs.)	First Floor (Sq. Mtrs.)	Second Floor (Sq. Mtrs.)	Total (Sq. Mtrs.)
<b>Total Plot Area</b>	—	—	—	1,096.28
<b>Built-up Area</b>	774	744	744	<b>2,322</b>
<b>Current Manufacturing Area Utilised</b>	<b>294</b>	<b>374</b>	<b>214</b>	<b>882</b>
<b>Free / Available Floor Space</b>	<b>480</b>	<b>400</b>	<b>560</b>	<b>1,440</b>
<b>Total Operational Floor Area (Utilised + Free)</b>	<b>774</b>	<b>774</b>	<b>774</b>	<b>2,322</b>
<b>Area for 2nd Line Installation</b>			200	200
<b>Additional Land / New Construction</b>	<b>NIL</b>			

#### Justification for expansion whereby the present capacity remains underutilized

The FY2026 utilisation figures of 50.33% (SMD), 74.33% (TMD), and 75.24% (Box Build) are calculated based on production data for 9 months only (April–December 2025), while installed capacity in the denominator reflects the full 12-month year. This creates a structural understatement of utilisation. As our Q3 and Q4 are order heavy quarters which can be observed in the previous years too. Additionally, SMD installed capacity increased mid-year (from 7,65,000 to 10,75,000 boards) when the new Panasonic machine was commissioned in January 2026, further suppressing the ratio. On a comparable annualised basis, FY2025 utilisation of 89%–95% across all sections reflects near-saturation of the existing lines.

Further, and critically, the majority of the proposed capex does not add the same type of SMT capacity — it adds new quality, testing, and inspection capabilities (Vacuum Reflow Oven, ICT, X-Ray, Laser Marker, PCB Cleaning Machine) that the Company does not currently possess and which are prerequisites for qualifying for higher-specification defence programmes. These are capability investments independent of current utilisation.

The proposed capital expenditure is expected to result in improved production throughput, enhanced process automation, reduced manufacturing defects and higher quality assurance standards. Our Company has received quotation from supplier and is yet to

place any orders or enter into definitive agreements for purchase and installation of such machines. The break-down of such estimated costs are set forth below: -

Our Company has received quotation from supplier and is yet to place any orders or enter into definitive agreements for purchase and installation of such machinery. The break-down of such estimated costs are set forth below<sup>^^</sup>:-

(₹ in Lakhs)

S. No	Supplier/ Vendor Name	Machine Model <sup>^</sup>	Description <sup>^^</sup>	Function and Purpose	Quantity	Currency	Price per quantity	Exchange rate	Amount in Rs <sup>\$\$</sup>	Date of Quotation
1.	Maxim SMT Technologies Pvt. Ltd.**	MFC0100-LL	PCB Loader	Automatically feeds bare PCBs from magazine stacks into the SMT production line, eliminating manual board handling at line entry.	1	SGD	13,000	74.05	9.63	February 03, 2026
2.		NTM5510-X	Laser Marker	Permanently engraves a unique serial number / 2D Data Matrix code on each PCB using laser, enabling full board-level traceability from assembly through delivery and field use.	1	SGD	1,35,000	74.05	99.97	
3.		NTM0401-L	Link Conveyor	Transfers PCBs between the Loader and Laser Marker at controlled speed and height, maintaining board orientation and preventing misalignment during inline transfer.	1	SGD	3,200	74.05	2.37	
4.		Dek Neo Horizon 03ix	Solder Paste Printer	Precisely deposits solder paste through a metal stencil onto PCB pads using controlled squeegee pressure, speed, and angle. Closed-loop vision alignment ensures accurate	1	USD	85,000	94.25	80.11	

S. No	Supplier/ Vendor Name	Machine Model^	Description^^	Function and Purpose	Quantity	Currency	Price per quantity	Exchange rate	Amount in Rs <sup>\$\$^</sup>	Date of Quotation
5.		NTM040 1 L (Link)	Link Conveyor	Transfers PCBs from Solder Paste Printer to Solder Paste Inspection system at controlled speed, maintaining alignment for accurate 3D paste measurement.	1	SGD	3,200	74.05	2.37	
6.		V310ix	Solder Paste Inspection System	Measures 3D solder pastes deposit volume, height, area, and X-Y offset on every pad of every board using laser profilometry. Provides real-time closed-loop feedback to the Printer for automatic correction.	1	USD	65,000	94.25	61.26	
7.		NTM250 0 L (Reject)	Reject Conveyor	Automatically diverts boards flagged by SPI for paste defects to a reject lane, preventing them from entering the placement stage and triggering operator alert for rework or re-print.	1	SGD	9,000	74.05	6.66	
8.		X 1	Chip shooter	High-speed pick-and-place machine for standard passive components (resistors, capacitors, inductors) and small ICs (0201, 0402, 0603 packages) using multi-nozzle turret	1	EURO	1,75,000	108.95	190.66	

S. No	Supplier/ Vendor Name	Machine Model^	Description^^	Function and Purpose	Quantity	Currency	Price per quantity	Exchange rate	Amount in Rs <sup>\$\$^</sup>	Date of Quotation
9.		TX 2	Fine Pitch Placer	heads at high throughput. Precision placement machine for complex components: BGA, QFP, QFN, LGA, and connectors. Uses vision-guided placement with fiducial recognition for sub-50-micron placement accuracy.	1	EURO	2,10,000	108.95	228.80	
10.		NTM050 1-L (Inspe)	Inspection Conveyor	Transfers fully-placed PCBs from fine-pitch placer to reflow oven entry at controlled speed, preventing board flexure that could disturb placed components before soldering.	1	SGD	4,000	74.05	2.96	
11.		V510ix	2D AOI	Automated Optical Inspection after component placement — verifies component presence, polarity, rotation, and value before soldering. Generates pass/fail results per component per board.	1	USD	1,00,000	94.25	94.25	
12.		NTM250 0 L (Reject)	Reject Conveyor	Routes boards with placement defects (identified by 2D AOI) to reject lane for component correction before reflow — enabling cost-effective pre-solder repair.	1	SGD	9,000	74.05	6.66	

S. No	Supplier/ Vendor Name	Machine Model^	Description^^	Function and Purpose	Quantity	Currency	Price per quantity	Exchange rate	Amount in Rs <sup>\$\$^</sup>	Date of Quotation
13.		V510ix	3D AOI	3D Automated Optical Inspection after reflow soldering. Uses structured light and multi-angle cameras to measure solder joint height, volume, and shape — detects lifted leads, tombstoning, solder bridges, insufficient solder, and component skew.	1	USD	1,00,000	94.25	94.25	
14.		NTM2500 L (Reject)	Reject Conveyor	Segregates boards with post-reflow solder defects (identified by 3D AOI) into reject lane for repair, preventing defective boards from progressing to higher-value assembly stages.	1	SGD	9,000	74.05	6.66	
15.		MFC0100 UL	PCB Unloader	Automatically unloads completed SMT boards from the line exit into magazine stacks or onto downstream conveyor, eliminating manual handling at line exit.	1	SGD	15,000	74.05	11.11	
16.		NC25	PCB Cleaning Machine	Removes flux residues, ionic contaminants, and particulates from PCB assemblies after soldering using aqueous chemistry with precision spray, agitation, and hot-air drying	1	EURO	95,000	108.95	103.50	

S. No	Supplier/ Vendor Name	Machine Model^	Descript ion^^	Function and Purpose	Quanti ty	Curren cy	Price per quantity	Exchan ge rate	Amou nt in Rs <sup>S*^</sup>	Date of Quotati on
				— to IPC-A-610 cleanliness standards.						
17.		N29AUTO	Stencil Cleaning Machine	Automatically cleans SMT stencils using solvent or aqueous spray to remove solder paste residues between production runs, maintaining stencil aperture accuracy and preventing paste blockage.	1	EURO	37,000	108.95	40.31	
18.		GAM60	Solder Paste Mixer	Centrifugal mixer that homogenises solder paste before printing, ensuring uniform flux distribution and alloy particle consistency within specified viscosity range.	1	USD	2,500	94.25	2.36	
19.		HADV Next	Solder Paste Viscosity Meter	Measures the viscosity and rheological properties of solder paste to verify it is within the manufacturer-specified range before printing. Identifies out-of-specification paste before it reaches the stencil printer.	1	USD	14,000	94.25	13.20	
20.		H130CT-3D X-Ray	X-Ray Inspection Machine	2D/3D X-ray inspection for hidden solder joints in BGA, QFN, LGA, and area-array packages where joints are beneath the component body — invisible to optical inspection.	1	USD	1,65,000	94.25	155.51	

S. No .	Supplier/ Vendor Name	Machine Model^	Description^^	Function and Purpose	Quantity	Currency	Price per quantity	Exchange rate	Amount in Rs <sup>\$\$^</sup>	Date of Quotation
21.		ICT-TS	ICT	Detects voids, head-in-pillow defects, bridging, and solder balling.  Verifies electrical integrity of every component on the assembled PCB using a bed-of-nails fixture. Tests component values (R, C, L), shorts, opens, component orientation, and basic functionality — providing 100% electrical coverage of every board.	1	USD	3,80,000	94.25	358.15	
22.		V510i-DTS	Top and Bottom 3D AOI	Simultaneous top and bottom 3D AOI in a single pass for double-sided PCB assemblies, eliminating the need to flip the board (handling risk) and increasing inspection throughput.	1	USD	1,70,000	94.25	160.23	
23.		A15B-1200-6	Dry Cabinet	Low-humidity storage cabinet maintaining less than 5% relative humidity for moisture-sensitive devices (MSDs). Prevents moisture absorption by BGA and IC packages between kitting and reflow.	1	USD	5,100	94.25	4.81	
24.		Hawkeye 2000	Component Counting Machine	Accurately counts SMD components on tape reels using	1	EURO	40,000	108.95	43.58	

S. No	Supplier/ Vendor Name	Machine Model^	Description^^	Function and Purpose	Quantity	Currency	Price per quantity	Exchange rate	Amount in Rs <sup>\$\$^</sup>	Date of Quotation
				optical sensing, providing precise inventory at the start and end of each production run and enabling accurate work-order reconciliation.						
25.	Rehm Thermal Systems (Hongkong) Ltd.***	VXP+ nitro 3850 (Type 734) VAC	Vacuum Reflow Oven	Industrial vacuum reflow oven with nitrogen-inert atmosphere. The vacuum chamber draws out gas voids from solder joints during reflow — producing void-free joints in power electronics assemblies with large thermal pad areas. Nitrogen prevents solder oxidation.	1	USD	3,78,847.15	94.25	357.06	May 07, 2026
<b>Total</b>									<b>2,136.43</b>	-

\$Excluding the GST and any other applicable taxes

\*GST or any other applicable tax shall be paid from our internal accruals. The quotations are subject to additional costs including freight, installation and commissioning costs, transportation costs, packaging and forwarding costs, insurance, duties and other government levies, as applicable and shall be paid out of Internal Accruals.

^Source – 1 USD = 94.25 INR, 1 SGD= 74.05, EUR = 108.95 <https://foservices.icagate.gov.in/#/services/view> Exchange Rate dated March 22, 2026)

# Issuer, Our Promoters, Our Promoter Group, Our Directors, Our Key Managerial Personnel and Merchant Banker do not have any personal interest in the proposed acquisition of the machinery or in the entity from whom we have obtained quotations in relation to such proposed acquisition of the equipment.

\*\*This Quotation is Valid for six months from the date of quotation.

\*\*\*This Quotation is valid for 90 days from the quotation date for budgetary and approval purposes.

^^The equipment that will be acquired shall be new and shall not be previously owned or utilized by any party.

^^^ As certified by Axium Valuation Services LLP Chartered Engineer, by way of their certificate dated May 08, 2026

Note:

1. We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary as per the best possible offer available with us.
2. All quotations received from the vendors mentioned above are valid as on the date of this Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually render the services or at the same costs.
3. The quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of supply or equipment) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other service, equipment or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of construction

service, equipment and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 15% of the amount raised or ₹ 10 Crores whichever is lower by our Company through this Offer.

4. The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of services proposed to be acquired by us at the actual time of provision of service, resulting in increase in the estimated cost. Further, cost will be escalated on account of freight expenses, installation charges, packaging & forwarding, custom duty etc. Such cost escalation would be met out of our internal accruals

We have considered the above quotation for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary. Quotation received from the vendor mentioned above is valid as on the date of this Red Herring Prospectus. However, we have not entered into any definitive agreements with the vendor and there can be no assurance that the same vendor would be engaged to eventually supply the equipment or at the same costs. The Equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of equipment) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 15% of the amount raised by our Company through this Issue or 10 crore whichever is lower.

The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of Equipments proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost.

## 2. Funding working capital requirements:

We propose to utilize ₹ Upto 2,195.21 Lakhs from the Net Proceeds towards funding our Company's working capital requirements. We have significant working capital requirements, and we fund our working capital requirements in the ordinary course of business from our internal accruals and financing facilities from various banks and financial institutions.

Our Company requires additional working capital for executing increased order volumes, High Inventory Levels, High Debtors, Advance Payments to Suppliers and Requirement of Security Deposits and for other corporate purposes. In light of the above, our Company will require incremental working capital.

The incremental and proposed working capital requirements, as approved by the Board pursuant to a resolution dated May 11, 2026 and key assumptions with respect to the determination of the same are mentioned below. Our Company's composition of working capital as at March 31, 2026, March 31, 2025 and March 31, 2024 on the basis of restated financial statements and expected working capital requirements for Fiscal 2027 are as set out in the table below: \*

Particulars	As at March 31, 2024 (Restated)	As at March 31, 2025 (Restated)	As at March 31, 2026 (Restated)	As at March 31, 2027 (Projected)
<b>Current Assets</b>				
Inventories	3,349.77	3,968.62	7,130.76	7,570.47
Trade Receivables	1,118.73	2,035.91	3,654.65	4,970.12
Short term loan and advances	1,115.17	758.34	1,480.62	2,119.93
Other current assets	0.04	4.98	7.22	-
<b>Total (A)</b>	<b>5,583.71</b>	<b>6,767.85</b>	<b>12,273.25</b>	<b>14,515.02</b>
<b>Current Liabilities</b>				
Trade Payables	3,929.10	1,464.83	2,427.04	2,044.32
Other Current Liabilities & Short-Term Provision	458.76	2,344.22	3,313.33	2,657.54
<b>Total (B)</b>	<b>4,387.86</b>	<b>3,809.05</b>	<b>5,740.37</b>	<b>4,701.86</b>
<b>Total Working Capital (A)-(B)</b>	<b>1,195.85</b>	<b>2,958.80</b>	<b>6,532.88</b>	<b>9,958.66</b>
<b>Funding Pattern</b>				
<b>I) Borrowings for meeting working capital requirements</b>	<b>1,195.85</b>	<b>1,720.28</b>	<b>4,183.43</b>	<b>1,800.00</b>
<b>II) Networth / Internal Accruals</b>	<b>-</b>	<b>1,238.52</b>	<b>2,349.45</b>	<b>5,963.45</b>
<b>III) Proceeds from IPO</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,195.21</b>

\*As Certified by the M/s Dagliya & Co, Chartered Accountants pursuant to their certificate dated May 11, 2026.

**Assumption for working capital requirements:**

The table below sets forth the details of holding levels (in days) as of, March 31, 2026, March 31, 2025, and March 31, 2024 on the basis of restated financial statements and the holding levels (in days) for the Fiscal 2027 for estimated basis:

Particulars	Holding levels			
	As at March 31, 2024 (Restated)	As at March 31, 2025 (Restated)	As at March 31, 2026 (Restated)	As at March 31, 2027 (Projected)
	(in Days)	(in Days)	(in Days)	(in Days)
Inventories	92	117	130	131
Trade Receivables	73	50	66	77
Trade Payables	111	100	46	49

\*As Certified by the M/s Dagliya & Co, Chartered Accountants pursuant to their certificate dated May 11, 2026.

**Justification for “Holding Period” levels**

The justifications for the holding levels mentioned in the table above are provided below:

S. No.	Particulars	Details
<b>Current assets</b>		
1.	<b>Inventories</b>	The inventory holding period of the company increased from 92 days in FY24 to 117 days in FY25 and further to 130 days in FY26 due to advance procurement of critical electronic components and raw materials for ongoing and anticipated orders. The company operates in defence, aerospace and industrial electronics sectors, where procurement cycles for specialized and imported components are relatively long and supply availability remains uncertain. Accordingly, the company maintains adequate inventory levels to ensure uninterrupted execution of customer projects and avoid delays arising from supply chain constraints. In FY27, inventory holding is projected at 131 days considering the continued requirement to maintain safety stock of critical components and support timely execution of future projects.
2.	<b>Trade receivables</b>	The trade receivable cycle of the company declined from 73 days in FY24 to 50 days in FY25 due to improved billing efficiency and focused collection efforts. The receivable period increased to 66 days in FY26 in line with higher project-based execution and milestone-driven billing arrangements. In FY27, receivable days are projected at 77 days considering the expected increase in larger institutional and defence-related contracts where payments are generally linked to inspection, approval and documentation processes. The company continues to closely monitor receivables through timely invoicing and regular follow-up with customers, ensuring that collection levels remain manageable and aligned with business operations.
<b>Current liabilities</b>		
1.	<b>Trade payables</b>	The trade payable period of the Company reduced from 111 days in FY24 to 100 days in FY25 and further to 46 days in FY26. The same is projected at 49 days in FY27. The Company procures specialized and imported components from selected vendors operating under limited supply conditions, wherein timely payments are essential to ensure uninterrupted availability and priority allocation of materials. Since FY25, the Company has undertaken active settlement of trade payables, particularly MSME vendor dues, reflecting its conscious effort to regularize the vendor payment cycle, which resulted in comparatively higher cash outflows in the short term. Further, the reduction in trade payable days as at March 31, 2026 was also impacted by higher purchases undertaken towards the end of March 2026. As these purchases were made close to the period-end, the related credit period remained largely unutilized, resulting in lower payable days on a provisional basis. Going forward, the Company expects the trade payable holding period to normalize and

S. No.	Particulars	Details
		remain at around 49 days in FY27, considering the expected stabilization of procurement and payment cycles.

\*As Certified by the M/s Dagliya & Co, Chartered Accountants pursuant to their certificate dated May 11, 2026.

As at March 31, 2026, the Company has prepared financial numbers that are close to finalisation and are currently subject to audit. The projections submitted in the DRHP were prepared on an estimated basis, whereas the current numbers are based on near-audited financials. Accordingly, minor variations in working capital metrics, including trade payable days, may arise.

The reduction in trade payable days as at March 31, 2026 is due to following factors:

The Company undertook higher purchases towards the end of March 2026. Since these purchases were made close to the period-end, the associated credit period remains largely unutilised, resulting in lower payable days on a provisional basis. The same is evident from the purchase trends, where procurement is significantly higher in March 2026.

The below table presents a comparison of average monthly purchases for the 11-month period (April to February) vis-à-vis purchases for the single month of March for the respective financial years Hence, it can be observed that purchases in the month of March are significantly higher in quantum as compared to the average monthly purchases for the preceding eleven-month period.

Particulars	(₹ In lakhs)		
	FY 26	FY 25	FY 24
Total purchases	15,398.26	9,877.62	9,847.80
Average purchases April to February	1,191.76	727.47	660.07
<b>(% of total purchases)</b>	<b>7.74%</b>	<b>7.36%</b>	<b>6.70%</b>
March purchases	2,288.95	1,875.46	2,915.98
<b>(% of total purchases)</b>	<b>14.86%</b>	<b>18.99%</b>	<b>29.61%</b>

1. A significant portion of the Company's creditors fall under the MSME category (as can be substantiated from the RFS).

Trade Payables	As at (Rs. in lakhs)	
	31/03/2025	31/03/2024
- total outstanding dues of Micro and small enterprises; and	1,221.79	3,145.38
<b>(% of total trade payables)</b>	<b>83.41%</b>	<b>80.05%</b>
- total outstanding dues of creditors other than Micro and small enterprises	243.04	783.72
<b>(% of total trade payables)</b>	<b>16.59%</b>	<b>19.95%</b>
<b>Total</b>	<b>1,464.83</b>	<b>3,929.10</b>

In order to ensure regulatory compliance with MSME payment timelines, the Company has prioritised timely settlements whenever funds are available, which has also contributed to lower trade payable days.

2. During FY 2025- 2026, the Company completed a Private placement amounting to ₹20 crore approximately. The proceeds have been primarily deployed towards strengthening working capital requirements for day-to-day operations, general corporate purposes. and other expenses related to the private placement.
3. Further, procurement of critical raw materials often requires advance payments or shorter credit cycles. This is reflected in the increase in short-term loans and advances, indicating that the Company is securing supply through advance-based arrangements.
4. In FY 25-26 The Company has also onboarded five new suppliers during the year, contributing around 32 Crores which is approximately 20% of total purchases. Such suppliers operate on relatively shorter credit terms ranging from 45 to 60 days, with limited flexibility for extended credit, thereby impacting overall payable days.

Going forward, with the availability of funds from IPO proceeds and improved liquidity position, the Company expects to maintain a balanced working capital cycle. Trade payable days are projected to stabilise while supporting increased scale of operations and business expansion.

#### **Justification for increase in estimated working capital**

The increase in the proposed working capital requirement is primarily driven by the Company's planned scale-up in operations and the inherently working capital-intensive nature of the electronic manufacturing services (EMS) business.

As disclosed in the Objects of the Issue, the Company proposes to invest in an additional production line in the SMD section. This expansion is expected to enhance manufacturing capacity and operational flexibility, enabling the Company to efficiently handle future bulk orders. The addition of this line is also strategically important for catering to defence sector opportunities, where eligibility criteria typically require manufacturers to have redundancy in production capabilities, ensuring continuity of supply in case one line is unable to meet order requirements. This initiative is therefore expected to strengthen the Company's ability to secure high-value and large-scale orders, thereby supporting future growth

A key driver of growth is also the shift in business mix towards higher-margin segments, particularly obsolescence management, which is expected to scale significantly as a proportion of overall revenue. This segment not only offers higher margins but also benefits from favourable industry demand, thereby supporting business expansion and improved profitability.

The Company's projected growth has been formulated based on its historical operating performance, business model characteristics, and prevailing industry dynamics. The Company has demonstrated a consistent track record of operational growth and execution capabilities, reflecting its ability to scale operations and expand business activities over time. This historical performance provides a reasonable basis for the projected assumptions.

The net working capital requirement is projected to increase from ₹6,532.88 lakhs as of March 31, 2026 to ₹9,958.66 lakhs in FY27, being the year of deployment of IPO proceeds. The increase is mainly attributable to higher inventory levels required to support expanded production activities and ensure timely execution of orders, while trade receivables are also expected to increase in line with business operations, particularly considering the structured credit cycles associated with government and defence customers.

The projected increase in inventories is also linked to the nature of the Company's turnkey projects, which require procurement of components against confirmed purchase orders. In such cases, advance payments to suppliers sometimes up to 100%—are required to secure critical components. Additionally, key inputs such as integrated circuits and electronic components are high-value items with supply variability. To mitigate supply chain risks and ensure continuity in production, the Company maintains adequate inventory levels.

Further, the Company is adopting a more prudent and disciplined approach towards vendor payments. Trade payable days are expected to reduce from around 100 days in FY25 to approximately 49 days in FY27. While this results in a higher working capital gap, it reflects improved financial discipline, stronger supplier relationships, and reduced exposure to delays or compliance risks, including those relating to MSME obligations

#### **Justification on incremental working capital requirement:**

The Company's overall inventory holding period represents a blended outcome of its diversified business model. Higher holding periods in verticals such as obsolescence management and turnkey manufacturing where stocking of critical, long-lead, and end-of-life components is essential are offset by relatively lower holding periods in build-to-print and trading segments, which operate on more order-driven or fast-turnover models. This mix results in an overall inventory cycle that is balanced and reflective of operational realities, while remaining aligned with industry practices.

The working capital cycle reflects a steady-state position, with receivable days estimated at approximately 80–120 days, inventory holding period ranging between 70–120 days, and payable days of approximately 45–50 days. These assumptions are consistent with the Company's past trends and are in line with industry benchmarks for the EMS sector, particularly considering the requirement to maintain adequate inventory for complex assemblies and long-lead components. Variations in inventory holding across business verticals, including higher levels in obsolescence management and turnkey manufacturing, have also been appropriately factored in.

The projected growth of the Company is supported by multiple factors, including its demonstrated historical performance, wherein revenue has increased from approximately ₹53 crores in FY 2023 to ₹113 crores in FY 2025, reflecting strong execution capabilities. The existing order book and continued repeat business provide visibility for near-term revenues, while the Company's strategic focus on expanding its customer base, enhancing capacities, and increasing value-added services such as design, prototyping, and system integration further supports future growth. Additionally, the shift in business mix towards higher-margin segments, particularly obsolescence management, which is expected to increase its contribution significantly, is anticipated to drive both revenue growth and profitability. The industry outlook remains favourable, with strong demand trends supporting growth opportunities, supplemented by ongoing initiatives such as backward integration, procurement efficiencies, and technology upgradation.

Furthermore, the linkage between holding period and growth has been carefully considered, wherein the working capital cycle reflects operational stability while accommodating increased absolute requirements as the business scales. Overall, the management believes that the assumptions relating to holding period and projected growth are reasonable, balanced, and achievable under normal business conditions.

### **3. Repayment/ prepayment, in full or part, of all or certain outstanding borrowings availed by our Company**

Our Board in its meeting dated May 11, 2026, took note that an amount of ₹1,271.92 Lakhs is proposed to be utilised for repayment/prepayment of certain borrowings availed by our Company from the Net Proceeds. Our Company has entered into financial arrangements from time to time with various banks and financial institutions. The outstanding loan facilities entered into by our Company include secured and unsecured borrowing in the form of Loan against property of our Company and personal guarantees of the Directors and Promoters. For further details, please refer "*Financial Indebtedness*" on page 213 of this Red Herring Prospectus. As on April 30, 2026, the aggregate outstanding borrowings of our Company is ₹ 3,386.91 Lakhs. Our Company

proposes to utilise an estimated amount of ₹ 1,271.92 Lakhs from the Net Proceeds towards part or full repayment and/or prepayment of borrowings availed by us.

Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary after payment of due instalments. In light of the above, at the time of filing the Red Herring Prospectus, the table below shall be suitably updated to reflect the revised amounts or loan as the case may be which have been availed by us. If at the time of filing of Red Herring Prospectus, any of the below mentioned loans are repaid or refinanced or if any additional credit facilities are availed or drawn down or further disbursements under the existing facilities are availed by our Company, then our Company may utilise the Net Proceeds for prepayment and/or repayment of any such refinanced facilities or additional facilities / disbursements obtained by our Company. In light of the above, at the time of filing the Red Herring Prospectus, the table below shall be suitably updated to reflect the revised amounts or loans as the case may be which have been availed by our Company. In the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular fiscal may be repaid/ pre-paid by our Company in the subsequent Fiscal.

For the purposes of the Issue, our Company has obtained necessary consent from its lenders, as is respectively required under the relevant facility documentation for undertaking activities in relation to this Issue and for the deployment of the Net Proceeds towards the objects of this Issue.

The selection of borrowings proposed to be prepaid or repaid amongst our borrowing arrangements availed is and will be based on various factors, including (i) cost of the borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay/ repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, (iii) receipt of consents for prepayment from the respective lenders, (iv) terms and conditions of such consents and waivers, (v) levy of any prepayment penalties and the quantum thereof, (vi) provisions of any laws, rules and regulations governing such borrowings, and (vii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. The amounts proposed to be prepaid and/or repaid against each borrowing facility below is indicative and our Company may utilize the Net Proceeds to prepay and/or repay the facilities disclosed below in accordance with commercial considerations, including amounts outstanding at the time of prepayment and/or repayment. For details of our indebtedness, see “Financial Indebtedness” on page 213. Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Payment of additional interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the internal accruals of our Company or out of the Net Proceeds as may be decided by our Company.

We believe that such repayment and/or pre-payment will help reduce our outstanding indebtedness, debt servicing costs assist us in maintaining a favourable debt-to-equity ratio and enable utilization of some additional amount from our internal accruals for further investment in our business growth and expansion. Additionally, we believe that since our debt-equity ratio will improve, it will enable us to raise at competitive rates in the future to fund potential business development opportunities and plans to grow and expand our business in the future. The following table provides the details of outstanding borrowings availed of by our Company which are proposed to be repaid or prepaid, in full or in part, from the Net Proceeds:

The details of the outstanding loans of our Company, as on April 30, 2026, which are proposed for repayment or prepayment, in full or in part from the Net Proceeds are set forth below. The loan facilities are listed below in no particular order of priority.

(₹ in Lakhs)

Name of Lender	Nature of borrowing	Rate of Interest *	Tenure (In months)	Date of Sanction	Date of Disbursement of Loan	Amt Sanctioned (₹)	Amount outstanding as on April 30, 2026 (₹)	Utilized through Proceeds (₹)	Purpose	Actual Utilization of loan proceeds	Prepayment Penalty/ Condition
CSB Bank Limited	Secured	9.00%	84	08-11-2024	08-11-2024	217.00	171.06	171.06	Term Loan	Business	Account cannot be closed within 12 months; Account closure upto 24 months – 4% of outstanding balance Account closure after 24 months to 60 months - 2% of balance outstanding Account closure after 60 months 1% of balance outstanding; Remarks : Not to be applied if closed by owned funds, if closed by borrowed funds rates applicable on principal outstanding amount. Not applicable for ECLGS. The charges not applicable to lending to Micro and small enterprises as below: For floating rate loans For fixed rate loans up to and including Rs.50 lakhs.
Small Industries Development Bank of India (SIDBI)	Secured	8.15%	3	28-03-2026	31-03-2026	1450.00	1450.00	390.00	Term Loan	Business	No prepayment penalty
Small Industries Development Bank of India (SIDBI)	Secured	8.85%	9	04-11-2025	20-11-2025	550.00	550.00	550.00	Term loan	Business	No prepayment penalty
SMFG India Credit Company Limited (Fullerton India Credit	Unsecured	16.50%	37	31-10-2023	31-10-2023	40.00	9.39	9.39	Term loan	Business	No foreclosure charges / pre-payment penalties will be applicable on any floating rate term loan sanctioned for purposes other than business to individual borrowers.

Name of Lender	Nature of borrowing	Rate of Interest *	Tenure (In months)	Date of Sanction	Date of Disbursement of Loan	Amt Sanctioned (₹)	Amount outstanding as on April 30, 2026 (₹)	Utilized through Proceeds (₹)	Purpose	Actual Utilization of loan proceeds	Prepayment Penalty/ Condition
Company Limited)											<p>(a) No part prepayment of the loan shall be allowed.</p> <p>(b) In case of prepayment of entire Loan with interest amount outstanding, following will be the prepayment charges:</p> <ul style="list-style-type: none"> <li>• Upto 17 EMI(s) fully paid: 7% of the Principal Loan amount outstanding on the date of prepayment.</li> <li>• 18 to 25 EMI(s) fully paid: 5% of the Principal Loan amount outstanding on the date of prepayment.</li> <li>• 26 to 35 EMI(s) fully paid: 3% of the Principal Loan amount outstanding on the date of prepayment.</li> </ul> <p>(c) No prepayment charges shall be applicable in case of prepayment is after 36 or more EMI(s) fully paid.</p>
SMFG India Credit Company Limited (Fullerton India Credit Company Limited)	Unsecured	10.90%	87	30-11-2022	30-11-2022	146.00	92.35	92.35	Term loan	Business	<p>Note: No foreclosure charges / prepayment penalties will be applicable on any floating rate term loan sanctioned for purposes other than business to individual borrowers, with or without co-obligant(s))</p> <p>For Loan Amount upto Rs.500 Lakhs:</p> <ul style="list-style-type: none"> <li>• Save and except in cases which are permitted under applicable laws/regulations, no Part Pre-payments / Foreclosures will be allowed until the Borrower has paid the first twelve (12) EMIs fully to the satisfaction of FICCL. Pre-EMI will not be considered in EMI.</li> <li>• Part sspre-payments will be allowed only once in a Financial Year after completion of the above period.</li> </ul>

Name of Lender	Nature of borrowing	Rate of Interest *	Tenure (In months)	Date of Sanction	Date of Disbursement of Loan	Amt Sanctioned (₹)	Amount outstanding as on April 30, 2026 (₹)	Utilized through Proceeds (₹)	Purpose	Actual Utilization of loan proceeds	Prepayment Penalty/ Condition								
											<ul style="list-style-type: none"> <li>All pre-payments would attract charges as follows:</li> </ul> <table border="1"> <thead> <tr> <th>No. of EMIs paid</th> <th>Mortgages</th> </tr> </thead> <tbody> <tr> <td>13-24</td> <td>5% of the prepaid Loan amount</td> </tr> <tr> <td>&gt;24-60</td> <td>4% of the prepaid Loan amount</td> </tr> <tr> <td>&gt;60</td> <td>3% of the prepaid Loan amount</td> </tr> </tbody> </table>	No. of EMIs paid	Mortgages	13-24	5% of the prepaid Loan amount	>24-60	4% of the prepaid Loan amount	>60	3% of the prepaid Loan amount
No. of EMIs paid	Mortgages																		
13-24	5% of the prepaid Loan amount																		
>24-60	4% of the prepaid Loan amount																		
>60	3% of the prepaid Loan amount																		
India Infoline Finance Limited (IIFL)	Unsecured	18.87%	36	26-10-2024	29-10-2024	50.63	29.66	29.66	Term loan	Business	Period Prepayment/ Foreclosure Charge Within 6 months from the date of first drawdown 7% of the outstanding loan amount together with applicable taxes. On and from the 7th month and up till 24th month from the date of first drawdown 5% of the outstanding loan amount together with applicable taxes After 24 months from date of first drawdown 4% of the outstanding loan amount together with applicable taxes								
Tata capital Limited	Unsecured	16.00%	36	19-11-2024	20-11-2024	35.35	29.45	29.45	Drop line Overdraft facility	Business	Foreclosure Charges in CCOD Cases 4.5% on the dropped down limit amount + applicable taxes No foreclosure is allowed in first 9 months 6.5% charges if foreclosed within 9 months Foreclosure Charges for Top-ups 2.25% on the future principal outstanding of existing loan + GST Foreclosure charges shall be levied only if new rate is lower than existing rate Foreclosure Letter Charge Customer portal – Nil								

Name of Lender	Nature of borrowing	Rate of Interest *	Tenure (In months)	Date of Sanction	Date of Disbursement of Loan	Amt Sanctioned (₹)	Amount outstanding as on April 30, 2026 (₹)	Utilized through Proceeds (₹)	Purpose	Actual Utilization of loan proceeds	Prepayment Penalty/ Condition
											Branch walk-in – Rs. 199/- + GST
<b>Total</b>						<b>2,488.98</b>	<b>2,331.91</b>	<b>1,271.92</b>			

*(The remainder of this page is intentionally left blank)*

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purpose availed, our Statutory Auditors have confirmed that the loans have been utilised for the purpose for which it was availed pursuant to their certificate dated May 11, 2026.

Except as disclosed above, our Promoters, Directors and Key Managerial Personnel and Senior Management do not have any interest in the above-mentioned repayment/pre-payment of loan.

#### 4. General corporate purposes:

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for General corporate purposes, subject to such utilization not exceeding 15% of the gross proceeds of the Fresh Issue or 10 crore whichever is lower, in accordance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- strategic initiatives, partnerships, joint ventures and acquisitions;
- brand building and strengthening of promotional & marketing activities;
- On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions and
- meeting operating expenses, repayment of the borrowings, investment in the Group Companies, meeting working capital requirements including payment of interests, strengthening of our business development and marketing capabilities, meeting exigencies which the Company in the ordinary course of business may not foresee or any other purpose as approved by our board of directors, subject to compliance with the necessary provisions of the Companies Act.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head "Utilization of Net proceeds" and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

#### 5. ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ [●] lakh, which is [●] % of the total Issue Size. The details of the Issue Expenses are tabulated below:

(₹ in lakhs)				
Sr. No.	Particulars	Amount	% of total expenses**	% of total issue size**
1.	Book Running Lead Manager Fees.	[●]	[●]	[●]
2.	Underwriting Fees	[●]	[●]	[●]
3.	Fees payable to the Market maker to the Issue	[●]	[●]	[●]
4.	Fees payable to the Registrar to the Issue	[●]	[●]	[●]
5.	Fees payable for Advertising and Publishing Expense	[●]	[●]	[●]
6.	Fees payable to Regulators including Stock Exchange & Depositories	[●]	[●]	[●]
7.	Payment for Printing & Stationary, Pottsage etc.	[●]	[●]	[●]
8.	Fees payable to statutory auditors, Legal Advisors & other Professionals	[●]	[●]	[●]
9.	Other Expense	[●]	[●]	[●]
<b>Total Estimated Offer Expense</b>		[●]	[●]	[●]

\*\*Offer expenses include goods and services tax, where applicable. Offer expenses will be incorporated at the time of filing of the Prospectus with the RoC. Offer expenses are estimates and are subject to change.

#### Notes:

Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs:

- ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Issue is made as per Phase I of UPI Circular) - Rs 5/- per application on wherein shares are allotted.
- Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them) - Rs 10/- per application on wherein shares are allotted

3. *Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank - Rs 5/- per application on wherein shares are allotted*
4. *Sponsor Bank shall be payable processing fees on UPI application processed by them - Rs 5/- per application on wherein shares are allotted*
5. *No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.*
6. *The commissions and processing fees shall be payable within 30 Working days post the date of receipt of final invoices of the respective intermediaries.*
7. *Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

#### **APPRAISING AGENCY**

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

#### **BRIDGE LOANS**

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

#### **MONITORING OF UTILIZATION OF FUNDS**

In accordance with Regulation 262 of the SEBI ICDR Regulations, our Company has appointed Brickwork Ratings India Private Limited as the monitoring agency ("Monitoring Agency") to monitor the utilisation of the Net Proceeds. Our Company undertakes to place the Net Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for 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 and in accordance with the applicable laws. Our Company will disclose the utilisation of the Net Proceeds, including interim use under a separate head in its balance sheet for such financial year/periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, specifying the purposes for which the Net Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable financial year, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilized Net Proceeds.

The reports of the monitoring agency on the utilization of the Net Proceeds shall indicate the deployment of the Net Proceeds under the following heads:

1. Capital expenditure towards purchase of Machinery and equipment;
2. Repayment/ prepayment, in full or part, of all or certain outstanding borrowings availed by our Company;
3. Funding of the working capital requirement of our Company;
4. General corporate purposes.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in the Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statutory auditor of our Company will also provide report/certificate on the utilization of the Net Proceeds to the monitoring agency.

Furthermore, 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 (i) deviations, if any, in the actual utilization of the proceeds of the Fresh Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our directors' report, after placing the same before the Audit Committee.

#### **INTERIM USE OF FUNDS**

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board. 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 shares of any other listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

#### **VARIATION IN OBJECTS**

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the Objects without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. In

addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such shareholder who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

#### **OTHER CONFIRMATIONS / PAYMENT TO PROMOTERS AND PROMOTER’S GROUP FROM THE IPO PROCEEDS**

There is no proposal whereby any portion of the Net Proceeds will be paid to Our Promoters, Promoter Group, Directors and Key Managerial Personnel, Group Companies, except in the ordinary course of business. Further, there are no existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with Our Promoters, Promoter Group, Directors Group Companies, and/or Key Managerial Personnel.

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## BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Financial Information of the Company**” beginning on page 22, 149 and 209 respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

Price Band/Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is Rs. 10/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

For the purpose of making an informed investment decision, the investors should also refer “**Risk Factors**”, “**Our Business**” and “**Restated Financial Information as**” beginning on Page no. 22, 149 and 209 respectively of this Red Herring Prospectus.

### Qualitative Factors

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

- Experienced Promoters having deep domain knowledge to scale up the business
- In house manufacturing capabilities
- Management team with an established track record
- Established track record of successfully completed orders
- Efficient operational team

For further details, please refer chapters titled “**Risk Factors**” and “**Our Business**” beginning on Page Nos. 22 and 149, respectively.

### Quantitative Factors

The information presented in this section for the restated audited financial statements of the Company for the financial year ended March 31, 2026, 2025 and 2024 is derived from our Restated Financial Statements. For more details on financial information, investors please refer the chapter titled “**Restated Financial Information**” beginning on Page No. 209 of this Red Herring Prospectus.

Investors should evaluate our Company by taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

#### 1. Basic and Diluted Earnings per Share (EPS), (Face Value of ₹ 10/- each) (Post bonus and sub-division of shares)

Year ended	Basic and Diluted EPS (in ₹)	Weights
March 31, 2026	13.92	3
March 31, 2025	7.95	2
March 31, 2024	2.80	1
<b>Weighted Average (of the above three financial years)</b>	<b>10.08</b>	

#### Note:

- i. Basic EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the year.
- ii. Diluted EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the year for diluted EPS.
- iii. Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year.
- iv. The above statement should be read with significant accounting policies and notes on Restated Financial Statements as appearing in the Financial Statements.
- v. The EPS has been calculated in accordance with AS 20 Earnings Per Share (EPS) issued by Institute of Chartered Accountants of India.

#### 2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of Face Value of ₹ 10/- each fully paid up

Particulars	(P/E) Ratio at the Floor Price (number of times)	(P/E) Ratio at the Cap Price (number of times)
a) Based on basic EPS for the financial year ended March 31, 2026	[●]*	[●]*
b) Based on diluted EPS for the financial year ended March 31, 2026	[●]*	[●]*

\*To be computed after finalisation of the Price Band.

### 3. Industry Peer Group P/E ratio

Particulars	Industry P/E
Highest	62.85
Lowest	62.85
Average	62.85

Notes:

- The industry high and low has been considered from the industry peers set out in Part 6 of this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed.
- P/E Ratio has been computed based on the closing market price of equity shares on BSE on May 15, 2026 divided by the diluted earnings per share.
- All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the audited financial statements of the relevant companies for Fiscal 2026, as available on the websites of the stock exchanges.

### 4. Return on Net Worth (RoNW):

Year ended	RoNW(%)	Weight
Financial Year ended on March 31, 2026	30.66%	3
Financial Year ended on March 31, 2025	53.34%	2
Financial Year ended on March 31, 2024	40.27%	1
<b>Weighted Average (of the above three financial years)</b>	<b>39.82%</b>	

Note:

- RoNW is calculated as net profit after taxation divided by net worth for that year.
- Networth is computed as the sum of the aggregate of paid up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account. It may be noted that equity component of financial instruments is excluded while calculating Net worth of the Company.
- 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.

### 5. Net Asset Value (NAV) per Equity Share (Post bonus)

Particulars	NAV per Share (₹)
As on March 31, 2026	41.56
As on March 31, 2025	15.46
As on March 31, 2024	7.51
Net Asset Value per Equity Share after the Issue	[●]
Issue price per equity shares	[●]

Note:

- NAV (book value per share) = networth divided by number of shares outstanding at the end of the year.
- The figures disclosed above are based on the Restated Financial Statements of the company.
- Net worth is computed as the sum of the aggregate of paid up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.
- Issue Price per Equity Share will be determined by our company in consultation with the BRLM.

### 6. Comparison of Accounting Ratios with Industry Peers

The following peer group has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses:

Name of the Company	CMP*	Basic EPS (₹)	Diluted EPS (₹)	Face Value (₹)	P/E Ratio*	RoNW (%)	NAV Per Share	Total Income
								(₹ in Lakhs)
<b>Peer Group</b>								
Centum Electronics Limited	3,026.35	NA*	NA*	10	NA*	(15.09%)	233.36	96,856.50
Vinyas Innovative Technologies Limited	969.80	15.43	15.43	10	62.85	13.22%	116.77	40,015.12
Our Company**	[●]	13.92	13.92	10	[●]	30.66%	41.56	15,624.83

\* Since the FY26 financials of the company are not available, we have considered FY25 financials for the Vinyas Innovative Technologies Limited and FY26 financials for our company and Centum Electronics Limited.

\*Since the company is in loss pe ratio is NA.

\*Source: All the financial information for listed industry peers mentioned above is sourced from the Annual Reports of the aforesaid companies for the year ended March 31, 2025 and stock exchange data dated May 15, 2026 to compute the corresponding financial ratios for the financial year ended March 31, 2025. The current market price and related figures are as on May 15, 2026.

1. P/E figures for the peers are based on closing market prices of equity shares on NSE and BSE on May 15, 2026 divided by the Diluted EPS as at March 31, 2026
2. Basic and Diluted EPS refers to the Basic and Diluted EPS sourced from the Annual Reports for FY 25-26 of the listed peer companies.
3. Return on Net Worth (%) for listed industry peers has been computed based on the Net Profit After Tax for the year ended March 31, 2026 divided by Total Equity as on March 31, 2026.
4. NAV per share for listed peers is computed as the Total Equity as on March 31, 2026 divided by the outstanding number of equity shares as on March 31, 2026.

\*\*The details shall be provided post the finalisation of the price.

## 7. Key Performance Indicators

Our company considers that KPIs included herein below have a bearing for arriving at the basis for Issue price. The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated May 11, 2026 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the KPIs herein have been certified by M/s Dagliya & Co, Chartered Accountants, by their certificate dated May 11, 2026. Further, the members of the 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 period prior to the date of filing of this Red Herring Prospectus.

For the details of our key performance indicators, see sections titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 149 and 216 respectively of this RHP. We have described and defined them, where applicable, in “Definitions and Abbreviations” section on page 5 of this Red Herring Prospectus. 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 Objects of the Issue, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

Set forth below are KPIs which 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 of the Company that have a bearing for arriving at the Basis for the Issue Price.

(Amount in Lakhs, % and ratios)

Particulars	Merritronix LTD.		
	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from Operations (₹ in Lakhs) <sup>(1)</sup>	15,589.56	11,356.38	8,569.91
Growth in Revenue from Operations (%)	37.28%	32.51%	61.17%
Total income <sup>(2)</sup>	15,624.83	11,404.00	8,601.33
EBITDA (₹ in Lakhs) <sup>(3)</sup>	2,721.68	1,518.11	672.64
EBITDA Margin (%) <sup>(4)</sup>	17.42%	13.31%	7.82%
Profit After Tax (₹ in Lakhs) <sup>(5)</sup>	1,610.30	865.95	305.03
PAT Margin (%) <sup>(6)</sup>	10.33%	7.63%	3.56%
Net worth <sup>(7)</sup>	5,252.28	1,623.47	757.52

Particulars	Merritronix LTD.		
	Fiscal 2026	Fiscal 2025	Fiscal 2024
Return on Equity ("RoE") (%) <sup>(8)</sup>	46.03%	69.21%	45.82%
Return on Capital Employed ("RoCE") (%) <sup>(9)</sup>	45.26%	66.21%	43.13%
Net Asset Value Per Share (Post bonus and subdivision of shares) (₹) <sup>(10)</sup>	41.56	15.46	7.51
Debt- Equity Ratio <sup>(11)</sup>	0.81	1.10	1.93

**Notes:**

- <sup>(1)</sup> Revenue from operations represents the revenue from sale of service & product & other operating revenue of our Company as recognized in the Restated financial information.
- <sup>(2)</sup> Total income includes revenue from operations and other income.
- <sup>(3)</sup> EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back interest cost, depreciation, and amortization expense.
- <sup>(4)</sup> EBITDA margin is calculated as EBITDA as a percentage of total income.
- <sup>(5)</sup> Restated profit for the period / year margin is calculated as total income less total expenses.
- <sup>(6)</sup> PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- <sup>(7)</sup> "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of profits, securities premium account, and debit or credit balance of the profit and loss account, after deducting the aggregate value of accumulated losses, deferred expenditure, and miscellaneous expenditure not written off, as per the Restated Balance Sheet. However, it does not include reserves created out of revaluation of assets, write-back of depreciation, and amalgamation (Refer Regulation 2 of Chapter I of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018). Accordingly, for the purpose of computation of net worth, the Capital Reserve has been excluded.
- <sup>(8)</sup> RoE is calculated as Net profit after tax divided by Average Equity.
- <sup>(9)</sup> Return on capital employed calculated as Earnings before interest and taxes divided by capital employed as at the end of respective period/year. (Capital employed calculated as the aggregate value of Tangible net worth, total debt and deferred tax liabilities)
- <sup>(10)</sup> NAV per share is computed as the Total Equity divided by the outstanding number of equity shares.
- <sup>(11)</sup> Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long-term and short-term borrowings. Total equity is the sum of share capital and reserves & surplus.

KPI	Explanation
Revenue from operations:	Revenue from operations represents the total turnover of the business as well as provides information regarding the year over year growth of our Company.
Total Income	Total Income is used by our management to obtain a comprehensive view of all income including revenue from operations and other income.
EBITDA:	EBITDA is calculated as Restated profit / loss for the period plus tax expense plus depreciation and amortization plus finance costs and any exceptional items. EBITDA provides information regarding the operational efficiency of the business of our Company
EBITDA margin:	EBITDA Margin the percentage of EBITDA divided by revenue from operations and is an indicator of the operational profitability of our business before interest, depreciation, amortisation, and taxes.
Restated profit for the period / year:	Restated profit for the period / year represents the profit / loss that our Company makes for the financial year or during a given period. It provides information regarding the profitability of the business of our Company.
Restated profit for the period / year margin:	Restated profit for the period / year Margin is the ratio of Restated profit for the period / year to the total revenue of the Company. It provides information regarding the profitability of the business of our Company as well as to compare against the historical performance of our business.
Net Worth	"Net worth" means the aggregate value of the paid-up share capital and all reserves created out of profits, securities premium account, and debit or credit balance of the profit and loss account, after deducting the aggregate value of accumulated losses, deferred expenditure, and miscellaneous expenditure not written off, as per the Restated Balance Sheet. However, it does not include reserves created out of revaluation of assets, write-back of depreciation, and amalgamation (Refer Regulation 2 of Chapter I of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018). Accordingly, for the purpose of computation of net worth, the Capital Reserve has been excluded.
Return on Equity ("RoE"):	RoE refers to Restated profit for the period / year divided by Average Equity for the period. Average Equity is calculated as average of the total equity at the beginning and ending of the period. RoE is an indicator of our Company's efficiency as it measures our Company's profitability. RoE is indicative of the profit generation by our Company against the equity contribution.

Return on Capital Employed ("RoCE"):	RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed by the Company for the period. RoCE is an indicator of our Company's efficiency as it measures our Company's profitability. RoCE is indicative of the profit generation by our Company against the capital employed.
NAV (per share)	NAV per share is computed as the Total Equity divided by the outstanding number of equity shares.
Debt-Equity Ratio (in times)	Debt- equity ratio is a gearing ratio which compares shareholder's equity to company debt to assess our company's amount of leverage and financial stability.

**Set forth the description of historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company.**

For evaluation our business, we consider that the KPIs, as presented above, as additional measures to review and assess our financial and operating performance. These KPIs have limitations as analytical tools and presentation of these KPIs should not be considered in isolation or as a substitute for the Restated Financial Information.

Further, these KPIs may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, it provides an additional tool for investors to use our operating results and trends and in comparing our financial results with other companies in our industry as it provides consistency and comparability with past financial performance.

Our Company considers **Centum Electronics Ltd** and **Vinyas Innovative Technologies Ltd** as its listed peer ('Peer Group'). The data required for computing the KPIs of the Peer Group has been sourced from **Centum Electronics Ltd** and **Vinyas Innovative Technologies Ltd** audited financial statements, whereas our Company's data has been taken from its restated financial statements. The ratios have been computed on a consolidated basis unless stated otherwise. The KPIs of our Company and the Peer Group should be read in the context of the definitions and explanations provided in this section. The manner of computation for some ratios presented herein may differ from those in the Peer Group's annual reports, financial results, or corporate presentations, to ensure a comparable analysis.

**Comparison of our key performance indicators with listed industry peers for the Financial Years included in the Restated Financial Information:**

*(Amount in Lakhs, % and ratios)*

Particulars	Merritronix LTD.		
	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from Operations (₹ in Lakhs) <sup>(1)</sup>	15,589.56	11,356.38	8,569.91
Growth in Revenue from Operations (%)	37.28%	32.51%	61.17%
Total income <sup>(2)</sup>	15,624.83	11,404.00	8,601.33
EBITDA (₹ in Lakhs) <sup>(3)</sup>	2,721.68	1,518.11	672.64
EBITDA Margin (%) <sup>(4)</sup>	17.42%	13.31%	7.82%
Profit After Tax (₹ in Lakhs) <sup>(5)</sup>	1,610.30	865.95	305.03
PAT Margin (%) <sup>(6)</sup>	10.33%	7.63%	3.56%
Net worth <sup>(7)</sup>	5,252.28	1,623.47	757.52
Return on Equity ("RoE") (%) <sup>(8)</sup>	46.03%	69.21%	45.82%
Return on Capital Employed ("RoCE") (%) <sup>(9)</sup>	45.26%	66.21%	43.13%
Net Asset Value Per Share (Post bonus and subdivision of shares) (₹) <sup>(10)</sup>	41.56	15.46	7.51
Debt- Equity Ratio <sup>(11)</sup>	0.81	1.10	1.93

**Notes:**

- <sup>(1)</sup> Revenue from operations represents the revenue from sale of service & product & other operating revenue of our Company as recognized in the Restated financial information.
- <sup>(2)</sup> Total income includes revenue from operations and other income.
- <sup>(3)</sup> EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back interest cost, depreciation, and amortization expense.
- <sup>(4)</sup> EBITDA margin is calculated as EBITDA as a percentage of total income.
- <sup>(5)</sup> Restated profit for the period / year margin is calculated as total income less total expenses.
- <sup>(6)</sup> PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- <sup>(7)</sup> "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of profits, securities premium account, and debit or credit balance of the profit and loss account, after deducting the aggregate value of accumulated losses, deferred expenditure, and miscellaneous expenditure not written off, as per the Restated Balance Sheet. However, it does not include reserves created out of revaluation of assets, write-back of depreciation, and amalgamation (Refer Regulation 2 of Chapter I of the Securities and Exchange Board of India (Issue of Capital and

Disclosure Requirements) Regulations, 2018). Accordingly, for the purpose of computation of net worth, the Capital Reserve has been excluded.

<sup>(8)</sup> RoE is calculated as Net profit after tax divided by Average Equity.

<sup>(9)</sup> Return on capital employed calculated as Earnings before interest and taxes divided by capital employed as at the end of respective period/year. (Capital employed calculated as the aggregate value of Tangible net worth, total debt and deferred tax liabilities)

<sup>(10)</sup> NAV per share is computed as the Total Equity divided by the outstanding number of equity shares.

<sup>(11)</sup> Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long-term and short-term borrowings. Total equity is the sum of share capital and reserves & surplus.

#### For Centum Electronics Limited

(Amount in Lakhs except % and ratios)

Particulars	For the year ended March 31,		
	2026	2025	2024
Revenue from Operations (₹ in Lakhs) <sup>(1)</sup>	95,031.80	1,15,541.70	1,09,082.00
Growth in Revenue from Operations (%)	(17.75%)	5.92%	18.19%
Total income <sup>(2)</sup>	96,856.50	1,16,412.50	1,09,763.40
EBITDA (₹ in Lakhs) <sup>(3)</sup>	15,125.90	9,058.70	8,778.30
EBITDA Margin (%) <sup>(4)</sup>	15.62%	7.78%	8.00%
Profit After Tax (₹ in Lakhs) <sup>(5)</sup>	(5,180.60)	(192.70)	(275.50)
PAT Margin (%) <sup>(6)</sup>	(5.45%)	(0.17%)	(0.25%)
Net worth <sup>(7)</sup>	34,321.00	40,522.30	20,327.20
Return on Equity ("RoE") (%) <sup>(8)</sup>	(13.84%)	(0.63%)	(1.33%)
Return on Capital Employed ("RoCE") (%) <sup>(9)</sup>	28.48%	8.94%	12.24%
Net Asset Value Per Share (Post bonus) (₹) <sup>(10)</sup>	233.36	275.53	157.72
Debt- Equity Ratio <sup>(11)</sup>	0.36	0.46	1.11

#### Notes:

<sup>(1)</sup> Revenue from operations represents the revenue from sale of service & product & other operating revenue of our Company as recognized in the Audited financial information.

<sup>(2)</sup> Total income includes revenue from operations and other income.

<sup>(3)</sup> EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back interest cost, depreciation, and amortization expense.

<sup>(4)</sup> EBITDA margin is calculated as EBITDA as a percentage of total income.

<sup>(5)</sup> profit for the period / year margin is calculated as total income less total expenses.

<sup>(6)</sup> PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.

<sup>(7)</sup> Net worth means aggregate value of the paid-up equity share capital and reserves & surplus.

<sup>(8)</sup> RoE is calculated as Net profit after tax divided by Average Equity.

<sup>(9)</sup> Return on capital employed calculated as Earnings before interest and taxes divided by capital employed as at the end of respective period/year. (Capital employed calculated as the aggregate value of total equity, total debt and deferred tax liabilities)

<sup>(10)</sup> NAV per share is computed as the Total Equity divided by the outstanding number of equity shares.

<sup>(11)</sup> Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long-term and short-term borrowings. Total equity is the sum of share capital and reserves & surplus.

#### For Vinyas Innovative Technologies Limited

(Amount in Lakhs except % and ratios)

Particulars	For the six-month period ended September 30, 2025	For the year ended March 31,		
		2025	2024	2023
Revenue from Operations (₹ in Lakhs) <sup>(1)</sup>	21,193.45	39,663.56	31,719.87	23,452.40
Growth in Revenue from Operations (%)	NA	25.04%	35.25%	NA
Total income <sup>(2)</sup>	21,440.64	40,015.12	32,078.25	23,885.41
EBITDA (₹ in Lakhs) <sup>(3)</sup>	2,389.76	4,436.02	3,639.66	2,490.41
EBITDA Margin (%) <sup>(4)</sup>	11.15%	11.09%	11.35%	10.43%
Profit After Tax (₹ in Lakhs) <sup>(5)</sup>	933.65	1,942.32	1,534.66	734.34
PAT Margin (%) <sup>(6)</sup>	4.41%	4.90%	4.84%	3.13%

Net worth <sup>(7)</sup>	21,484.02	14,695.02	12,818.97	4,552.99
Return on Equity ("RoE") (%) <sup>(8)</sup>	5.16%	14.12%	17.67%	32.26%
Return on Capital Employed ("RoCE") (%) <sup>(9)</sup>	5.98%	15.42%	15.17%	17.26%
Net Asset Value Per Share (Post bonus) (₹) <sup>(10)</sup>	170.72	116.77	101.86	121.67
Debt- Equity Ratio <sup>(11)</sup>	0.60	0.71	0.75	1.89

Notes:

- <sup>(1)</sup> Revenue from operations represents the revenue from sale of service & product & other operating revenue of our Company as recognized in the Audited financial information.
- <sup>(2)</sup> Total income includes revenue from operations and other income.
- <sup>(3)</sup> EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back interest cost, depreciation, and amortization expense.
- <sup>(4)</sup> EBITDA margin is calculated as EBITDA as a percentage of total income.
- <sup>(5)</sup> profit for the period / year margin is calculated as total income less total expenses.
- <sup>(6)</sup> PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- <sup>(7)</sup> Net worth means aggregate value of the paid-up equity share capital and reserves & surplus.
- <sup>(8)</sup> RoE is calculated as Net profit after tax divided by Average Equity.
- <sup>(9)</sup> Return on capital employed calculated as Earnings before interest and taxes divided by capital employed as at the end of respective period/year. (Capital employed calculated as the aggregate value of total equity, total debt and deferred tax liabilities)
- <sup>(10)</sup> NAV per share is computed as the Total Equity divided by the outstanding number of equity shares.
- <sup>(11)</sup> Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long-term and short-term borrowings. Total equity is the sum of share capital and reserves & surplus.

## 8. Weighted Average Cost of Acquisition (WACA), Floor Price and Cap Price

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

The details of the Equity Shares/ convertible warrants (primary/ new issue of securities), excluding shares issued under ESOP/ ESOS and issuance of bonus shares, during the eighteen (18) months preceding the date of this red Herring Prospectus, where such issuance is equal to or more that 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Issue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling thirty (30) days ("Primary Issuance") are as follows:

Date of Allotment	No. of Equity Shares	Face value	Issue Price (₹)	Total Consideration	Adjusted no. of equity shares	Nature of consideration	Nature of Allotment
		(₹)		(₹) in lakhs			
September 02, 2025	8,61,748	10	108.00	930.69	8,61,748	Cash	Preferential Issue
Total Consideration (₹ in lakhs)				930.69	8,61,748		
Wg. Avg. cost of acquisition per share				₹ 108.00			

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

The details of secondary sale / acquisition of whether equity shares or convertible securities, where the promoter, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days, are as follows:

Since there are no secondary sale/ acquisition of shares of our Company during the 18 months to report, hence reporting under Clause "(b)" shall not be applicable

### c) Price per share based on the last five primary or secondary transactions.

Since there are transactions to report under 8 (a), the details of issuance of Equity Shares or convertible securities during the 3 years preceding the date of this Red Herring Prospectus, based on last 5 primary or secondary transactions where promoter/promoter

group entities or shareholders selling shares through offer for sale in IPO or shareholders having the right to nominate directors in the Board of the issuer company, are party to the transaction), irrespective of the size of the transactions is not applicable.

Sr. No.	Date of allotment	No. of Shares	Face Value	Issue Price	Nature of Allotment	Nature of Consideration	Total Consideration (Rs in hundreds)
NA							

**Weighted average cost of acquisition, floor price and cap price.**

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price	Cap Price
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paidup share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	108	[●]	[●]
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 Shareholder 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 Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% 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	[●]	[●]
Since there are transactions to report under 8 (a), the details of issuance of Equity Shares or convertible securities during the 3 years preceding the date of this Red Herring Prospectus, based on last 5 primary or secondary transactions where promoter/promoter group entities or shareholders selling shares through offer for sale in IPO or shareholders having the right to nominate directors in the Board of the issuer company, are party to the transaction), irrespective of the size of the transactions is not applicable.	N. A.	[●]	[●]

\* The details shall be provided post the fixing of price band by our Company at the stage of filing of price band advertisement.

**9. The Issue Price is [●] times of the Face Value of the Equity Shares.**

The Issue price of ₹ [●] per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the Company including important profitability and return ratios, as set out in the Financial Statements included in this Red Herring Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is [●] times of the face value i.e. ₹ [●] per share.

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## STATEMENT OF POSSIBLE TAX BENEFIT

**Date:** 11.05.2026

To,  
The Board of Directors  
**Merritronix Ltd.** (formerly known as Merritronix Pvt Ltd.)  
Electronic Complex, C-22,  
Kushaiguda Industrial Area,  
Kushaiguda, Hyderabad – 500062,  
Telangana, India.

**GYR Capital Advisors Private Limited**

428, Gala Empire, Near JB Tower,  
Drive in Road, Thaltej,  
Ahemdabad-380 054,  
Gujarat, India.  
(GYR Capital Advisors Private Limited referred to as the “Book Running Lead Manager”)

Dear Sir(s),

**Sub: Proposed initial public offering of equity shares of ₹ 10 each (the “Equity Shares”) of Merritronix Ltd. (formerly known as Merritronix Pvt Ltd.) (the “Company” and such offering, the “Issue”)**

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We refer to the proposed initial public offering of equity shares (the “Offer”) of the Company. We enclose herewith the annexure showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the direct and indirect tax laws, including the Income-tax Act, 2025, the Income-tax Rules, 2026, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the “GST Act”), the Customs Act, 1962 and the Customs Tariff Act, 1975, (collectively the “Taxation Laws”) including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2027-28 relevant to the financial year 2026-27 for inclusion in the Red-herring Prospectus/ Prospectus (“Offer Document”) for the proposed offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”).

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences 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 Issue. Neither are we suggesting nor advising the investor to invest money based on this statement.

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

- i) the Company or its shareholders will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with.
- iii) the revenue authorities/courts will concur with the views expressed herein.

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 and the provisions of tax laws.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company.

We hereby give consent to include this statement of tax benefits in the Red Herring Prospectus and the Prospectus and submission of this certificate as may be necessary, to the SME Platform of BSE Ltd where the Equity Shares are proposed to be listed (“Stock

Exchange”) and the Registrar of Companies, Hyderabad (“RoC”), SEBI or any regulatory authority and/or for the records to be maintained by the Book Running Lead Manager in connection with the Issue and in accordance with applicable law.

Terms capitalized and not defined herein shall have the same meaning as ascribed to them in the Red Herring Prospectus.

## **LIMITATIONS**

*Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the existing tax laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.*

*This statement has been prepared solely in connection with the offering of Equity shares by the Company under the Securities and Exchange Board of India (“SEBI”) (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the Issue).*

**For Dagliya & Co.,**  
Chartered Accountants  
FRN: 00671S

**SD/-**

**Mayank Jain**  
Partner  
M. No. 225914  
Place: Hyderabad  
Date: 11.05.2026  
UDIN: 26225914ZOU BWN3115

## **ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS**

The information provided below sets out the possible special tax benefits available to the Company, the Shareholders under the Taxation Laws 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 fact that certain recently enacted legislation may not have a direct legal precedent or may have different interpretation on the benefits, which an investor can avail.

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.**

### **Direct Taxation**

Outlined below are the special tax benefits available to the Company and its shareholders under the Income-tax Act, 2025 ('the Act') read with rules, circulars, and notification thereunder, as amended by Finance Act, 2026 i.e., applicable for Financial Year 2026-27 relevant to the Assessment Year 2027-28, presently in force in India

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

Section 200 of the Income-tax Act, 2025 (corresponding to Section 115BAA of the Income-tax Act, 1961, as inserted by the Taxation Laws (Amendment) Act, 2019) provides that a domestic company may opt to be taxed at a concessional rate of 22% (plus applicable surcharge and cess) from the specified financial year onwards, subject to the condition that its total income is computed without claiming certain specified exemptions, incentives, deductions, or set-off of losses and depreciation, and by claiming depreciation in the prescribed manner. Further, where such option is exercised, the provisions relating to Minimum Alternate Tax (MAT) shall not apply, and any brought forward MAT credit shall not be available for set-off. The option is required to be exercised on or before the due date of filing the return of income and, once exercised, shall be irrevocable for the same and subsequent tax years.

The Company has represented to us that it has not opted for the concessional tax regime under Section 200 of the Income-tax Act, 2025 (erstwhile Section 115BAA of the Income-tax Act, 1961) with effect from Assessment Year 2026-27 (i.e., Financial Year 2025-26).

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS**

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

### **Indirect Taxation**

Outlined below are the special tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017/ Integrated Goods and Services Tax Act, 2017 read with Rules, Circulars, and Notifications ("GST law"), the Customs Act, 1962, Customs Tariff Act, 1975 ("Customs law") and Foreign Trade Policy 2015-2020 Foreign Trade Policy 2023("FTP") (collectively referred as "Indirect Tax").

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

There are no special tax benefits available to the Company under GST law.

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS**

The Shareholders of the Company are not entitled to any special tax benefits under the Indirect Tax.

#### **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 benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

## SECTION IV – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled “Custom Report - India Electronics Manufacturing Services (EMS) Market” which covers the study period from 2019 to 2030, with 2024 as the base year (the “Mordor Intelligence Report”) prepared and issued by Mordor Intelligence Private Limited (“Mordor Intelligence”), appointed by us and exclusively commissioned and paid for by us in connection with the Offer.*

*The data included herein includes excerpts from the Mordor Report and may have been reordered by us for the purposes of presentation. Mordor Report is an independent agency and is not related to the Company, its Directors, Promoters, or the Book Running Lead Manager. There are no parts, data or information relevant for the proposed Offer, that has been left out or changed in any manner.*

*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 Red Herring Prospectus disclose information from the Mordor 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 risks” on page 41.*

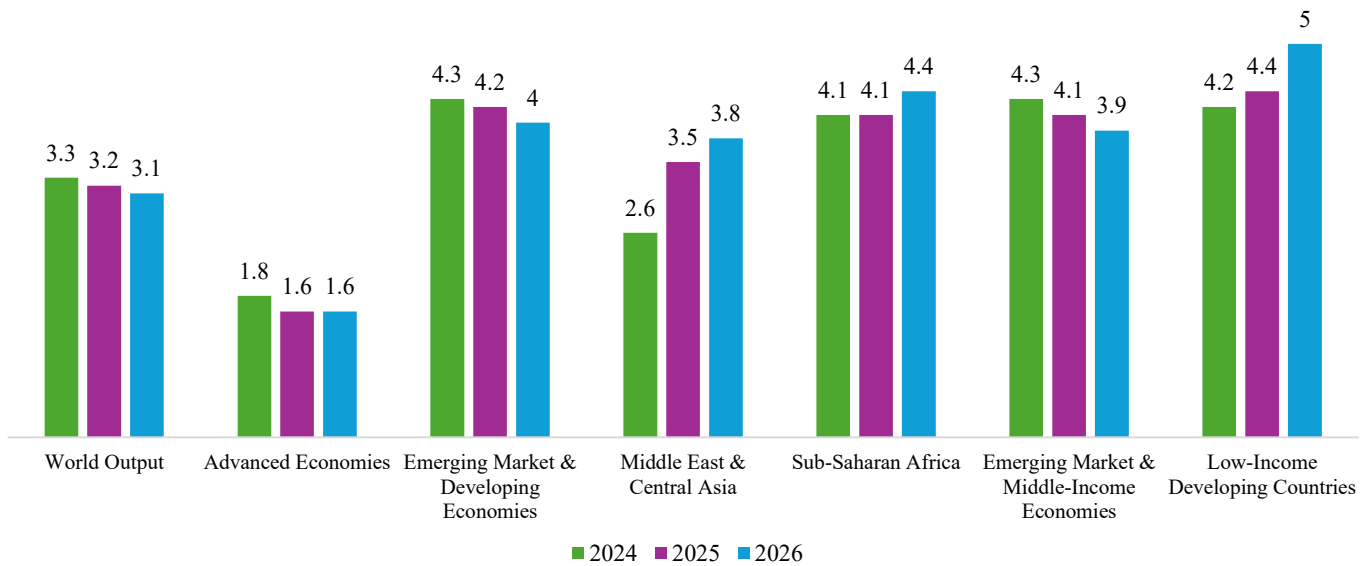
*Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. While preparing its report, Mordor has also sourced information from publicly available sources, including our Company’s financial statements. However, financial information relating to our Company presented in other sections of this 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 Red Herring Prospectus*

### GLOBAL ECONOMY

#### *Macroeconomic Environment*

Global growth is projected to slow from 3.3 percent in 2024 to 3.2 percent in 2025 and to 3.1 percent in 2026. This is an improvement relative to the July WEO Update—but cumulatively 0.2 percentage point below forecasts made before the policy shifts in the October 2024 WEO, with the slowdown reflecting headwinds from uncertainty and protectionism, even though the tariff shock is smaller than originally announced. On an end-of-year basis, global growth is projected to slow down from 3.6 percent in 2024 to 2.6 percent in 2025. Advanced economies are forecast to grow about 1½ percent in 2025–26, with the United States slowing to 2.0 percent. Emerging market and developing economies are projected to moderate to just above 4.0 percent. Inflation is expected to decline to 4.2 percent globally in 2025 and to 3.7 percent in 2026, with notable variation: above-target inflation in the United States—with risks tilted to the upside— and subdued inflation in much of the rest of the world. World trade volume is forecast to grow at an average rate of 2.9 percent in 2025–26—boosted by front-loading in 2025 yet still much slower than the 3.5 percent growth rate in 2024—with persistent trade fragmentation limiting gains.

## Growth Projections (Real GDP Growth, % Change)



(Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/10/14/world-economic-outlook-october-2025>)

The growth forecast is little changed from the July 2025 WEO Update, reflecting gradual adaptation to trade tensions, but is decisively below the pre-pandemic average of 3.7 percent. Looking at sequential growth from the second half of 2025 into 2026 gives a clearer picture by removing the distortion from front-loading in the first half of 2025: The global economy is projected to grow at an annualized average rate of 3.0 percent over these six quarters, a slowdown of 0.6 percentage point from the 3.6 percent average rate in 2024. The forecast for 2025–26 is also lower, by a cumulative 0.2 percentage point, than projected in the October 2024 WEO, before the major shifts in policy stances in key jurisdictions. Given the fluidity of trade policy assumptions during 2025, comparisons of current forecasts with those in the April 2025 WEO or in the July 2025 WEO Update may obscure the direction the world economy has travelled.

### ***Inflation Forecast***

Under the baseline, global headline inflation is projected to decline to 4.2 percent in 2025 and to 3.7 percent in 2026. This path is virtually the same as depicted in the previous projections, but there is variation across countries and regions.

Inflation forecasts are revised upward in quite a few economies, relative to the October 2024 WEO, which serves as a pre-policy-shift benchmark. Among advanced economies, the most notable cases are the United Kingdom and the United States. In the United Kingdom, headline inflation, which started picking up in 2024, is expected to continue rising in 2025 partly because of changes in regulated prices. This is projected to be temporary, with a loosening labour market and moderating wage growth eventually helping inflation return to target at the end of 2026.

In the United States, inflation is expected to pick up beginning in the second half of 2025, as the impact of tariffs is no longer absorbed within supply chains and instead passed on to consumers. Inflation then is expected to return to the Federal Reserve’s 2 percent target during 2027. This forecast assumes only modest second-round effects, implying potential upside risks to US inflation in the baseline amid downside risks to employment.

Among emerging market and developing economies, inflation forecasts for Brazil and Mexico are revised upward. For Brazil, the revision is more pronounced and in part reflects the stabilization of inflation expectations above target rates, reflecting credibility challenges associated with fiscal policy uncertainties last year, although relief from more recent currency appreciation is expected to arrive in late 2025 and in 2026. For Mexico, volatile categories such as food and more-persistent-than-expected services inflation contribute to the upward revision.

For several other economies, inflation forecasts are revised downward, compared with the October 2024 WEO. In much of emerging and developing Asia, that is the case. This is largely a reflection of lower-than-expected outturns, with food, energy, and administrative prices playing a significant role (for example, in China, India, and Thailand).

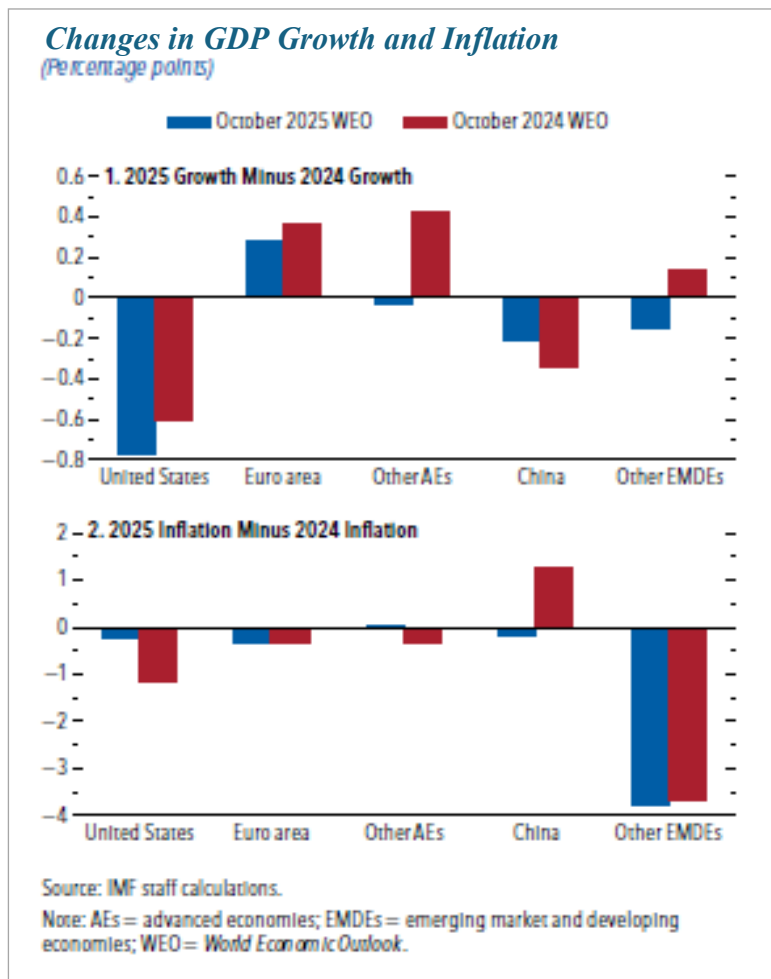
Taken together with the GDP growth forecasts, the picture varies across countries. US growth in 2025, forecast at 2.0 percent, is lower than the 2.2 percent projected in the October 2024 WEO. Inflation in 2025, forecast at 2.7 percent, is higher than the 1.9 percent projected in the October 2024 WEO. Relative to forecasts prior to the policy shifts, the US economy is expected to slow more sharply in 2025 than was projected a year ago. Meanwhile, inflation is expected to remain largely unchanged and elevated, compared with the notable decline projected in October 2024.

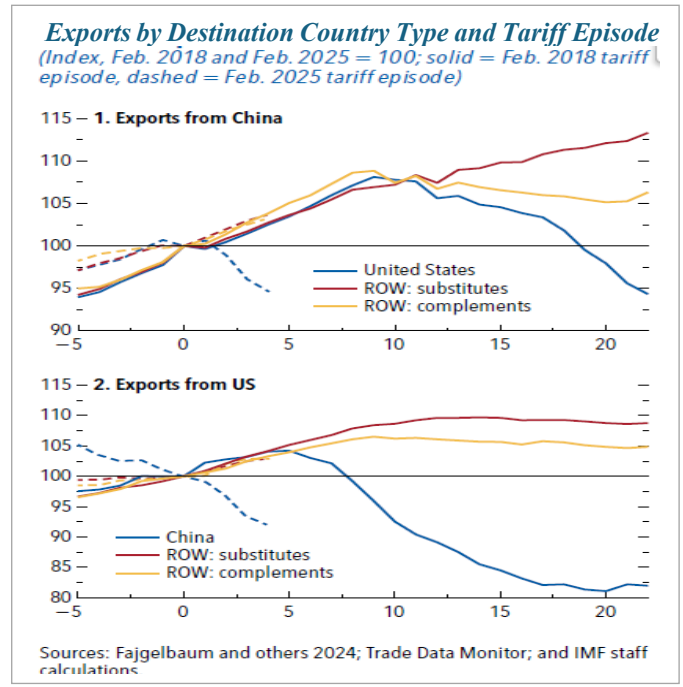
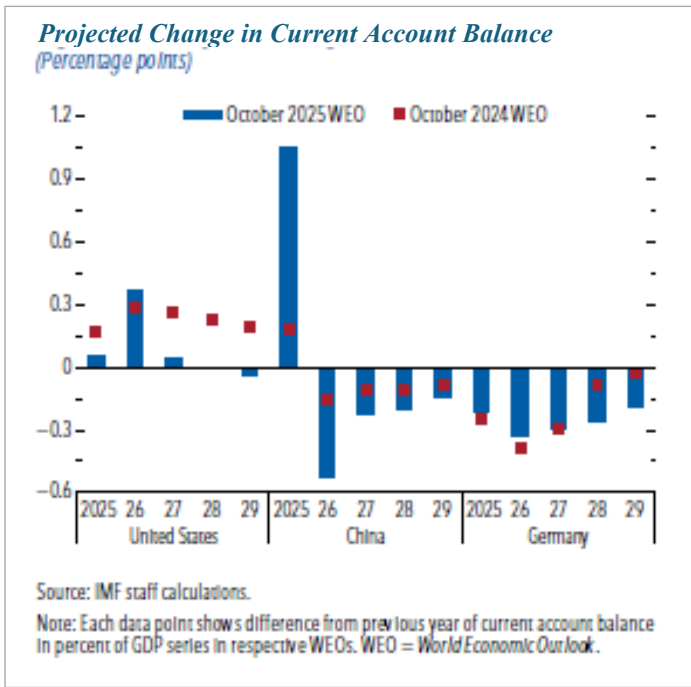
This combination of a sharper growth slowdown and a slower pace in disinflation in the United States contrasts with the less sharp growth slowdown and muted inflation in China. Elsewhere, in most cases, a pickup in growth is no longer expected or is projected to be much weaker, while inflation is still expected to decline at about the same pace as before. This is broadly in line with what would be anticipated from the introduction of higher US tariffs, with small deviations in the inflation outlook attributable to idiosyncratic offsetting factors.

World trade is expected to decline modestly over the five-year forecast horizon. Compared with the April 2025 WEO, world trade volume is expected to grow faster in 2025 but more slowly in 2026. This reflects the front-loading patterns observed. Trade volume growth at an average rate of 2.9 percent in 2025–26, even with the temporary boost from front-loading in 2025, is lower than projected in the October 2024 WEO, which envisioned an average growth rate of 3.3 percent.

Global current account imbalances in 2025 are expected to exceed those in the October 2024 WEO and to narrow thereafter. Among the three largest contributors to the overall balance (China, Germany, United States), pre-emptive trade ahead of prospective tariffs widens the US deficit and the surplus for China, before unwinding as pull-forward behaviour dissipates.

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The narrowing of global imbalances works through three main channels. The first is trade policy shifts. In the United States, the rise in import costs and greater uncertainty dampen investment, softening import demand. At the same time, tariffs on intermediate inputs act as a tax on US manufacturers, raising production costs for exports of final products and US products that compete against imports—leaving the net effects on the current account ambiguous.

Further, even as higher tariff receipts are likely to lift public savings, decreasing private savings are likely to offset this increase. Overall, the impact on the current account of this channel is likely to be limited, consistent with both model-based and empirical analysis (2025 *External Sector Report*).

Second, exchange rate movements are an additional channel of external adjustment. Higher unilateral tariffs would normally be associated with a stronger currency for the tariffing country, helping with the absorption of the tariff shock. The recent depreciation of the US dollar, instead, enhances export price competitiveness and restrains import-intensive consumption possibly helping to narrow US external deficits.

A weaker dollar also tends to ease global financial conditions, providing some near-term global demand, but this is likely to be eroded by higher inflation in the United States relative to the rest of the world and the associated adjustment in the real effective exchange rate. Last but not least, fiscal changes have accompanied trade developments. China and Germany have recently announced and expanded spending measures to boost domestic demand, which will lower net savings and reduce external surpluses. In the United States, the OBBBA is expected to widen the fiscal deficit over the medium term relative to projections in previous WEO reports, despite back-loaded spending cuts and sizable tariff receipts. This weighs on public saving and so tends to widen the current account deficit—or at least temper any narrowing from other channels.

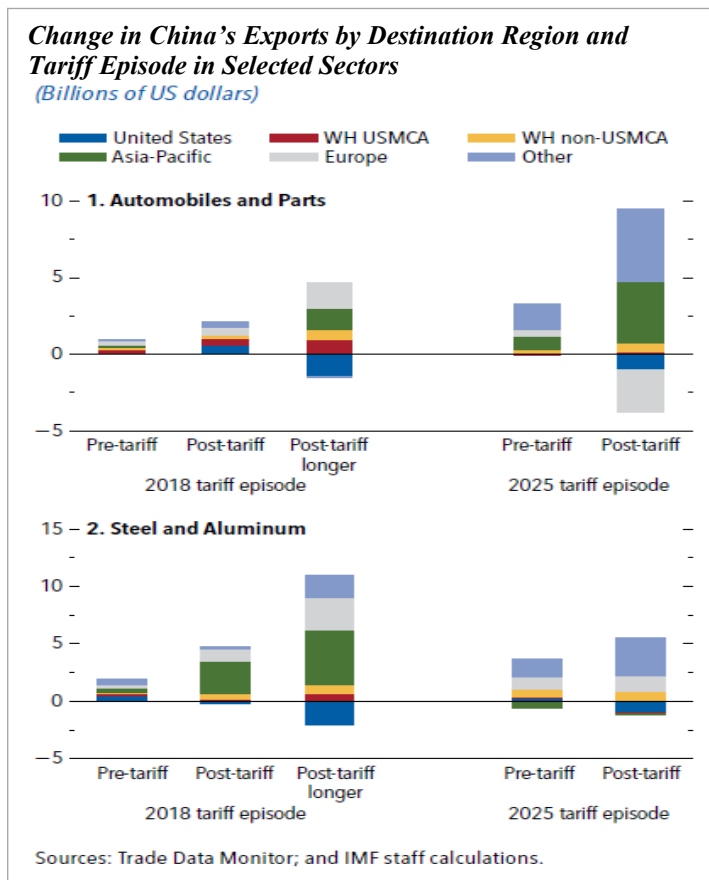
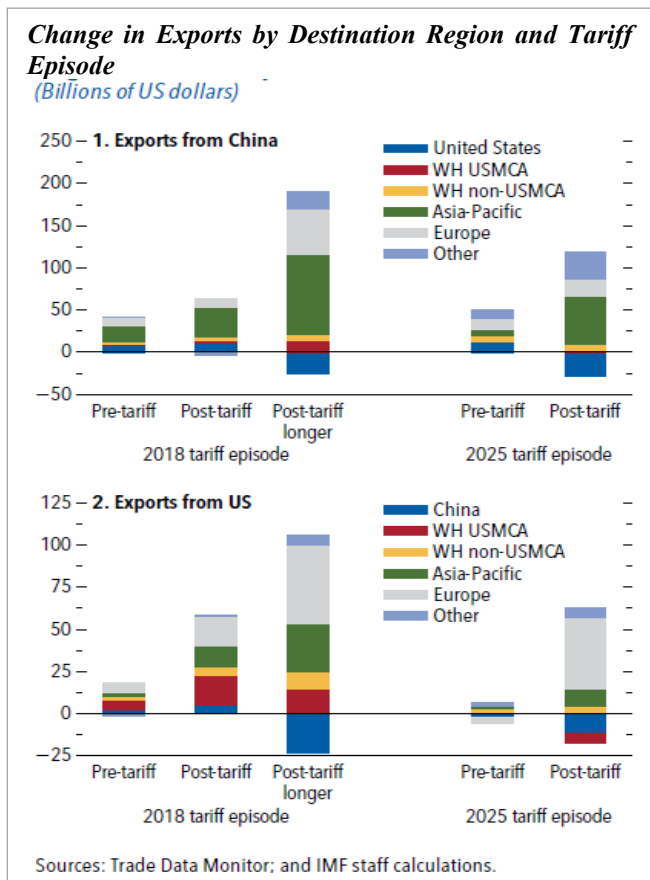
**Trade Reallocation in Response to Tariffs: Will This Time Be Different?**

The shift in US trade policy in 2025 differs notably from the changes during 2018–19. For instance, whereas the previous round of tariff increases was directed primarily at a single trading partner—China—the current period is characterized by broader-based tariff hikes affecting a wider range of countries, alongside a marked rise in trade policy uncertainty. This raises an important question: Has the distinct nature of the 2025 tariff shock led to different patterns of adjustment in bilateral trade between the United States and China, both with each other and with third-party countries, relative to the aftermath of 2018–19 tariff hikes? This box sheds some preliminary light on this question based on bilateral monthly trade flow data.

There is ample evidence of changes in international trade, foreign direct investment, and global value chains in response to the tariff increases of 2018–19 and the rise in trade tensions (see, for example, Fajgelbaum and others 2024; Freund and others 2024; Gopinath and others 2025; Graziano and others 2024). The bilateral US-China decoupling was accompanied by increased trade and investment ties with third countries. China’s exports to the United States fell by about 6 percent within two years. This was accompanied by a steady increase in exports to China’s substitutes (based on the degree of substitutability between that country’s products and Chinese varieties) and less of an increase in China’s complements.

Preliminary trade data for 2025 (marked in dashed lines) reveal early signs of further decoupling between the United States and China, both with each other and with third-party countries, relative to the aftermath of 2018–19 tariff hikes? This box sheds some preliminary light on this question based on bilateral monthly trade flow data.

Looking at the trade patterns through a geographic lens rather than through structural similarities between different countries reveals some of the underlying differences between the two tariff episodes so far. In 2018–19, Asian and USMCA (U.S.-Mexico-Canada Agreement) countries—many of which fall into the China’s substitutes category—absorbed China’s falling exports to the United States. Meanwhile, falling US exports to China were accompanied by increases in other destinations, such as the European Union, together with stable exports to Canada and Mexico.



Early signals from the latest trade data point to potentially faster trade shifts this time. For example, Chinese exports to third-country markets—especially in Asia and Europe—increased more in February–April 2025 than in February–April 2018. At the same time, Canada and Mexico have accounted for a small share of China’s change in exports since February 2025 and have made a negative contribution to US export growth, in contrast to 2018–19. High tariffs on non-USMCA-compliant products and on steel and aluminium content on a value-added basis, combined with further tightening and enforcement of rules of origin, may be partially responsible, along with other factors.

It is too soon to assess the magnitude of a longer-term reallocation—which in 2018–19 picked up speed only after about 12 months. The extent of shifts may be different this time because threats of higher tariffs on exports to the United States have affected most countries since January 2025—unlike the China-specific changes to the US trade policy in the 2018 episode—and overall policy uncertainty is high, complicating firms’ reallocation decisions. In addition, further actions are being taken to reduce reallocation, including tighter rules of origin, customs enforcement of transshipment, duties applied on value-added content, and extended screening procedures for foreign direct investment.

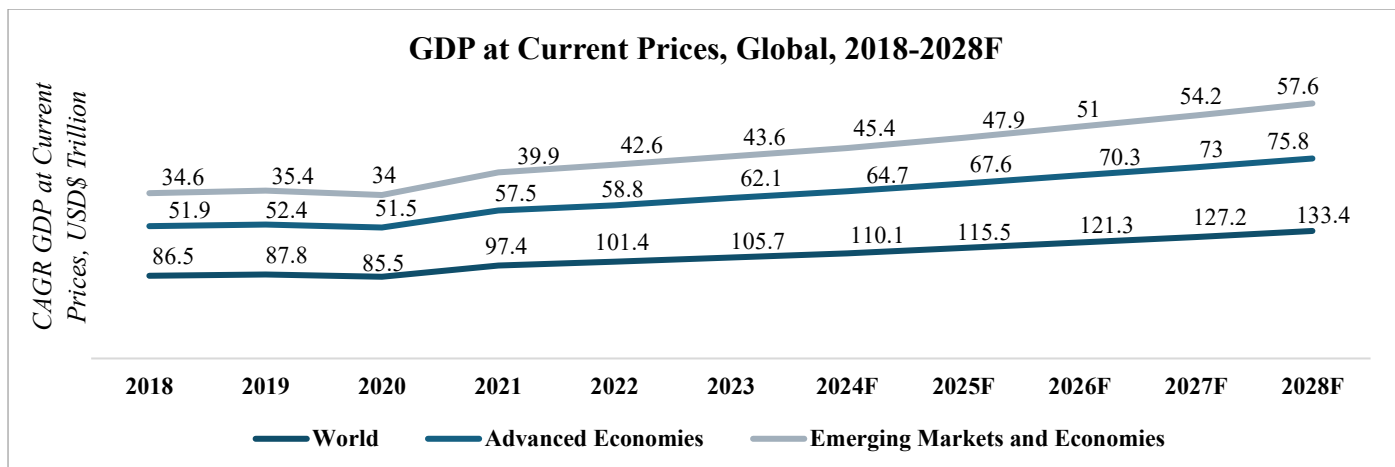
Such shifts observed in gross trade data can also be induced by other factors, many of which are unrelated to trade policy, including broader changes in the countries’ competitiveness. At the aggregate level, the observed increase in Chinese exports to third countries is also not necessarily for the same products whose exports to the United States dropped. In addition, movements in exchange rates and relative prices may affect the degree of reallocation in real terms. This preliminary analysis is, hence, illustrative, and will require further analysis to isolate the role of different factors once sufficient data become available. The pace and geography of reallocation will also depend on frictions, including policy choices by third countries.

Model simulations of long-term reallocation (Rotunno and Ruta 2025) suggest that, once uncertainty is resolved, China’s exports to non-US markets could increase by 4–6 percent in the baseline, with the extent and direction of diversion depending crucially on the distribution of tariffs and third-country policies.

While similar caveats apply to trends observed at the sectoral level, early evidence suggests that trade flows are already being redirected to Asia in several important sectors targeted by tariff increases, including automobiles and parts, and to Europe in steel

and aluminium. In addition, there is some evidence that changes in third countries' imports from China in a given sector, including to Asia, are correlated with the change in their exports in the same sector to other regions, including the United States and Europe.

This may suggest that trade diversion to other markets is larger than what is captured in gross trade data and could be consistent with either trade reallocation, trade rerouting, or a combination of the two.



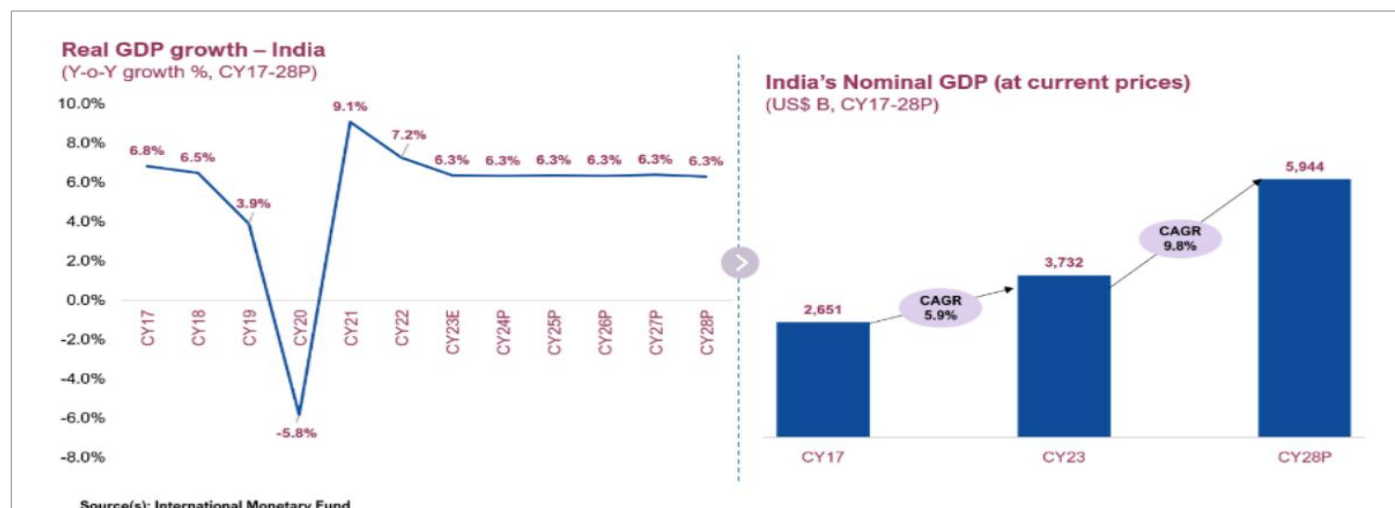
(Source: World Economic Outlook-October 2025)

## INDIA MACROECONOMIC

### OVERVIEW

India's GDP was at US\$ 3,732b In CY23 and is estimated to reach US\$ 5,944b in CY28, growing at a CAGR of 9.8% from CY23 To CY28

India is the fifth largest economy in CY23 and is expected to be the third largest by CY30. India's GDP (at current prices) grew from US\$ 2,651B to US\$ 3,732B between CY17 and CY23. The increase can be attributed to the robust reforms like GST, corporate tax revision, revised FDI limit, and growth across sectors. The real GDP growth is expected to reach 5.9% Y-o-Y growth in CY23, and eventually stabilize and maintain a growth rate of 6% till CY28.

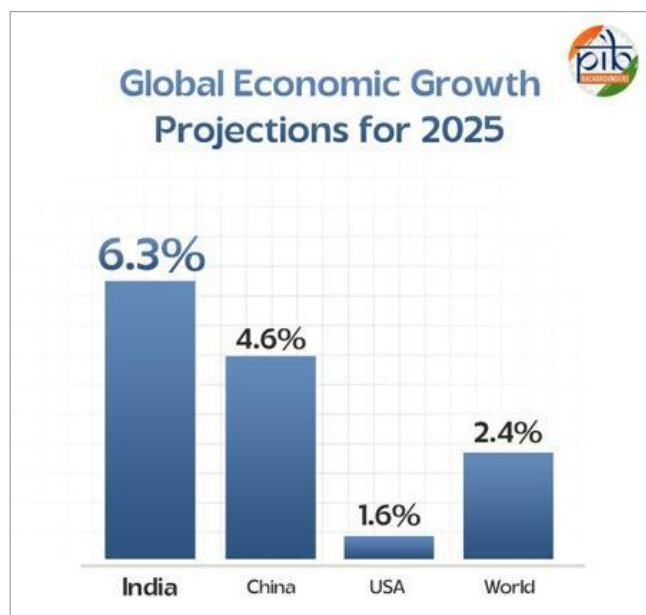


Over the next 10-15 years, India is anticipated to be among the top economies of the world on the back of rising demand, robust growth in various manufacturing and infrastructure sectors, and an increase in private consumption. India's manufacturing sector is on a robust growth trajectory, with output surging to its highest levels in nearly three years, with the Manufacturing Purchasing Managers' Index reaching an impressive 58.6 in August CY23. Key economic indicators such as steel production, cement production, and vehicle sales continue to show strong growth, indicating positive momentum in the manufacturing sector.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>)

### Robust GDP Growth

India's growth story continues to draw global attention, backed by strong fundamentals and consistent performance. Real GDP, which measures the economy's output after removing the effects of inflation, expanded by 6.5 per cent in 2024–25. The Reserve Bank of India expects this pace to continue into 2025–26. Other projections echo this optimism, with the United Nations forecasting growth of 6.3 per cent this year and 6.4 per cent next year, while the Confederation of Indian Industry places its estimate slightly higher at 6.40 to 6.70 per cent.



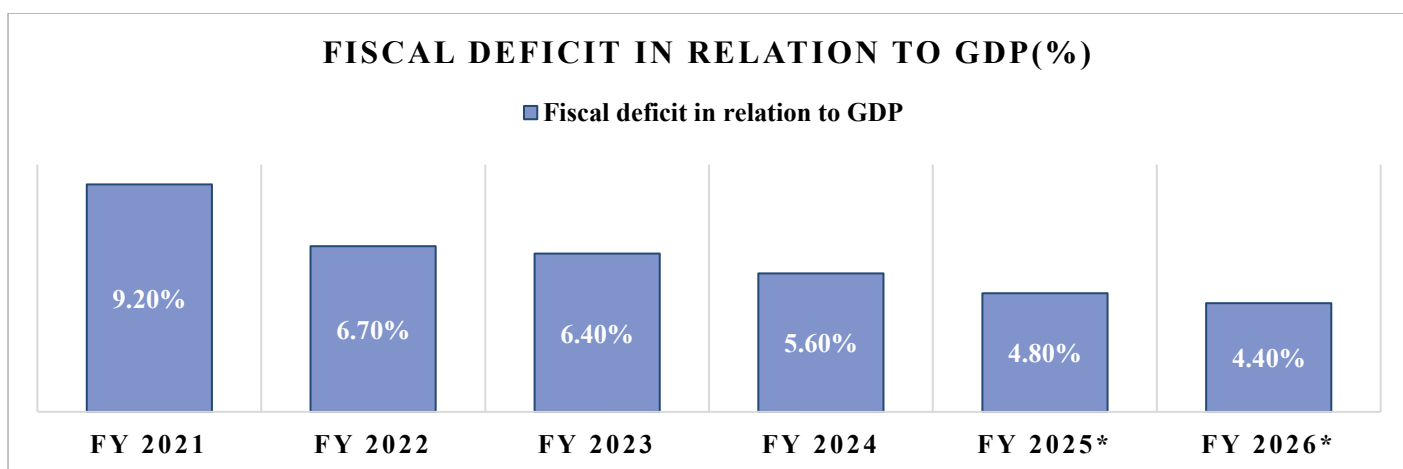
This sustained performance is being driven by strong domestic demand. Rural consumption has picked up, city spending is rising, and private investment is on the upswing. Businesses are expanding capacity, with many operating near their maximum output levels. At the same time, public investment remains high, especially in infrastructure, while stable borrowing conditions are helping firms and consumers make forward-looking decisions.

Global conditions, by contrast, remain fragile. The United Nations has described the world economy as being in a “precarious moment,” citing trade tensions, policy uncertainties, and declining cross-border investments. Amid this, India continues to stand out as a bright spot, with global institutions and industry bodies expressing confidence in its growth prospects.

Over the past decade, India's economic size has expanded sharply. In 2014–15, the GDP at current prices was ₹106.57 lakh crore. This figure is expected to rise to ₹331.03 lakh crore in 2024–25, nearly tripling in ten years. In the past year alone, nominal GDP increased by 9.9 per cent, while real GDP rose by 6.5 per cent, underscoring the economy's continued resilience and vigour.

(Source: [Press Note Details: Press Information Bureau](#))

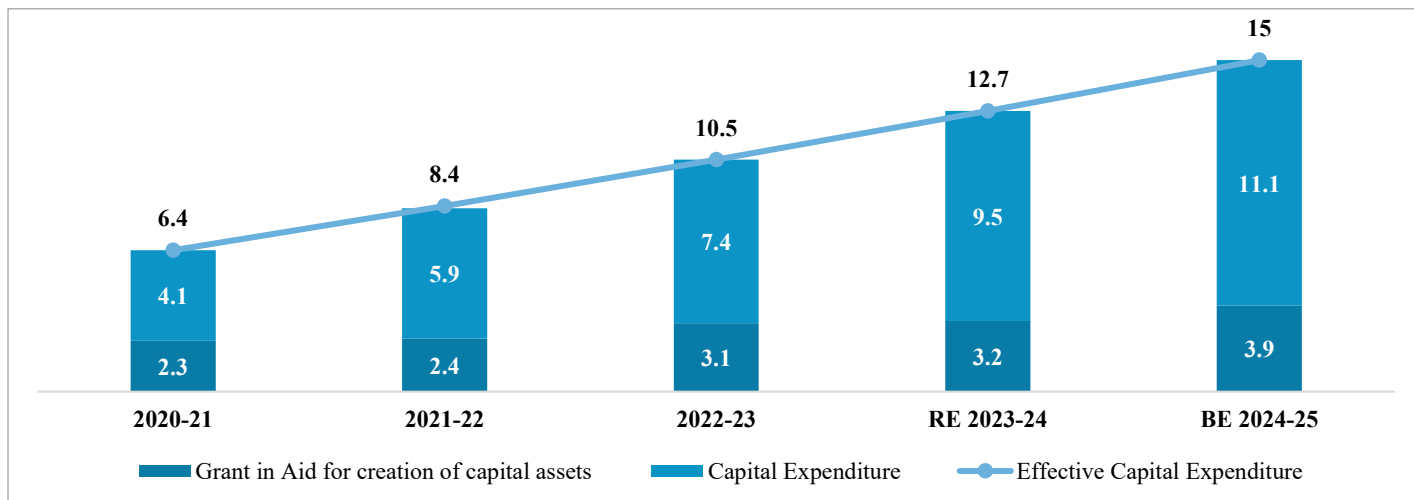
India's economy in 2025 is poised for substantial growth, supported by strategic policy reforms, strong domestic demand, and increasing foreign investment. The Union Budget 2025-26, presented by Finance Minister Nirmala Sitharaman, introduced significant reforms, including a new Income Tax Bill aimed at simplifying compliance and providing relief to middle-class taxpayers. Additionally, the budget focused on boosting manufacturing, consumption, and the startup ecosystem, with enhanced credit access for MSMEs and incentives for innovation. Economic growth projections remain optimistic, with the International Monetary Fund (IMF) forecasting a 6.5% GDP growth rate for both 2025 and 2026, while the United Nations expects a 6.6% expansion. Deloitte estimates growth between 6.5% and 6.8%, driven by rising domestic demand and increased government spending. Meanwhile, India's retail inflation eased to a five-month low of 4.31% in January 2025, primarily due to declining food prices, potentially allowing the Reserve Bank of India (RBI) to implement rate cuts to further stimulate the economy. Corporate performance in the December quarter showed mixed results. A sample of 3,400 companies reported an aggregate revenue increase of 6.9%, while net profit grew by 12.6% year-on-year. Sectors such as banking, finance, IT, healthcare, and real estate witnessed positive earnings growth, whereas the automobile, cement, consumer goods, and oil and gas industries experienced declines. India is also taking significant steps in energy and international trade. The government is pushing for nuclear energy expansion by amending liability laws to attract private and foreign investment, with long-term plans to scale up nuclear power production. On the global stage, Prime Minister Narendra Modi recently met with U.S. President Donald Trump to discuss strengthening military and trade ties, including potential defence deals and efforts to double bilateral trade to \$500 billion by 2030.



(Source: [India: gross fiscal deficit in relation to GDP 2014-2024 | Statista](#))

Despite these positive developments, Indian stock markets have faced recent downturns due to high valuations, modest corporate earnings, and global trade uncertainties. Both the Nifty 50 and BSE Sensex indices experienced declines, and market analysts project a cautious outlook for the near future. Nonetheless, India's overall economic trajectory remains strong, with continued policy support and structural reforms expected to sustain growth momentum in the coming years.

### TREND IN CAPITAL EXPENDITURE



(Source: <https://www.financialexpress.com/policy/economy-indias-capex-sees-sharp-boost-budget-estimates-at-15-for-fy25-3539513>)

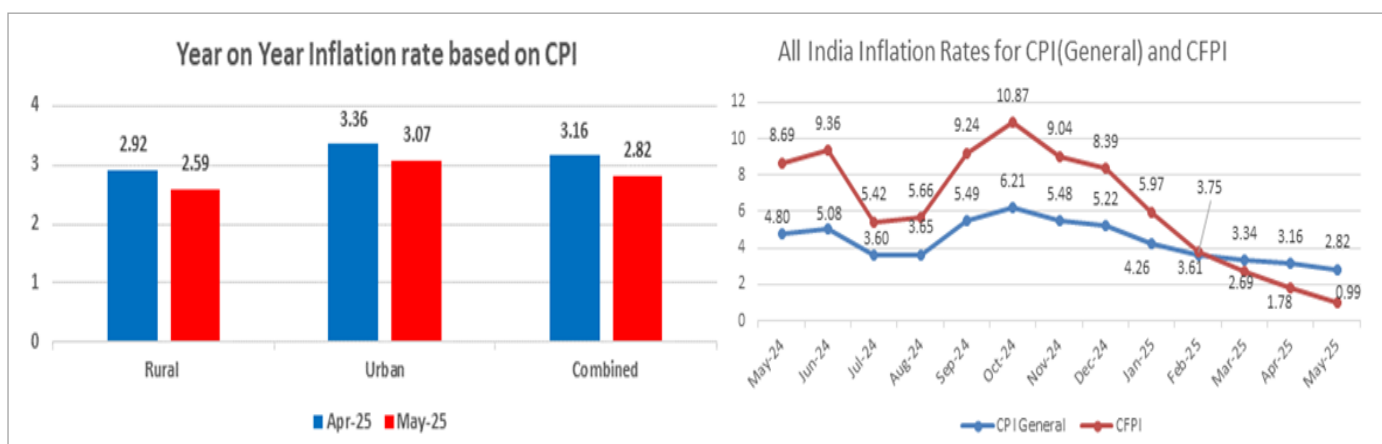
These figures indicate a consistent increase in capital expenditure relative to GDP, reflecting the government's focus on infrastructure development and economic growth.

Additionally, the Financial Express reports that the government's capital expenditure has seen a significant boost, with the budget allocation for FY25 around Rs 15 lakh crore, approximately 3.4% of GDP.

### Inflation Under Control

Inflation in India has eased sharply, offering relief to both households and businesses. In May 2025, the year-on-year inflation rate based on the Consumer Price Index (CPI) stood at 2.82 per cent. This marks the lowest level since February 2019. It also reflects a drop of 34 basis points from the previous month.

Food prices, which often have a big impact on overall inflation, have also cooled. The Consumer Food Price Index (CFPI) recorded an inflation rate of just 0.99 per cent in May 2025. This is the lowest food inflation seen since October 2021. Rural and urban food inflation were almost identical, at 0.95 per cent and 0.96 per cent, respectively. Compared to April 2025, food inflation declined by 79 basis points, showing a clear downward trend in essential items like vegetables and grains.

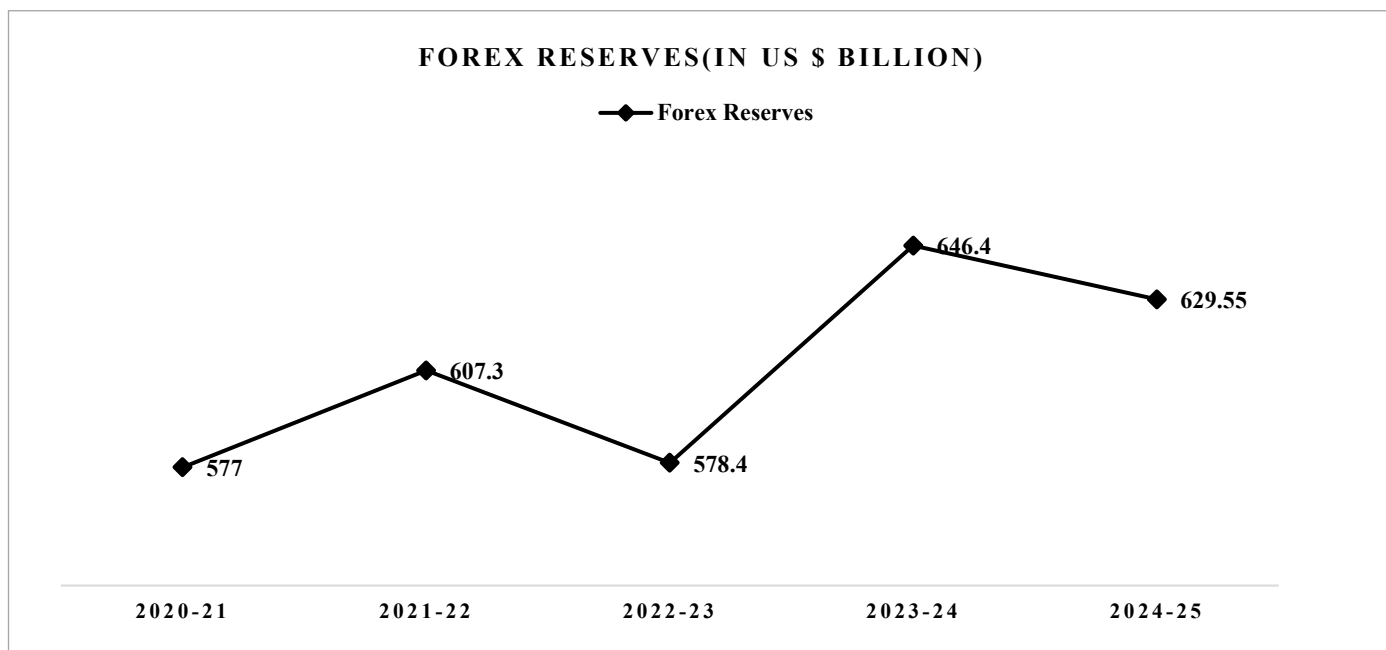


According to the Reserve Bank of India's Financial Stability Report released in June 2025, the outlook for inflation remains favourable. Food prices are expected to stay stable due to robust crop production. On the global front, the risk of imported inflation appears low for now. A slowdown in global demand is likely to keep prices of crude oil and other commodities in check. However, recent tensions in the Middle East have added some uncertainty to this picture.

Overall, the Reserve Bank believes that inflation will stay aligned with its medium-term target of 4 per cent. In fact, it may even fall slightly below that level in the coming months. This easing trend gives confidence that the current price stability is not temporary, but part of a broader pattern of economic stability.

(Source: [Press Note Details: Press Information Bureau](#))

Forex reserves as of the end of March 2024 were sufficient to cover 11 months of projected imports. The Survey underscores that the Indian Rupee has also been one of the least volatile currencies among its emerging market peers in FY24. India’s external debt vulnerability indicators also continued to be benign. External debt as a ratio to GDP stood at a low level of 18.7 per cent as of end-March 2024.



The ratio of foreign exchange reserves to total debt stood at 97.4 per cent as of March 2024 as per the Economic Survey 2023- 24. The Direct Benefit Transfer (DBT) scheme and Jan Dhan Yojana-Aadhaar-Mobile trinity have been boosters of fiscal efficiency and minimization of leakages, with ₹36.9 lakh crore having been transferred via DBT since its inception in 2013.

The Survey underscores that the Indian Rupee has also been one of the least volatile currencies among its emerging market peers in FY24. India’s external debt vulnerability indicators also continued to be benign. External debt as a ratio to GDP stood at a low level of 18.7 per cent as of end-March 2024. The ratio of foreign exchange reserves to total debt stood at 97.4 per cent as of March 2024 as per the Economic Survey 2023- 24.

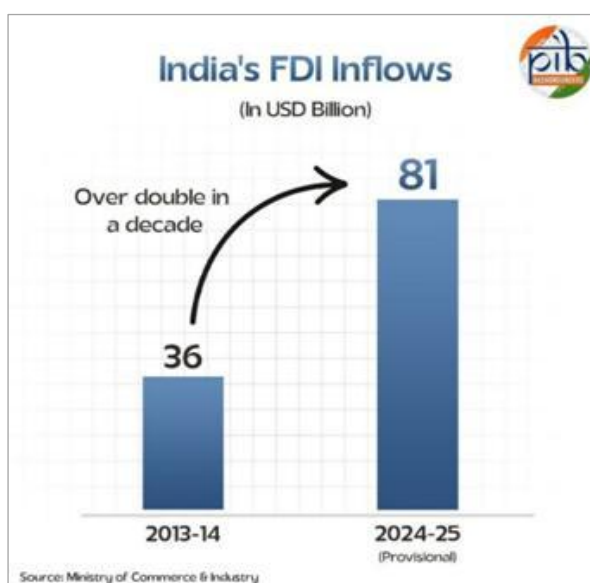
(Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=2034973#:~:text=India's%20real%20GDP%20is%20projected.pre%2DCOVID%2C%20FY20%20levels.>)

**Foreign Direct Investment**

India continues to be a top choice for global investors. The country has an investor-friendly FDI policy, allowing 100 per cent foreign ownership in most sectors through the automatic route. As a result, FDI inflows rose to a USD 81.04 billion (provisional) in FY 2024–25, marking a 14 per cent increase from USD 71.28 billion in FY 2023–24. This is more than double the USD 36.05 billion received in FY 2013–14, showing long-term progress.

The services sector led the inflow of equity investments, attracting 19 per cent of total FDI in FY 2024–25. This was followed by computer software and hardware at 16 per cent, and trading at 8 per cent. FDI into the services sector grew by 40.77 per cent, reaching USD 9.35 billion, compared to USD 6.64 billion the previous year. In the manufacturing segment, FDI grew by 18 per cent, from USD 16.12 billion in FY 2023–24 to USD 19.04 billion in FY 2024–25.

(Source: [Press Note Details: Press Information Bureau](#))



## Road ahead for the Indian Economy

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and High-Frequency Indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of FY24 highlighted the unwavering support the government gave to its capital expenditure, which, in FY24, stood 37.4% higher than the same period last year. In the Union Budget of 2024-25, capital expenditure took lead by steeply increasing the capital expenditure outlay by 17.1 % to Rs. 11 lakh crore (US\$ 133.51 billion) over Rs. 9.48 lakh crore (US\$ 113.91 billion) in 2023-24. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

The outlook for 2025 depends on how effectively India addresses its economic challenges.

Key priorities include:

- **Boosting Consumption:** Wage growth, employment initiatives, and targeted welfare programs are essential to reviving domestic demand.
- **Encouraging Private Investment:** Streamlined policies, reduced tariffs, and greater ease of doing business can attract both domestic and foreign investors.
- **Expanding Global Trade:** Lowering trade barriers and enhancing export competitiveness are crucial to capturing a larger share of global markets.
- **Sustaining Reforms:** Addressing inefficiencies in the informal sector, agriculture, and traditional industries will ensure more balanced growth.
- **Monetary Policy Adjustments:** While rate cuts may provide short-term relief, they must be complemented by structural measures to stimulate demand and investment.

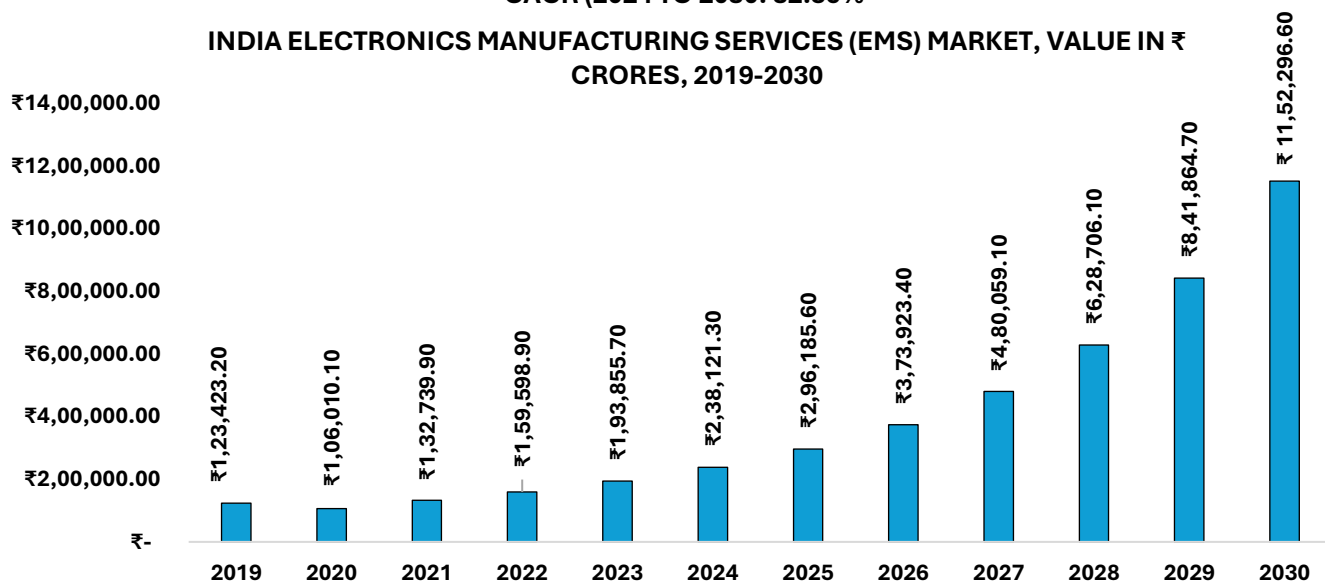
(Source: <https://www.ibef.org/economy/indian-economy-overview> & <https://www.angelone.in/news/indian-economy-2025-outlook-challenges-opportunities?msocid=338bd1eb19bb6b1e3662c470186e6a52>)

## ELECTRONIC SYSTEM DESIGN & MANUFACTURING INDUSTRY

The Electronics System Design & Manufacturing (ESDM) industry includes electronic hardware products and components relating to information technology (IT), office automation, telecom, consumer electronics, aviation, aerospace, defence, solar photovoltaic, nano-electronics and medical electronics. The industry also includes design-related activities such as product designing, chip designing, Very Large-Scale Integration (VLSI), board designing and embedded systems. The India electronics manufacturing services market was valued at ₹238,121.3 crores in 2024 and is expected to reach ₹11,52,296.6 crores in 2030, registering a CAGR of 31.22% for the forecast period.

**CAGR (2024 TO 2030): 32.86%**

### INDIA ELECTRONICS MANUFACTURING SERVICES (EMS) MARKET, VALUE IN ₹ CRORES, 2019-2030



India's electronics manufacturing services sector is witnessing a surge in investments, driven by robust growth, strong government backing, and a pivotal role in the global supply chain reshuffle. This upward trajectory is fueled by rising domestic demand and India's strategic moves to seize global manufacturing prospects.

## MARKET SEGMENTATION

### *By Service Offering*

As the industry shifts from basic assembly to premium services, margin expansion beckons. Printed Circuit Board (PCB) assembly is on an upward trajectory, while Electronics Design & Engineering capitalizes Box-Build/System on India's burgeoning Engineering Research & Development (ER&D) market.

### *By Business Model*

Contract and turnkey models reign supreme, buoyed by government-backed initiatives like the Production Linked Incentive (PLI) scheme and the global pivot to "China Plus One" supply chain strategy. This shift has spurred Original Equipment Manufacturers (OEMs), especially in consumer electronics, automotive, and telecom, to ramp up outsourcing. Noteworthy trends spotlight a move towards premium models for enhanced margins and a pronounced emphasis on sustainability.

### *By Manufacturing Process*

Surface-Mount Technology (SMT) takes the lead, riding the wave of miniaturization. Yet, through-hole technology carves its niche in specialized applications. As the industry embraces 4.0 automation, it is bolstering the electronics manufacturing services (EMS) market's ascent. Through-Hole Assembly, while traditionally slower and pricier than SMT, finds its forte in high-reliability sectors like industrial and aerospace, driven by hybrid tech demands in automotive and defence.

### *By End-Use Industry*

High-value segments like medical engineering, aerospace & defence, and IT hardware are driving exceptional growth in the sector, presenting substantial opportunities for EMS providers with the right capabilities and certifications.

### *By Geographic Distribution*

The South region leads in exports, the West emerges as the semiconductor capital, the North offers market access, and the East serves as a hub for strategic diversification, showcasing the competitive advantages of regional specialization.

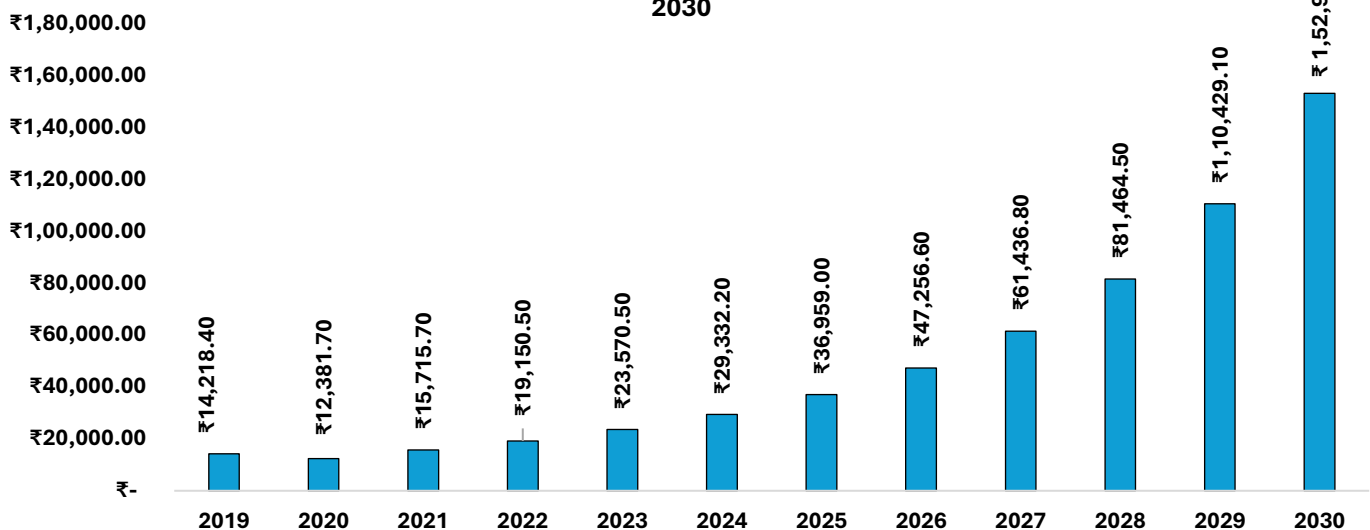
## BY SERVICE OFFERING

### *Electronic Design & Engineering Services*

Electronic design and engineering services form the foundational stage of the Electronics Manufacturing Services (EMS) value chain, involving schematic design, PCB layout, embedded software development, and product engineering. These services enable Original Equipment Manufacturers (OEMs) to convert product concepts into manufacturable electronic designs while optimizing performance, cost, and compliance. EMS providers increasingly support OEMs in engineering and product design to enhance operational efficiency and allow OEMs to focus on core R&D activities.

**CAGR (2024 TO 2030): 32.86%**

**INDIA ELECTRONICS MANUFACTURING SERVICES (EMS) MARKET, VALUE IN ₹ CRORES, BY SERVICE OFFERING, ELECTRONICS DESIGN AND ENGINEERING, 2019-2030**



(Source: Mordor Intelligence- India Electronics Manufacturing Services (EMS) Market 2025-2030)

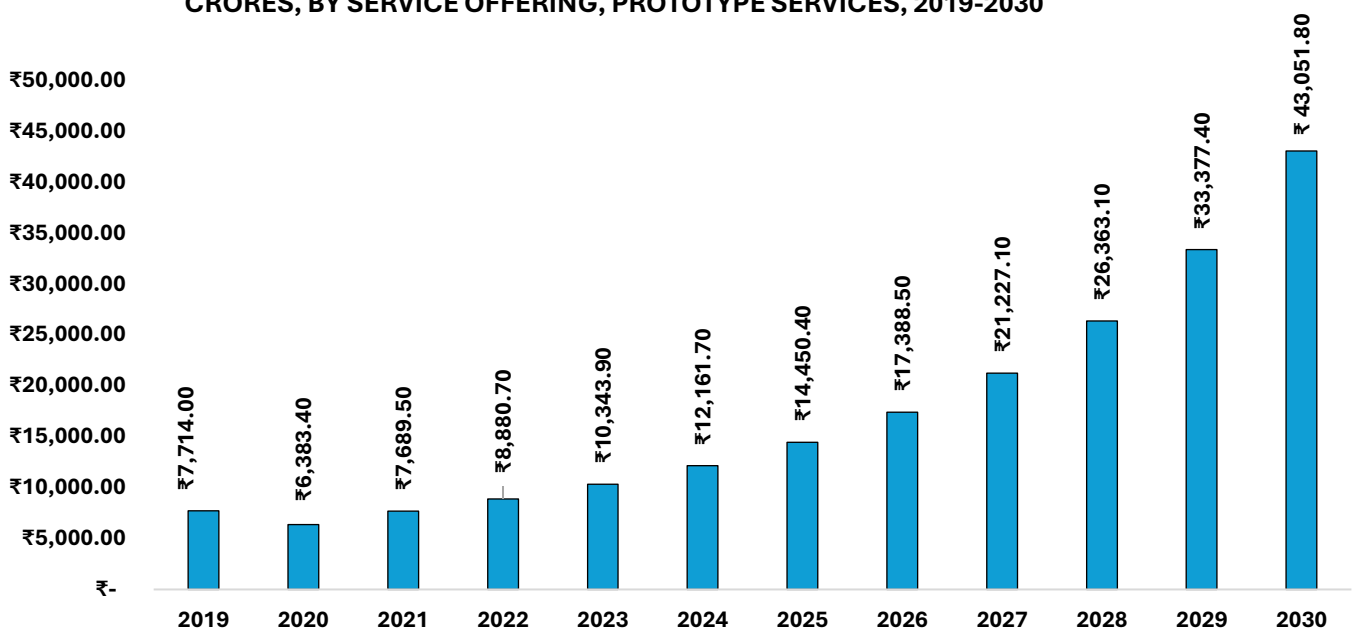
With India’s growing Engineering Research & Development (ER &D) ecosystem, the segment is witnessing rising demand, particularly in high-complexity sectors such as automotive electronics, industrial, IoT, and medical devices. By FY26, India’s electronics sector targets INR 2,564,736 crore in manufacturing and INR 1,025,894 crore in exports, driven by R&D, AI, and automation. Electronics Design and Engineering (EDE) in electronics manufacturing services (EMS) is shifting from assembly to high-value product design, with firms like Dixon Technologies, Sanmina, and Foxconn enhancing the value chain.

India’s ESDM and EMS sectors are evolving into design-led global leaders, driven by PLI schemes, semiconductor initiatives, and EDD innovation. With strategic collaborations, a skilled workforce, and technological advancements in AI, 5G, IoT, and EVs, India is strengthening exports, creating millions of jobs, and enhancing supply chain resilience by FY26.

**Prototype Services**

Prototype services involve the rapid development of initial product samples for validation, testing, and design verification prior to mass production. These services help OEMs reduce time-to-market, identify design flaws early, and optimize manufacturability. The EMS ecosystem is increasingly moving toward value-added offerings such as prototyping and co-design, enabling firms to cover up the value chain.

**CAGR (2024 TO 2030): 24.40%**  
**INDIA ELECTRONICS MANUFACTURING SERVICES (EMS) MARKET, VALUE IN ₹ CRORES, BY SERVICE OFFERING, PROTOTYPE SERVICES, 2019-2030**



(Source: Mordor Intelligence- India Electronics Manufacturing Services (EMS) Market 2025-2030)

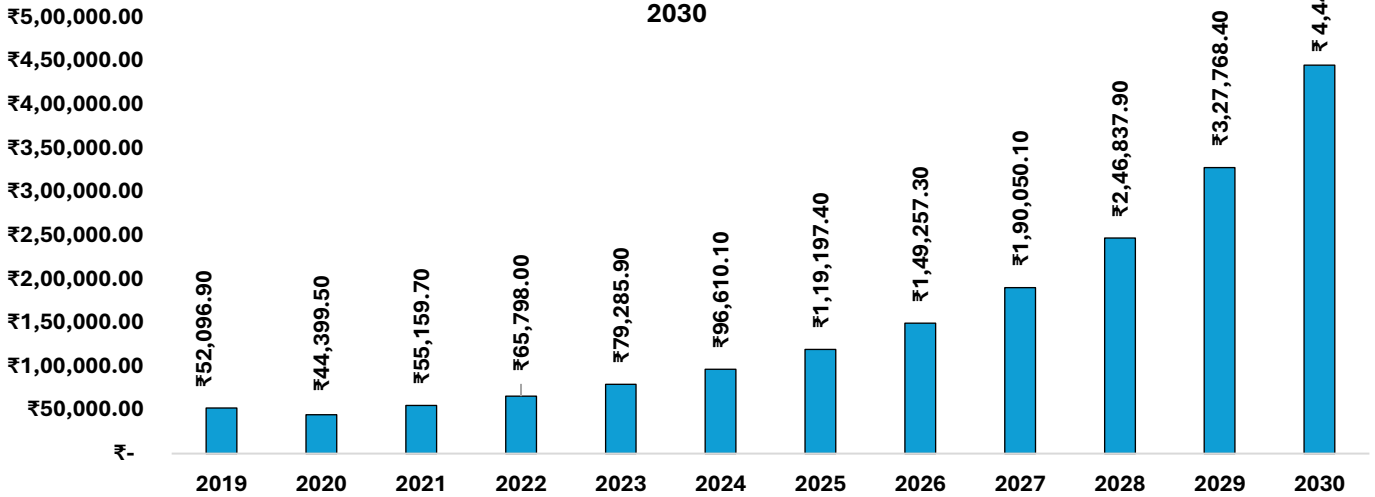
In India, the growth of medical device parks and R&D hubs is further strengthening prototype capabilities by providing shared infrastructure such as cleanrooms and testing labs, thereby lowering entry barriers for SMEs and startups. Prototype Services are transforming the EMS sector into a hub of innovation, enabling efficient and cost-effective design validation while driving growth across multiple industries. With key players such as Dixon, Foxconn, and Tata Electronics leading these efforts, India is poised to establish itself as a global leader in prototyping by 2026.

**Printing Circuit Board (PCB) Assembly**

PCB assembly represents the largest service segment in the Indian EMS market. This segment accounted for significant market value in 2024 and is projected to grow strongly through 2030. This service involves mounting electronic components onto PCBs using automated processes such as SMT and through-hole technology. The strong growth is driven by rising electronics consumption, localization initiatives, and increasing demand from sectors such as telecom, automotive, and consumer electronics. PCB assembly remains the core revenue generator for most EMS companies due to its scalability and recurring demand.

CAGR (2024 TO 2030): 30.13%

**INDIA ELECTRONICS MANUFACTURING SERVICES (EMS) MARKET, VALUE IN ₹ CRORES, BY SERVICE OFFERING, PRINTING CIRCUIT BOARD (PCB) ASSEMBLY, 2019-2030**



(Source: Mordor Intelligence- India Electronics Manufacturing Services (EMS) Market 2025-2030)

Increasing complexity in smartphone and automotive technologies is driving demand for advanced PCBs. For example, Foxconn’s PCBA for Apple’s smartphones supports high-performance electronics, contributing to EMS scalability and mobile exports, projected at INR 1,82,448 crore by FY25. Initiatives like ‘Make in India’ and Production Linked Incentive (PLI) schemes are attracting global players such as Foxconn and Jabil, reducing India’s 92% reliance on imported bare PCBs and boosting local PCBA production.

**Box Build/System Integration**

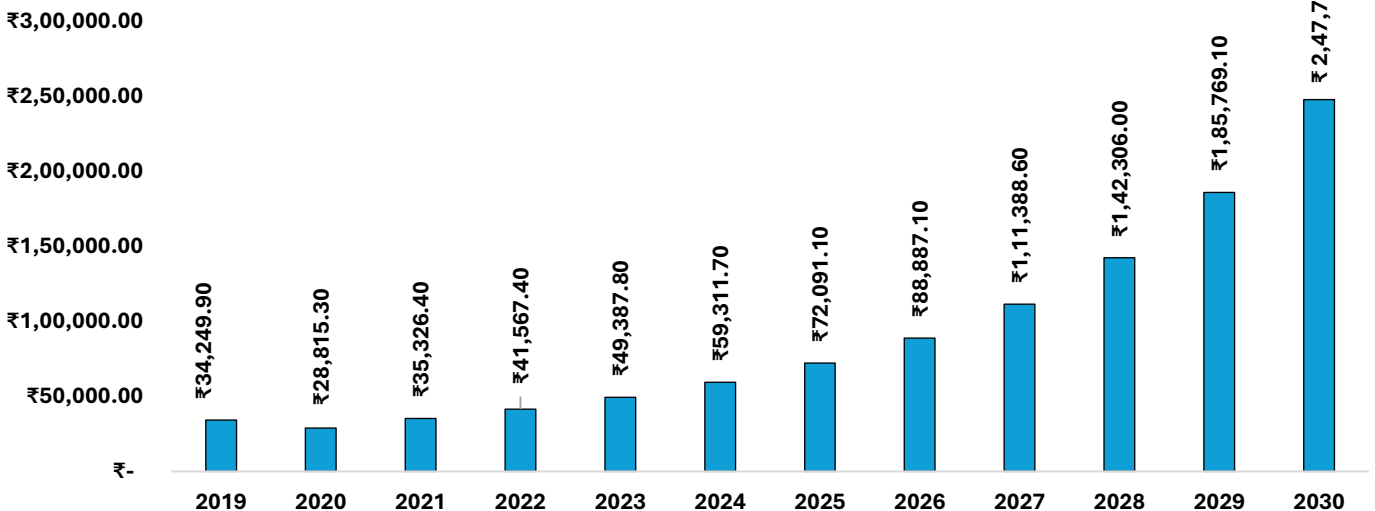
Box-build (also called system integration) refers to the complete assembly of the finished electronic product, including:

- PCB integration
- Mechanical enclosure assembly
- Cable harnessing
- Firmware loading
- Final product configuration

The study highlights that box-build services command premium pricing and are increasingly targeted by leading EMS firms to improve margins.

CAGR (2024 TO 2030): 28.00%

**INDIA ELECTRONICS MANUFACTURING SERVICES (EMS) MARKET, VALUE IN ₹ CRORES, BY SERVICE OFFERING, BOX-BUILD/SYSTEM INTEGRATION, 2019-2030**



(Source: Mordor Intelligence- India Electronics Manufacturing Services (EMS) Market 2025-2030)

As OEMs prefer single-vendor responsibility models, demand for end-to-end system integration is rising, particularly in aerospace, industrial automation, and medical electronics. Global manufacturers are shifting production from China to India, supported by "Make in India" and Production Linked Incentive (PLI) schemes offering subsidies and incentives. High-growth sectors like cell phones, consumer electronics, and automotive drive demand for box-build services, while Indian EMS providers target medical devices, aerospace, and defence. Box-build requires significant investments in engineering, supply chain, quality assurance, testing, and compliance.

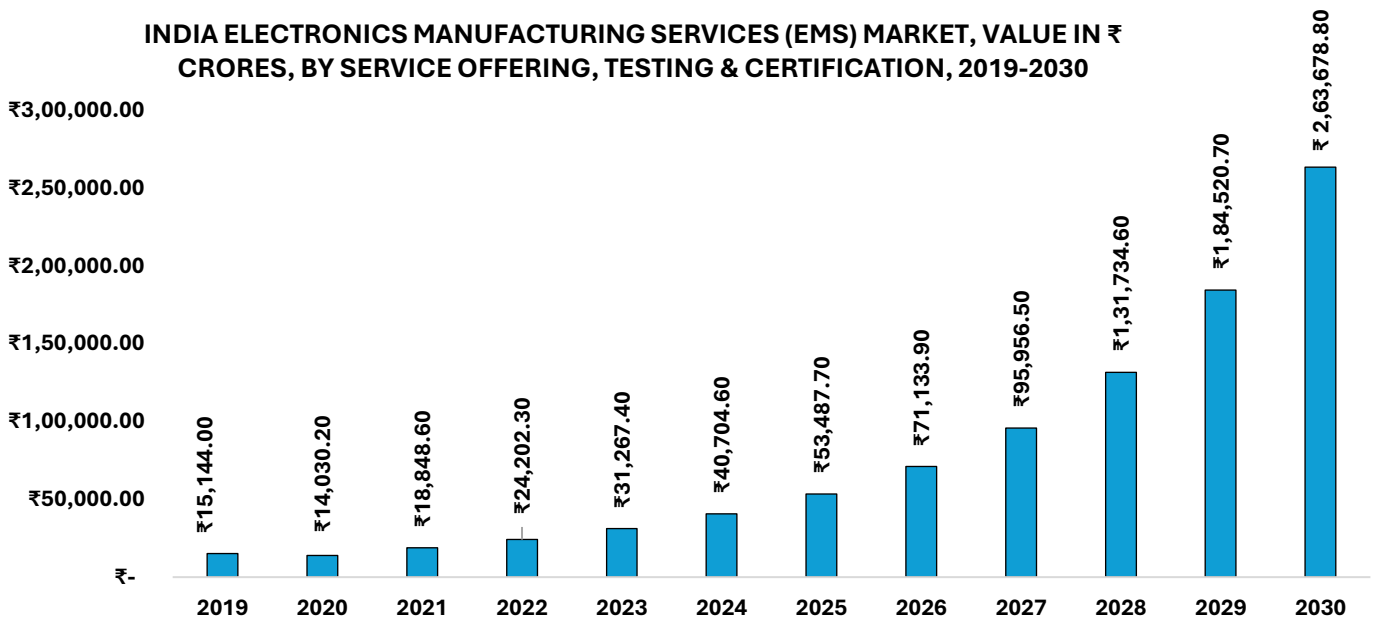
**Testing and Certification**

Testing and certification services ensure that electronic products meet functional, safety, regulatory, and reliability standards before market deployment. These include:

- Functional testing
- Environmental and stress testing
- Regulatory compliance (CE, UL, medical, defence standards)
- Quality assurance and validation

**CAGR (2024 TO 2030): 37.58%**

**INDIA ELECTRONICS MANUFACTURING SERVICES (EMS) MARKET, VALUE IN ₹ CRORES, BY SERVICE OFFERING, TESTING & CERTIFICATION, 2019-2030**



(Source: Mordor Intelligence- India Electronics Manufacturing Services (EMS) Market 2025-2030)

EMS providers emphasize high quality standards across sectors such as medical, aerospace, and telecom. With increasing regulatory complexity and product sophistication, testing has become a critical differentiator and a high-margin service area.

Key drivers of EMS T&C Market Growth

- Comprehensive Testing: The Standardization Testing and Quality Certification (STQC) Directorate operates electronics regional test laboratories (ERTLs) and electronics test and development centers (ETDCs) for government-backed testing, reliability checks, and calibration.
- Regulatory Mandates: Bureau of Indian Standards (BIS) mandates testing at recognized labs and product registration, with sector-specific requirements in automotive, medical, and energy, driving T&C demand.
- Market and Consumer Needs: Mandatory compliance, export demands, and rising consumer safety expectations fuel T&C growth in electronics and EMS sectors.
- Digital Innovation: AI, IoT, remote audits, and blockchain enhance T&C efficiency, enabling faster and smarter compliance for EMS providers.
- Integrated Services: EMS companies provide lifecycle support with advanced T&C, including EMC, safety, and regulatory consultancy, reducing compliance risks and speeding up time-to-market.

- **Government Support:** Initiatives like 'Make in India,' Food Safety and Standards Authority of India (FSSAI), and Bureau of Energy Efficiency (BEE) promote certified manufacturing in electronics and electromechanical sectors.
- **Outsourcing Growth:** EMS players increasingly outsource specialized T&C services, such as EMC and safety testing, to serve global OEMs effectively.

T&C services drive India's EMS market by ensuring global compliance and quality. Supported by STQC, BIS, and digital tools, T&C enhances innovation, exports, and market access, positioning India as a global electronics hub by 2026.

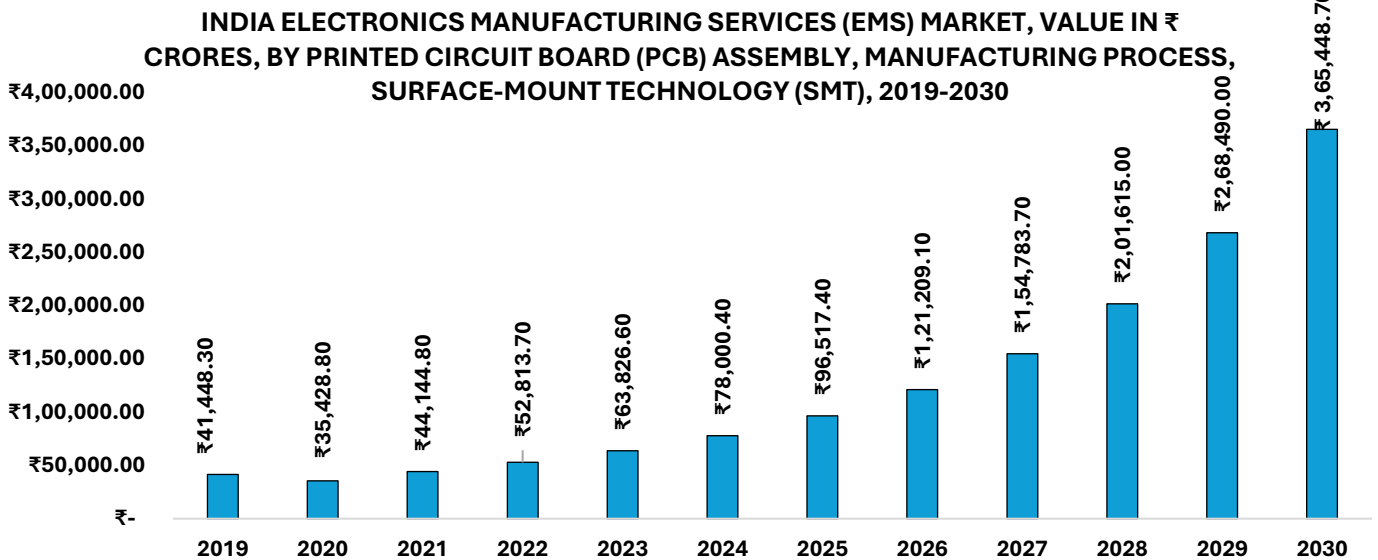
**BY MANUFACTURING PROCESS**

**Surface-Mount Technology**

SMT is the dominant and fastest-growing manufacturing process in the Indian EMS market, driven by miniaturization trends and high-volume electronics production. The report notes that the SMT segment is expected to grow rapidly through 2030. In SMT, components are mounted directly onto the surface of PCBs using automated pick-and-place machines, enabling:

- Higher component density
- Faster production
- Lower manufacturing costs
- Better suitability for compact devices

**CAGR (2024 TO 2030): 37.58%**



(Source: Mordor Intelligence- India Electronics Manufacturing Services (EMS) Market 2025-2030)

SMT adoption is accelerating across smartphones, wearables, automotive electronics, and telecom equipment. As the dominant method for PCB assembly, SMT facilitates miniaturization, high component density, and streamlined production processes, addressing the needs of industries such as consumer electronics, automotive, telecommunications, and healthcare.

The Indian SMT market is witnessing significant growth, driven by increasing demand for miniaturized electronics, government initiatives like "Make in India," and the expansion of key sectors, including automotive and telecom. EMS providers are adopting advanced technologies, such as artificial intelligence (AI) and machine learning (ML), to enhance automation capabilities and meet the growing demand for high-volume, efficient SMT assembly services.

These technological advancements, combined with supportive government policies, position the SMT segment as a critical driver of the EMS ecosystem, fostering innovation and strengthening India's domestic electronics manufacturing capabilities. The growth of the automotive sector, particularly in electric vehicles, along with advancements in Internet of Things (IoT), 5G technology, and industrial automation, is significantly boosting the demand for SMT capabilities.

Indian EMS companies are concentrating on enhancing operational efficiency through automation and are making significant investments in advanced SMT equipment to maintain competitiveness. Indian EMS companies are concentrating on enhancing operational efficiency through automation and are making significant investments in advanced SMT equipment to maintain

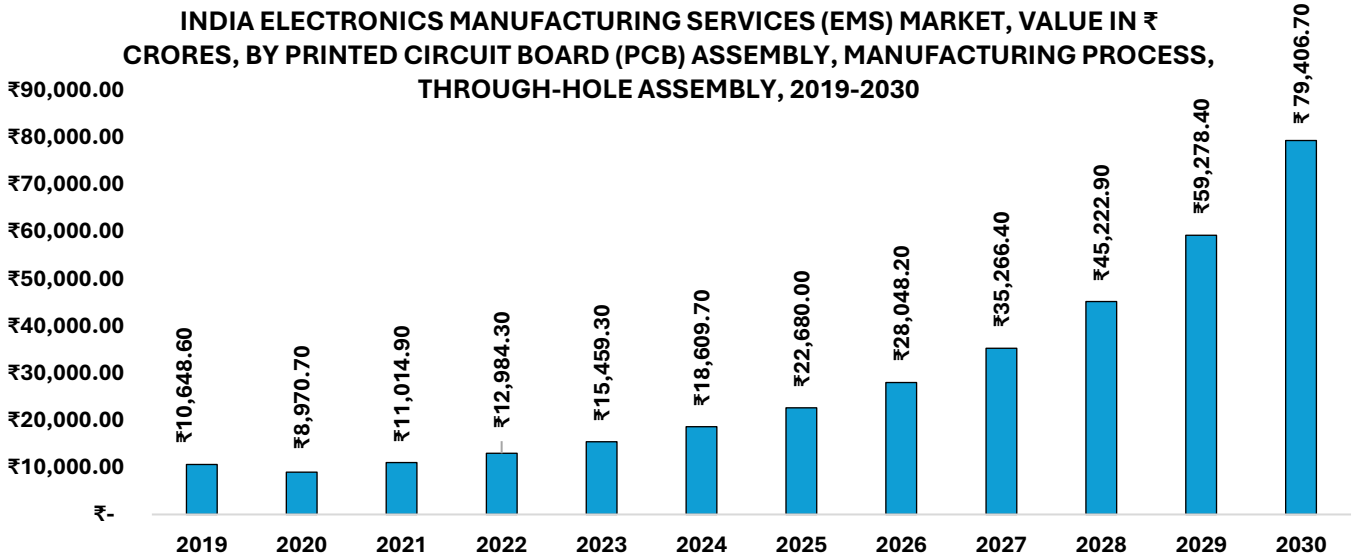
competitiveness. Skill gaps are being addressed through targeted training programs, while high equipment costs are being managed through leasing arrangements and modular equipment options.

**Through-Hole Assembly**

Through-hole assembly involves inserting component leads into drilled PCB holes and soldering them on the opposite side. Although slower and more expensive than SMT, the report highlights its continued relevance in high-reliability applications such as aerospace, defence, and industrial equipment. This process offers:

- Strong mechanical bonding
- Higher durability under stress
- Better suitability for power components

**CAGR (2024 TO 2030): 28.48%**



(Source: Mordor Intelligence- India Electronics Manufacturing Services (EMS) Market 2025-2030)

Through-Hole Technology (THT) assembly involves inserting component leads into drilled Printed Circuit Board (PCB) holes and soldering them, ensuring strong mechanical support for high-power and high-stress uses. In India, THT is crucial for sectors prioritizing reliability over miniaturization, with hybrid THT Surface Mount Technology (SMT) techniques like selective soldering in Electric Vehicle (EV) boards improving cost-efficiency.

Automation advancements, such as wave/reflow hybrids, and a focus on low-volume high-mix (LVHM) production in defence, are driving THT adoption. The Through-Hole Assembly market in India, part of the electronics manufacturing services (EMS) sector, is vital for applications needing strength, reliability, and longevity.

While SMT dominates consumer electronics, Through-Hole Technology (THT) is key in industries like industrial automation, automotive, aerospace, defence, and power electronics, where components face stress and harsh conditions. THT is used for larger components like connectors and capacitors, essential for mechanical stability and high-power handling.

Indian manufacturers offer manual and automated THT services, ensuring reliability for demanding applications. Mixed-technology assembly, combining Surface Mount Technology (SMT) and THT, is a strength of Indian Printed Circuit Board (PCB) assembly services, enabling diverse component integration on single boards.

EMS providers in India address durability demands for products like connectors, relays, transformers, and large capacitors through manual and automated THT services. THT is often combined with SMT in mixed-technology assemblies, allowing manufacturers to optimize size, cost, and reliability based on end-user requirements.

Advanced wave soldering, automated testing, and stringent quality assurance procedures adopted by Indian EMS manufacturers ensure high-reliability THT assemblies that meet international standards in sectors like automotive, medical, and industrial electronics.

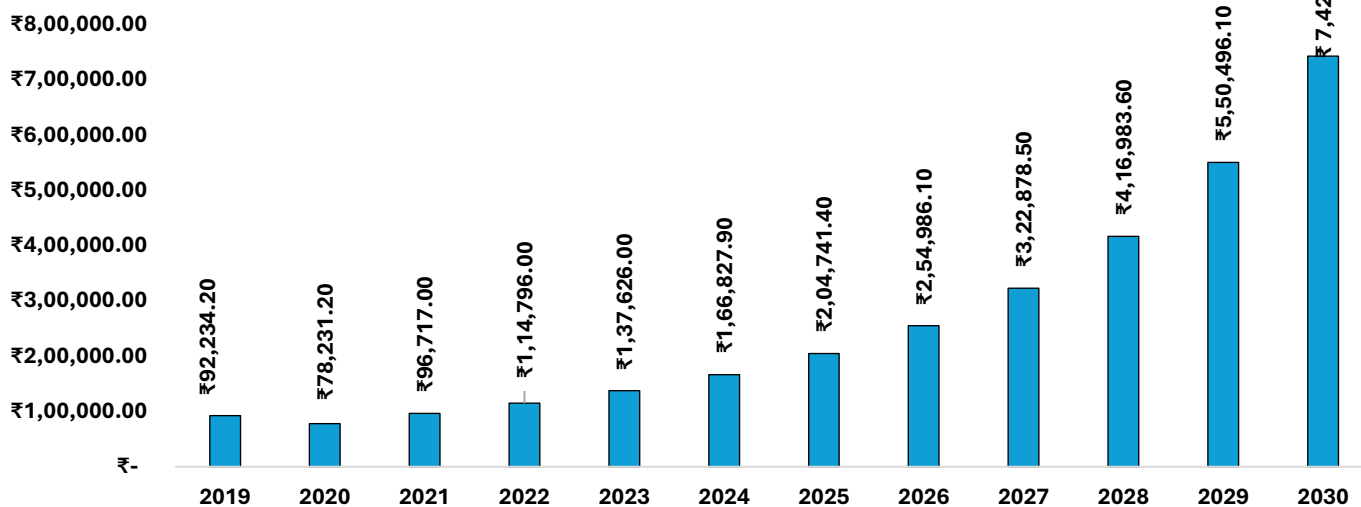
**BY BUSINESS MODEL**

**Contract Manufacturing**

Contract manufacturing, a key pillar of the India electronics manufacturing services market, outsources tasks like Printed Circuit Board Assembly (PCBA), box-build, and testing to third party providers, offering cost efficiency and scalability for OEMs. Its popularity over in-house or other EMS segments stems from reduced capital needs and specialized expertise, enabling advanced services like Original Design Manufacturing (ODM) within the Electronics System Design and Manufacturing (ESDM) ecosystem.

**CAGR (2024 TO 2030): 29.40%**

**INDIA ELECTRONICS MANUFACTURING SERVICES (EMS) MARKET, VALUE IN ₹ CRORES, BY BUSINESS MODEL, CONTRACT MANUFACTURING, 2019-2030**



(Source: Mordor Intelligence- India Electronics Manufacturing Services (EMS) Market 2025-2030)

Key Drivers of EMS Contract Manufacturing Growth

- Advanced Services: Xiaomi has enhanced its smart TV offerings by incorporating integrated PCBA and testing services, facilitated through Dixon Technologies' ODM capabilities.
- Government Support: Bharat FIH, utilizing the Production Linked Incentive (PLI) scheme, propels mobile exports to INR 1,82,448 crore in FY25, by partnering with Nokia on 5G smartphones, while PLI schemes aim to curtail PCB import dependence.
- Global Shifts: Apple's pivot to India is underscored by Foxconn's iPhone production in Tamil Nadu, solidifying the nation's manufacturing stature.
- Sector Diversity: While Sanmina's Chennai unit caters to automotive Electric Vehicle (EV) PCBA, Flextronics in Bengaluru is busy producing Philips appliances.
- Rising Demand: As the world's second-largest mobile phone manufacturer, India's stature bolsters both domestic and export-driven contract manufacturing.

India's EMS market thrives on contract manufacturing, leveraging cost-effective and innovative ODM solutions. With backing from PLI, global supply chain shifts, and surging demand, industry leaders like Dixon and Foxconn are not just driving exports and innovation but are also setting the stage for India to emerge as a premier global electronics hub by 2026.

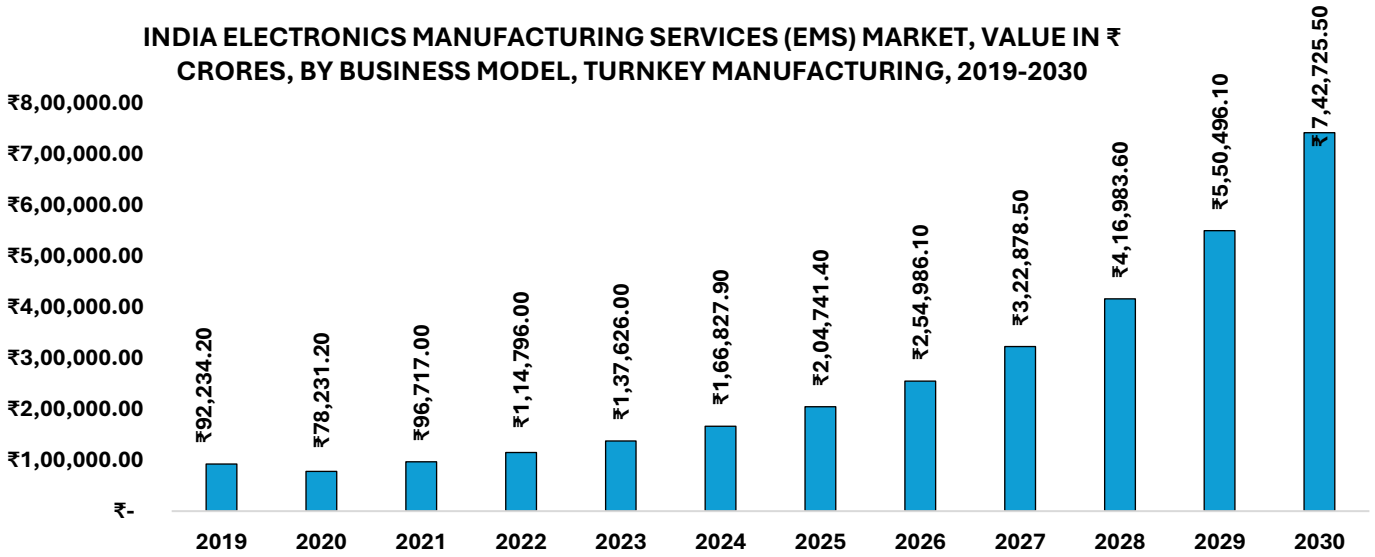
**Turnkey Manufacturing**

Turnkey manufacturing is an end-to-end outsourcing model where the EMS provider handles the entire product lifecycle, including:

- Design support
- Component sourcing
- Manufacturing
- Testing
- Logistics

CAGR (2024 TO 2030): 35.37%

**INDIA ELECTRONICS MANUFACTURING SERVICES (EMS) MARKET, VALUE IN ₹ CRORES, BY BUSINESS MODEL, TURNKEY MANUFACTURING, 2019-2030**



(Source: Mordor Intelligence- India Electronics Manufacturing Services (EMS) Market 2025-2030)

Key highlights include:

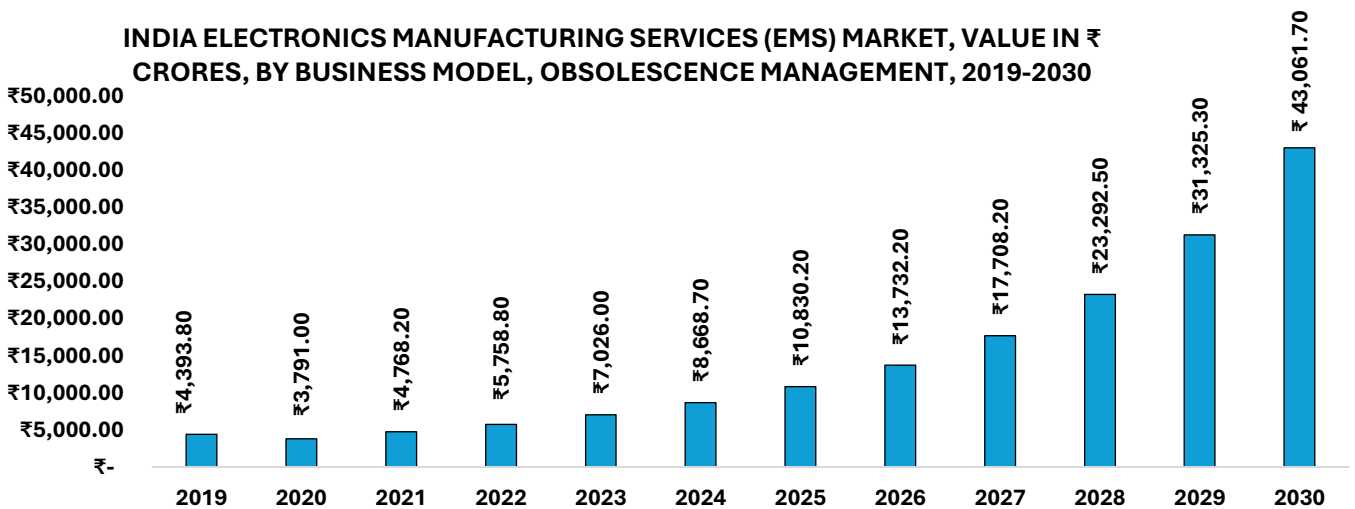
- Turnkey solutions integrate design, sourcing, assembly, testing, logistics, and after-sales support, streamlining operations and reducing time-to-market. The shift from contract manufacturing to integrated EMS improves accountability and supply chain efficiency.
- Turnkey manufacturing is growing in consumer electronics, automotive (including EVs), industrial, and telecom/IoT, with Tier-1 and Tier-2 EMS providers competing globally.
- The turnkey model covers design, development, manufacturing, testing, and delivery, enabling higher margins and stronger customer relationships.
- Comprehensive services allow customers to outsource product programs while retaining control over specifications and market positioning.
- Internet of Things (IoT), 5G, and server hardware companies highlight the advanced capabilities needed for turnkey manufacturing in high-tech sectors.
- Providers must maintain advanced design and development capabilities to meet customer requirements effectively.

**Obsolescence Management**

Obsolescence Management (OM) is a critical strategy in India's electronics manufacturing services (EMS) sector, ensuring systems remain operational when original components are discontinued.

CAGR (2024 TO 2030): 31.79%

**INDIA ELECTRONICS MANUFACTURING SERVICES (EMS) MARKET, VALUE IN ₹ CRORES, BY BUSINESS MODEL, OBSOLESCENCE MANAGEMENT, 2019-2030**



(Source: Mordor Intelligence- India Electronics Manufacturing Services (EMS) Market 2025-2030)

OM manages obsolescence through lifecycle monitoring, sourcing obsolete parts, reverse engineering, redesign, and repair. It is vital for industries like aerospace, defence, medical devices, and telecommunications, where short component lifecycles clash with long system lifespans.

For instance, Indian EMS providers use OM to reverse-engineer and qualify alternative components for legacy systems, ensuring compliance and avoiding costly overhauls. Without OM, discontinued components could disrupt production, cause delays, or lead to regulatory violations. Key benefits of OM include:

- *Extend Product Lifecycles:* OM sources or qualifies alternatives to keep systems operational.
- *Ensures Compliances:* OM aligns systems with evolving regulatory standards.
- *Reduce Costs:* OM minimizes replacement costs through repair and redesign.
- *Support Legacy Systems:* OM ensures parts availability for older systems.

India's EMS sector leads the obsolescence management market, leveraging advanced capabilities like reverse engineering and lifecycle monitoring to support critical systems. As technology evolves and regulatory demands grow, OM's role will expand, positioning India as a global leader in sustainable electronics solutions by 2026.

India's obsolescence management (OM) market is vital to the EMS sector, addressing technological shifts, component phase-outs, and regulatory demands. Key players like Kaynes Technology India Limited, Centum Electronics, Syrma SGS Technology Limited, Avalon Technologies, and Elin Electronics drive innovation through lifecycle forecasting, alternative sourcing, and component redesign.

OM supports industries like defence, aerospace, automotive, and telecommunications by ensuring operational continuity and compliance. Government support, global supply chain shifts, and Artificial Intelligence (AI) tools position India's EMS sector to lead in OM by 2026. Kaynes Technology ensures 5G telecom infrastructure remains operational through alternative sourcing and redesign. Centum Electronics maintains legacy radar and avionics systems via reverse engineering, avoiding costly replacements. Syrma SGS Technology aids startups and Original Equipment Manufacturers (OEMs) in high-mix, low-volume production with inventory optimization and lifecycle forecasting.

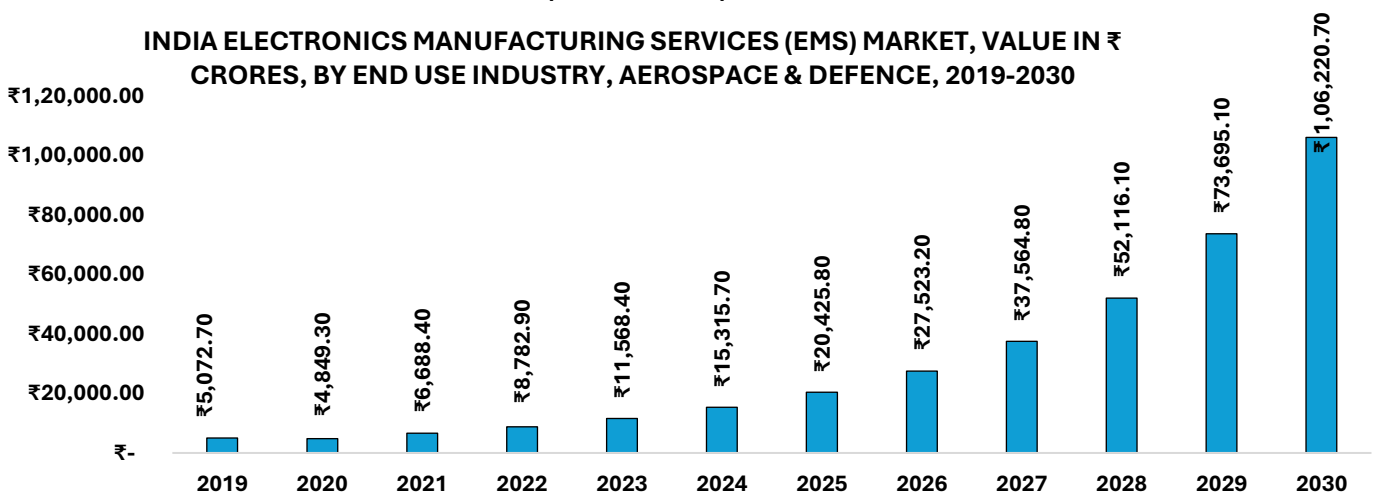
Complex electronics in automotive (EVs), telecommunications (5G/IoT), defence, medical, and industrial automation require long-term support, making obsolescence management vital for compliance, reliability, and competitiveness. Regulations like Restriction of Hazardous Substances (RoHS), Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), and Bureau of Indian Standards (BIS) mandate proactive obsolescence management to maintain market access.

**BY END-USE INDUSTRY**

*Aerospace & Defence*

India's Aerospace and Defence (A&D) sector is undergoing a significant transformation. With the government's strong push towards self-reliance through initiatives like Atmanirbhar Bharat and Make in India, along with steadily increasing defence budgets, the country is aiming to build a robust domestic aerospace and defence manufacturing ecosystem.

**CAGR (2024 TO 2030): 39.06%**



(Source: Mordor Intelligence- India Electronics Manufacturing Services (EMS) Market 2025-2030)

This growing focus on indigenous production and modernization is driving a rising demand for specialized electronics manufacturing services (EMS). EMS providers play a critical role here; they manufacture the complex, high-quality electronic

components that go into defence systems, aircraft avionics, radars, communication networks, and even space technologies. These components must meet the highest standards of reliability and precision because the defence environment is unforgiving and mission-critical.

The Indian government aims to raise aerospace and defence manufacturing revenues to INR 2,00,904 Crore by 2025. With a 2024-25 defence budget of INR 6,32,635 Crore focused on modernization and indigenous capabilities, domestic EMS providers face growing demand to produce defence-grade electronics meeting strict military standards.

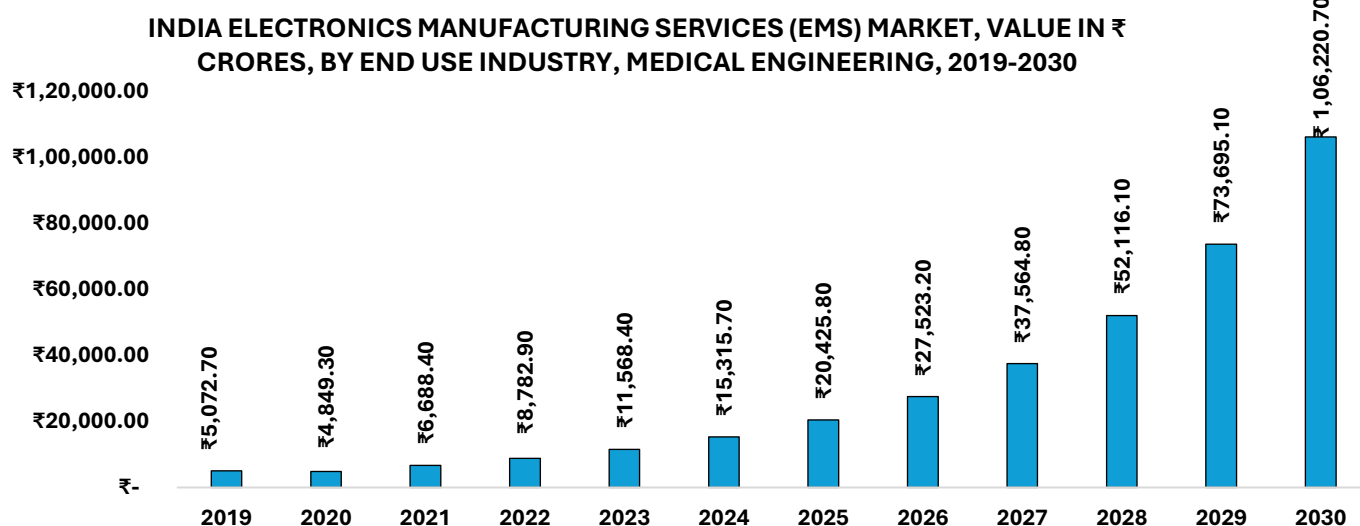
India is rapidly adopting cutting-edge technologies like artificial intelligence, drones, autonomous systems, and robotics in defence applications. These advanced technologies require EMS firms to have capabilities in building sophisticated embedded systems and high-reliability components that can perform under tough conditions.

The increasing complexity of aerospace and defence electronics has highlighted the need for robust EMS capabilities. India's focus on indigenization and modernization has introduced challenges like component availability and lifecycle support, especially for older defence platforms. The EMS market plays a critical role in addressing these issues by providing flexible manufacturing, agile supply chains, and innovative obsolescence management strategies to ensure aerospace and defence systems remain operational and cost-effective throughout their lifecycle.

### Medical Engineering

In India's medical industry, factors such as market growth, import dependency, government incentives, and competitive dynamics are driving the increasing demand for electronics manufacturing services (EMS) providers. These EMS firms specialize in designing, manufacturing, testing, and assembling electronic components for original equipment manufacturers (OEMs). These changes are driven by fast technological progress, global supply chain issues, and a growing local market supported by government programs like the production-linked incentive (PLI) scheme. These changes are driven by fast technological progress, global supply chain issues, and a growing local market supported by government programs like the production-linked incentive (PLI) scheme.

**CAGR (2024 TO 2030): 25.72%**



(Source: Mordor Intelligence- India Electronics Manufacturing Services (EMS) Market 2025-2030)

The goal is to ensure critical medical devices remain functional. In a highly regulated environment, stopping the production of components can risk healthcare services and patient safety. Electronic equipment, encompassing advanced devices like Magnetic Resonance Imaging (MRI) systems and ultrasound machines, commands 56% of India's medical device market. The Medical Electronics System Design and Manufacturing sub-segment is set for a significant surge. This growth is propelled by an aging population, rising chronic diseases, and enhanced access to medical services.

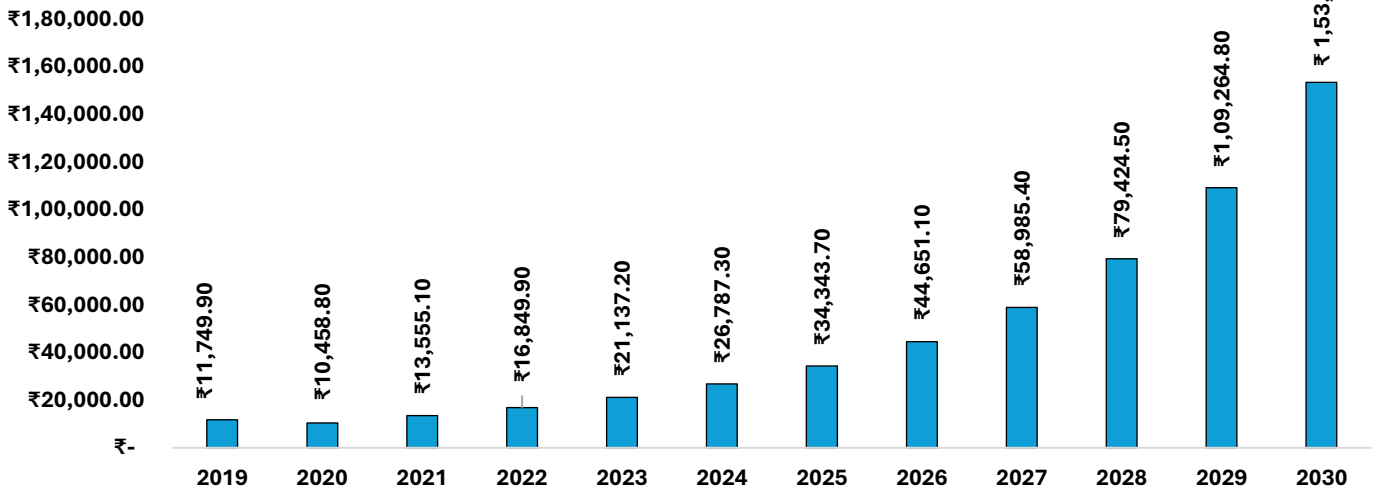
For EMS providers, this translates to a heightened demand for specialized manufacturing in high value electronics. As OEMs ramp up production, they increasingly turn to EMS firms for complex assembly and system integration, seeking cost reductions and faster market entry.

### Industrial & Automation

In the India EMS market, the industrial and automation segment is witnessing rapid growth, fueled by the adoption of Manufacturing 4.0, ongoing digital transformation efforts, and a surge in automation across various industries. This segment includes smart manufacturing systems, industrial control equipment, energy management systems, and automation solutions, all demanding cutting-edge electronics manufacturing expertise.

CAGR (2024 TO 2030): 34.92%

**INDIA ELECTRONICS MANUFACTURING SERVICES (EMS) MARKET, VALUE IN ₹ CRORES, BY END USE INDUSTRY, INDUSTRIAL & AUTOMATION, 2019-2030**



(Source: Mordor Intelligence- India Electronics Manufacturing Services (EMS) Market 2025-2030)

This aspect is crucial in industrial automation, where systems such as programmable logic controllers (PLCs), sensors, human-machine interfaces (HMIs), and robotic controls frequently have lifecycles that exceed 10-15 years, in stark contrast to the swift 3-5 years obsolescence cycles of electronic components. In India, this industrial and automation segment underpins the manufacturing, energy, automotive, and process industries, aligning with initiatives such as “Make in India” and Industry 4.0 to boost productivity and minimize downtime.

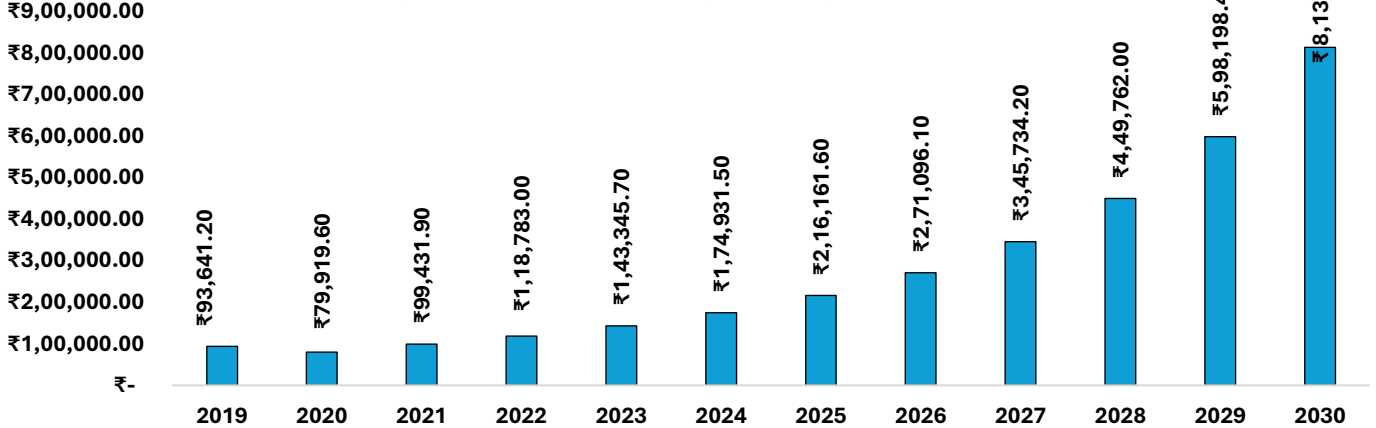
By 2025, with the prohibition on refurbished medical imports extending similar scrutiny to industrial sectors, obsolescence management will place a strong emphasis on proactive indigenization, utilizing EMS for sustainable, localized solutions to avert supply disruptions and ensure adherence to standards such as ISO 9001 and IEC 62402. To stay competitive, EMS providers are turning to predictive analytics and digital tools for proactive management.

**Others**

The "Others" category in the India EMS market spans a wide array of end-use industries, from consumer electronics & appliances and IT hardware to telecommunications, railways, and emerging domains like wearables and Internet of Things (IoT) devices. This diversity underscores the evolving landscape of electronics manufacturing in India. With a target of reaching INR 2,564,736 crore by 2025-26, these segments, bolstered by initiatives like Make in India and PLI schemes, play a pivotal role in India's electronics manufacturing journey.

CAGR (2024 TO 2030): 30.34%

**INDIA ELECTRONICS MANUFACTURING SERVICES (EMS) MARKET, VALUE IN ₹ CRORES, BY END USE INDUSTRY, OTHERS, 2019-2030**



(Source: Mordor Intelligence- India Electronics Manufacturing Services (EMS) Market 2025-2030)

➤ **Consumer Electronics & Appliances Market Dynamics**

Consumer electronics & appliances stand out as a dominant segment within the "Others" category. The electronics sector, valued at INR 1,325,114 crore in Financial Year 2023 (FY23), aims for a ₹ 2,564,736 crore milestone by 2025-26, driven by government efforts to bolster domestic production and curtail imports. Launched in April 2021 with a budget of INR 6,238 crore, the Production Linked Incentive (PLI) scheme for White Goods (like Air Conditioners and LED Lights) has garnered notable investments.

The inaugural round saw 42 companies committing INR 4,614 crore, projecting the creation of approximately 44,000 direct jobs.

#### ➤ *IT Hardware and Computing Equipment Opportunities*

IT Hardware is witnessing robust growth, fueled by digital transformation and surging data center investments. From April 2000 to March 2024, the sector has drawn in cumulative Foreign Direct Investment (FDI) inflows of INR 765,083 crore. Additionally, the government has greenlit investments totaling INR 3,000 crore under its flagship incentives. MeitY's Production Linked Incentive (PLI) Scheme 2.0 for IT Hardware offers incentives ranging from 4% to 2%/1% on net incremental sales for products like laptops, tablets, and servers, spanning a support period of six years. With an average incentive of about 5% for localized items, the scheme aims to bolster domestic manufacturing and present opportunities for electronics manufacturing services (EMS) providers in data center equipment.

#### ➤ *Telecommunications and Networking Equipment Segment*

Telecommunications and networking equipment constitutes a significant segment within the "Others" category, driven by the expansion of broadband and the deployment of 5G. As of July 31, 2025, India recorded 1.22 crore telephone subscribers, with a tele density of 86.16%. India's 5G rollout ranks among the fastest globally, achieving nationwide coverage by October 2024 in just 22 months. In 2025, the country installed over 504,000 5G base stations, with more than 6,400 added in September alone.

Commercial 5G services, launched on October 1, 2022, have expanded rapidly, driving demand for EMS in 5G Fixed Wireless Access (FWA) equipment, routers, and printed circuit board assemblies.

#### ➤ *Railways and Metro Systems Electronics*

Backed by government investments in modernization, railways and metro systems carve out a distinct niche within the "Others" category. In 2024, Indian Railways marked milestones: renewing tracks over 6,450 km, updating 8,550 turnouts, and elevating speeds to 130 kmph across 2,000 km. Electronics play a pivotal role, encompassing signaling, passenger information, train control, and safety-critical systems, all of which mandate compliance with Research Designs and Standards Organization (RDSO) approvals.

#### ➤ *Emerging Segments: Wearables and IoT Devices*

Wearables represented a fast-growing segment, with shipments surpassing 134 million units in Calendar Year 2023 (CY2023), marking 34% year-on-year growth. The Phased Manufacturing Programme (PMP) for Hearables & Wrist Wearables promotes indigenous manufacturing by imposing phased import duties on components, aiming to boost domestic production. Internet of Things (IoT) devices are another emerging area. Older NASSCOM estimates projected India's IoT market to reach INR 128,237 crore by 2020, but current digital economy growth indicates continued expansion. IoT applications span smart cities, industrial automation, and healthcare.

#### ➤ *Technology Convergence and Advanced Applications*

The convergence of AI, edge computing, and IoT is driving the creation of new opportunities. EmbedUR has allocated INR 500 crore in capex/investment for the period 2024-2029, focusing on Artificial Intelligence (AI), edge computing, and IoT applications. The initiative began with an initial investment of INR 100 crore in 2024 to enhance expertise in these areas. In May 2024, Mindgrove Technologies introduced India's first indigenously developed commercial microcontroller, the Secure IoT chip. This innovation is designed to support various applications, including wearables, connected-home devices, smart-city infrastructure, and Electric Vehicle (EV) battery management systems.

## **MARKET DRIVERS**

### ***Government Incentives driving growth***

Key market drivers at the forefront are government incentives, notably the Production Linked Incentive (PLI) schemes. With an incentive outlay of ₹1.97 lakh crores spread over 14 sectors, these incentives have lured investments of ₹1.76 lakh crores. The result is a staggering production value of INR 16.5 lakh crores and the creation of over 12 lakh jobs, both direct and indirect.

### ***India's role in global supply chains***

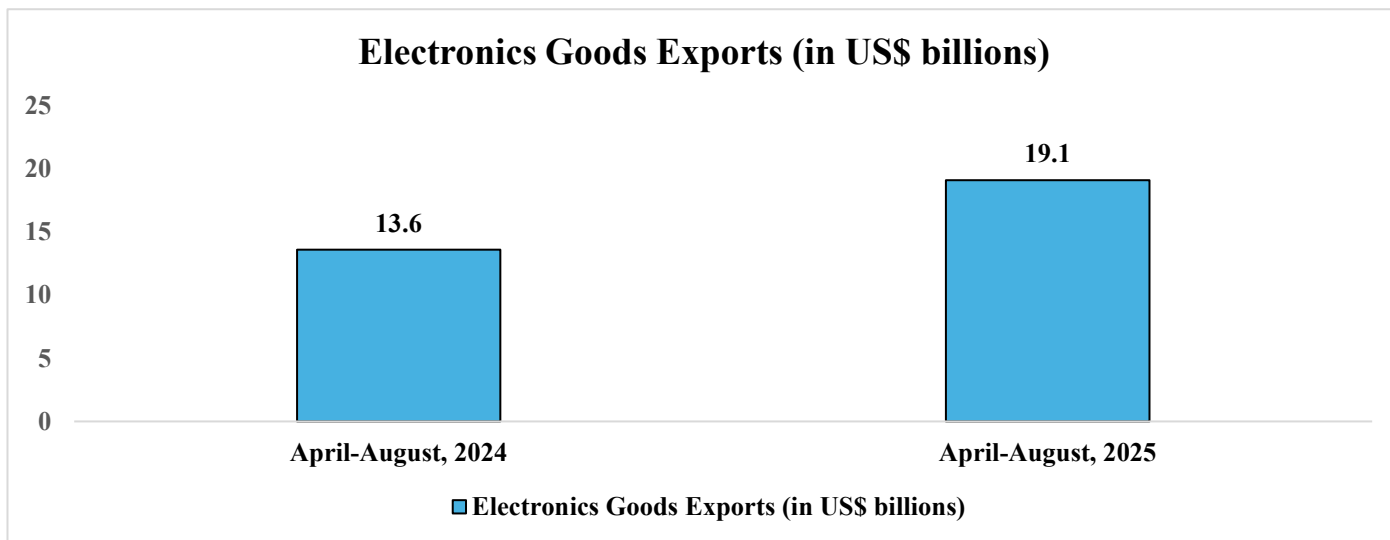
Owing to the China+1 strategy, India has emerged as a key player in global supply chains. The Indian government, recognizing this potential, has rolled out incentives worth USD 4-5 billion to entice global Original Equipment Manufacturers (OEMs). This move

has paved the way for tech giants like Apple, Samsung, and Foxconn to set up substantial manufacturing bases in India, further energizing the electronics manufacturing services (EMS) ecosystem.

### ***Electronic sector success under PLI***

Under the Production Linked Incentive (PLI) strategy, the electronics sector has emerged as a flagship success story, bolstered by strong policy backing, notably through initiatives like the National Policy on Electronics (NPE) 2019. With this policy foundation, the PLI has drawn in both global Original Equipment Manufacturers (OEMs) and Indian champions, firmly positioning India within the global electronics value chain. The results speak volumes: production skyrocketed by 146%, jumping from ₹2.13 lakh crore in FY 2020-21 to an impressive ₹5.25 lakh crore in FY 2024-25.

Owing to the PLI scheme, major smartphone companies have shifted their production bases to India, cementing the nation's status as a leading cell phone manufacturing hub. Over the past decade, the production of electronic goods has surged sixfold, while exports have increased eightfold. Exports of Indian electronic goods are on the rise, with significant markets including the United States, UAE, China, the Netherlands, and the United Kingdom, propelled by the Make in India initiative and the Production-Linked Incentive (PLI) schemes. Smartphones continue to be a major driver of growth, as India shifts from being a net importer to a net exporter. Within just five months of the fiscal year 2026, smartphone exports have surpassed INR 1 lakh crore, marking a 55% increase compared to the same period in the previous fiscal year.



(Source: Mordor Intelligence- India Electronics Manufacturing Services (EMS) Market 2025-2030)

### ***Electric Vehicle Adoption***

As electric vehicles (EVs) gain traction, the demand for specialized electronics manufacturing surges. With the EV market on an upward trajectory, the battery segment stands out, driving the need for advanced power electronics, battery management systems, and top-tier manufacturing standards.

### ***Development of Medical Device Parks with Advanced Infrastructure***

The establishment of medical device parks with shared infrastructure such as clean rooms, testing laboratories, and calibration facilities is emerging as a key growth enabler for the EMS sector. These parks reduce capital expenditure requirements for manufacturers and facilitate faster commercialization of medical electronics products. By co-locating EMS providers, OEMs, and component suppliers, such clusters enhance supply chain efficiency, shorten lead times, and support innovation through collaborative research and development. The initiative is particularly beneficial for small and medium enterprises seeking to scale operations in high-value medical electronics manufacturing.

### ***Facilitation of 100% Foreign Direct Investment (FDI)***

The Government of India's policy permitting 100% foreign direct investment in the medical device and electronics manufacturing segments has materially strengthened the EMS ecosystem. Increased foreign capital inflows have enabled the establishment of advanced manufacturing facilities, adoption of new technologies, and expansion of domestic production capabilities. Strategic collaborations between global technology leaders and Indian EMS companies are fostering knowledge transfer, improving product quality, and generating skilled employment. This policy environment is expected to accelerate the industry's transition toward higher-value, technology-intensive manufacturing.

### **Key Factors driving domestic Electronics demand**

### ***Digitization initiatives***

Digital India, launched in 2015, and rural broadband programs like BharatNet accelerated device adoption across sectors such as e-governance, education, and digital payments. India's digital economy is projected to reach 20% of GDP by 2026, growing nearly twice as fast as the overall economy. Rural digitization efforts, like Pradhan Mantri Gramin Digital Saksharta Abhiyan (PMGDISHA), have expanded device usage in non-urban areas.

### ***5G Rollout***

Launched in 2022, 5G is transforming consumption patterns with high-speed data, Internet of Things (IoT), and Augmented Reality/Virtual Reality (AR/VR) applications. There will be 500 million 5G users expected by 2027, pushing demand for 5G-enabled smartphones, wearables, and infrastructure. There will be 500 million 5G users expected by 2027, pushing demand for 5G-enabled smartphones, wearables, and infrastructure.

### ***Rising Disposable Incomes***

Declining electronics prices, driven by localization, are making devices more accessible. Urban consumers adopt premium gadgets; rural areas are seeing growth in entry-level phones and appliances, supported by e-commerce and government income support schemes (e.g., Pradhan Mantri Kisan Samman Nidhi [PM-KISAN]). Emerging sectors like Electric Vehicles (EVs), medical devices, and Internet of Things (IoT) present new assembly and testing opportunities.

### ***Localization & Value Addition***

Rising demand drives Electronics Manufacturing Services (EMS) providers to move up the value chain—from basic assembly to component manufacturing and design, reducing import dependence.

### ***Rural Market Expansion***

According to the most recent data, India's rural population is approximately 65%; EMS providers are setting up in tier-2/3 cities to lower costs and serve local demand, while creating jobs and supplier ecosystems.

### ***Export Potential***

A strong domestic base enhances India's position as an electronics export hub, aligned with 'Make in India' and Atmanirbhar Bharat goals. For instance, in FY 2023–24, Electronics Manufacturing Services (EMS) firms such as Dixon Technologies India Limited and Syrma SGS Technology Limited partnered with leading brands like Samsung and Xiaomi to cater to the surging local demand through localized manufacturing initiatives driven by India's Production Linked Incentive (PLI) scheme.

### ***Government Support Amplifying Domestic Demand***

Production Linked Incentive (PLI) Scheme (2020–2025): Incentivizes local production with 4–6% returns on incremental sales, attracting investments. Digital India & BharatNet: Enhance connectivity and digital adoption. Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) & Semiconductor Mission: Offer financial support to build a local components and chip ecosystem. PLI Approvals for Components: Ongoing in areas like Printed Circuit Boards (PCBs) and batteries to boost domestic sourcing.

## **MARKET RESTRIANTS**

### ***High Import Dependency for Electronic Components***

The Indian Electronics Manufacturing Services ("EMS") industry continues to face significant reliance on imported electronic components, particularly from countries such as China. This import dependency exposes EMS players to supply chain disruptions, foreign exchange volatility, geopolitical risks, and margin pressures. The limited domestic ecosystem for critical components such as semiconductors, chipsets, and high-end electronic parts constrains value addition within India and may affect production continuity during global supply shortages. Until domestic component manufacturing achieves scale, this structural dependence is expected to remain a key industry challenge.

### ***Skilled Workforce Shortage***

The EMS sector requires a technically skilled workforce across specialized areas such as precision manufacturing, testing, quality assurance, and advanced electronics assembly. However, the industry is currently experiencing a shortage of adequately trained professionals, which may constrain the pace of capacity expansion and operational scalability. The demand for skilled manpower is

expected to rise materially in the coming years, and any delay in workforce development initiatives could impact productivity, quality consistency, and project execution timelines for EMS providers.

### ***High Capital Intensity of Advanced Manufacturing***

Electronics manufacturing, particularly in high-reliability and advanced segments, is characterized by substantial capital expenditure requirements. Investments are required for automated SMT lines, testing equipment, cleanroom infrastructure, and compliance certifications. Such high upfront capital commitments may create entry barriers for new participants and place pressure on return ratios, especially for small and mid-sized EMS companies. Additionally, continuous technology upgrades are necessary to remain competitive, further increasing the capital burden on industry participants.

### ***Complex Regulatory and Compliance Environment***

The EMS industry operates across multiple end-use sectors such as aerospace and defence, medical electronics, automotive, and industrial automation, each of which is subject to stringent regulatory and quality compliance requirements. Navigating diverse certification standards, export controls, safety norms, and customer-specific approvals increases operational complexity and compliance costs. Any delays in obtaining regulatory clearances or failure to meet evolving standards may affect order execution timelines and increase business risks for EMS companies.

### ***Supply Chain Vulnerabilities and Operational Risks***

Given the globally interconnected nature of the electronics supply chain, EMS companies remain exposed to logistics disruptions, component shortages, and geopolitical uncertainties. The industry's dependence on timely availability of specialized components means that disruptions in global trade routes, semiconductor supply cycles, or vendor ecosystems can impact production schedules and working capital cycles. While companies are increasingly adopting diversification strategies, supply chain volatility continues to remain an inherent restraint for the sector.

## **MARKET OPPORTUNITIES**

### ***Expansion of Domestic Electronics Manufacturing***

India's Electronics Manufacturing Services ("EMS") industry is poised to benefit from the continued expansion of domestic electronics production, supported by strong policy backing, rising localization initiatives, and increasing participation of global original equipment manufacturers ("OEMs"). Government programs aimed at strengthening the Electronics System Design and Manufacturing ("ESDM") ecosystem, coupled with incentives for local value addition, are expected to enhance domestic capacity and reduce import dependence. As production volumes scale and supply chains deepen within India, EMS providers are likely to witness sustained growth in outsourcing demand and long-term revenue visibility.

### ***Growth in Technology-Driven and High-Value Segments***

The EMS sector in India is witnessing a structural shift toward high-value and technology-intensive applications such as aerospace and defence electronics, medical engineering, industrial automation, Internet of Things ("IoT"), and artificial intelligence-enabled devices. These segments require advanced manufacturing capabilities, stringent quality standards, and system integration expertise, creating opportunities for specialized EMS players. Companies with capabilities in design support, prototyping, and high-reliability manufacturing are well positioned to capture premium-margin opportunities as OEMs increasingly outsource complex electronic assemblies.

### ***Electric Vehicle and Automotive Electronics Opportunity***

The rapid adoption of electric vehicles ("EVs") and the increasing electronic content in automobiles are expected to generate significant incremental demand for EMS services. EV platforms require sophisticated power electronics, battery management systems, sensors, and control modules, all of which involve specialized manufacturing and testing capabilities. As automotive OEMs focus on platform electrification and localization of supply chains, EMS providers with automotive-grade certifications and precision manufacturing capabilities are likely to benefit from new order inflows and long-term supply relationships.

### ***Export-Led Growth Potential***

India is emerging as an attractive alternative manufacturing destination under the global supply chain diversification trend. With improving infrastructure, competitive labor costs, and supportive export policies, Indian EMS companies are increasingly participating in global value chains. The development of export-oriented manufacturing clusters and the growing presence of multinational OEMs in India are expected to enhance export opportunities for domestic EMS providers. Companies that establish strong quality systems and international customer relationships may benefit from sustained export-led revenue growth.

### ***Government Incentive Programs and Policy Support***

Continued policy support from the Government of India through initiatives such as the Production Linked Incentive (“PLI”) scheme, Design Linked Incentive (“DLI”), and semiconductor ecosystem programs is expected to create a favourable operating environment for EMS companies. These initiatives provide financial incentives, infrastructure support, and ecosystem development that collectively lower manufacturing costs and encourage capacity expansion. The alignment of industry growth with national manufacturing priorities is expected to drive increased investments, technology adoption, and scaling opportunities across the EMS value chain.

## **INDUSTRY ATTRACTIVENESS**

### ***Competitive Rivalry – Moderate to High***

The India Electronics Manufacturing Services (“EMS”) industry is characterized by moderate to highly competitive intensity due to the presence of both domestic EMS providers and global contract manufacturers. Competition is primarily driven by factors such as pricing, technological capabilities, quality certifications, turnaround time, and long-term customer relationships. While the market is expanding rapidly, which provides room for multiple players to grow, companies are required to continuously invest in automation, quality systems, and scale to maintain competitiveness. As the industry moves toward higher-value and high-reliability segments, differentiation through engineering capabilities and niche specialization is becoming increasingly important.

### ***Bargaining Power of Customers – High***

Original equipment manufacturers (“OEMs”), which constitute the primary customer base for EMS providers, typically possess significant bargaining power. Large OEMs often place high-volume orders, demand stringent quality standards, and negotiate aggressively on pricing and delivery timelines. Additionally, customers may adopt multi-vendor sourcing strategies to mitigate supply risks, which further increases pricing pressure on EMS companies. However, EMS providers offering specialized, high-reliability, or mission-critical manufacturing services may experience relatively lower customer concentration risk due to higher switching costs and qualification requirements.

### ***Bargaining Power of Suppliers – Moderate***

The bargaining power of suppliers in the EMS industry is considered moderate. While there is a broad global supplier base for standard electronic components, dependence on a limited number of suppliers for critical semiconductors, specialized chips, and high-end components can increase supplier influence. Supply chain disruptions and semiconductor shortages in recent years have highlighted this vulnerability. Nevertheless, large EMS companies typically mitigate supplier risk through multi-vendor sourcing, long-term procurement contracts, and inventory planning strategies, which partially balance supplier power.

### ***Threat of New Entrants – Moderate***

The threat of new entrants in the EMS industry is moderate. While the sector offers strong growth prospects supported by government incentives and rising outsourcing trends, entry requires significant capital investment in advanced manufacturing equipment, quality certifications, and skilled manpower. Additionally, customer qualification cycles—especially in aerospace, defence, automotive, and medical electronics—are lengthy and stringent, creating practical entry barriers. However, policy support and ecosystem development initiatives may encourage new participants, particularly in niche or low-volume segments.

### ***Threat of Substitutes – Low to Moderate***

The threat of substitutes for EMS services is generally low to moderate. OEMs may consider in-house manufacturing as an alternative; however, outsourcing to specialized EMS providers typically offers cost efficiencies, scalability, and access to advanced manufacturing expertise. Increasing product complexity and the need for flexible manufacturing further strengthen the outsourcing model. As a result, while some large OEMs retain selective in-house capabilities, the long-term structural trend continues to favor EMS outsourcing, thereby limiting the overall substitute risk.

## **INSIGHTS ON GOVERNMENT INITIATIVES AND REGULATIONS**

### ***Production Linked Incentive (PLI) and Semiconductor Mission***

The Government of India has implemented multiple policy initiatives, including the Production Linked Incentive (“PLI”) scheme and the India Semiconductor Mission, to strengthen domestic electronics manufacturing capabilities. These programs provide performance-linked incentives, capital subsidies, and ecosystem support aimed at encouraging large-scale investments and localization of electronic components. The policy framework has attracted both global and domestic manufacturers to expand production in India, thereby enhancing the country’s position in the global electronics supply chain and creating a favourable demand environment for EMS providers.

### ***Special Economic Zone (SEZ) Reforms and Ease of Manufacturing***

Regulatory reforms, including relaxation of Special Economic Zone (“SEZ”) norms and simplified compliance procedures, have improved the ease of setting up electronics and semiconductor manufacturing facilities in India. Reduced land requirements, flexible operating norms, and improved export facilitation mechanisms are enabling faster project execution and lowering entry barriers for industry participants. These reforms are expected to support capacity creation, promote export-oriented manufacturing, and strengthen India’s competitiveness as an electronics production hub.

### ***100% Foreign Direct Investment (FDI) Policy Support***

The Government’s policy permitting 100% foreign direct investment under the automatic route in the medical device and electronics manufacturing segments has significantly enhanced capital inflows and technology transfer into the EMS ecosystem. Increased participation from global technology companies is facilitating the adoption of advanced manufacturing processes, strengthening supply chains, and generating skilled employment. The liberalized FDI regime is expected to continue supporting industry modernization and integration with global value chains.

### ***Development of Electronics and Medical Device Manufacturing Clusters***

The Government of India is actively promoting the development of electronics manufacturing clusters and medical device parks equipped with shared infrastructure such as testing laboratories, clean rooms, and calibration facilities. These cluster-based initiatives reduce capital costs for manufacturers, improve supply chain efficiency, and foster collaboration among EMS providers, OEMs, and component suppliers. Such ecosystem development measures are expected to accelerate innovation, enhance domestic value addition, and support the growth of specialized electronics manufacturing in India.

### ***Policy Focus on Localization and Import Substitution***

India’s broader industrial policy framework emphasizes localization of electronic component manufacturing and reduction of import dependency. Through targeted incentives, sourcing mandates, and ecosystem development programs, the Government is encouraging domestic production of semiconductors, electronic components, and sub-assemblies. This strategic policy direction is expected to strengthen the domestic EMS value chain, improve supply chain resilience, and create long-term growth opportunities for local EMS providers aligned with national manufacturing priorities.

## **RECENT DEVELOPMENTS IN THE INDUSTRY**

### ***Increased Government Push Through Policy Reforms***

The Indian electronics manufacturing services (“EMS”) industry has witnessed significant momentum driven by recent policy reforms and incentive programs introduced by the Government of India. Initiatives such as the Production Linked Incentive (“PLI”) scheme, Design Linked Incentive (“DLI”), and the India Semiconductor Mission have accelerated investments across the electronics value chain. These measures have enhanced domestic manufacturing competitiveness, encouraged capacity expansion, and improved India’s positioning in the global electronics supply chain.

### ***Rising Global Supply Chain Diversification Toward India***

Recent geopolitical developments and supply chain disruptions have prompted global original equipment manufacturers (“OEMs”) to diversify their manufacturing footprint under the China+1 strategy. As a result, India has emerged as a preferred alternative manufacturing destination supported by favourable government policies, improving infrastructure, and a large skilled workforce. This shift has led to increased investments by multinational electronics companies and their suppliers, thereby strengthening the domestic EMS ecosystem and improving long-term demand visibility.

### ***Expansion of High-Value Electronics Manufacturing***

The EMS industry is increasingly moving toward high-value and high-reliability segments such as aerospace & defence, medical electronics, industrial automation, and advanced telecom equipment. Recent developments indicate growing demand for specialized manufacturing capabilities, including system integration, precision assembly, and advanced testing. This transition from low-margin assembly to value-added manufacturing is enabling EMS providers to improve margins and strengthen their strategic relevance in OEM supply chains.

### ***Growing Investments in Semiconductor and Component Ecosystem***

India has seen increased investment commitments in semiconductor fabrication, packaging, and electronic component manufacturing facilities. Government-backed programs and fiscal incentives have encouraged both domestic and global players to

announce new projects aimed at strengthening the local component ecosystem. These developments are expected to gradually reduce import dependence, improve supply chain resilience, and create downstream opportunities for EMS companies involved in PCB assembly, box-build, and system integration services.

***Strengthening Export Orientation of EMS Players***

Indian EMS companies are increasingly focusing on export markets to diversify revenue streams and participate in global value chains. Improvements in quality standards, compliance capabilities, and manufacturing scale have enabled several Indian players to expand their presence in international markets. The continued push toward export-led growth, supported by government initiatives and global outsourcing trends, is expected to enhance the competitiveness of Indian EMS providers and support sustained industry expansion.

*(Source: Mordor Intelligence- India Electronics Manufacturing Services (EMS) Market 2025-2030)*

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## OUR BUSINESS

*Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read “**Forward Looking Statements**” on page 21 of this Red Herring Prospectus for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our Company’s strength and its ability to successfully implement its business strategies may be affected by various factors that have an influence on its operations, or on the industry segment in which our Company operates, which may have been disclosed in “**Risk Factors**” on page 22. This section should be read in conjunction with such risk factors.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “**Custom Report - India Electronics Manufacturing Services (EMS) Market**” which covers the study period from 2019 to 2030, with 2024 as the base year (the “**Mordor Intelligence Report**”) prepared and issued by Mordor Intelligence Private Limited (“**Mordor Intelligence**”), appointed by us, and exclusively commissioned and paid for by us in connection with the Issue. Mordor Intelligence is an independent agency which has no relationship with our Company, our Promoters, Promoter Group and any of our Directors or KMPs. The data included herein includes excerpts from the Mordor Intelligence Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that have been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Mordor Intelligence Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the Mordor Intelligence Report is available on the website of our Company at <https://www.merritronix.com> until the Bid/Offer Closing Date. Our Financial Year ends on March 31 of each year, and references to a particular Financial Year are to the 12-month period ended March 31 of that year.*

*Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our “**Restated Financial Information**”, included in this Red Herring Prospectus on Page 209.*

### OVERVIEW

We are an Electronics Systems Design and Manufacturing services ("ESDM") company specializing in high-reliability, mission-critical electronic assemblies and systems for defence, aerospace, telecommunications, Rapid Prototyping for design houses OEMs, Engineering services Companies and specialized industrial electronics. We are primarily engaged in business-to-business ("B2B") electronic manufacturing services, encompassing component sourcing, printed circuit board ("PCB") assembly, system integration, testing, box-build solutions and delivery of finished electronic products — executed to the quality standards required by India's strategic defence and aerospace programmes.

This integrated manufacturing and design support capability enables us to serve industries that require reliable and performance-oriented electronic systems. A key part of our manufacturing process is Surface-Mount Technology (“SMT”), which involves assembling electronic components directly onto the surface of printed circuit boards (PCBs) using automated placement systems and controlled reflow processes. Our SMT capabilities include the assembly of advanced packaging technologies such as Ball Grid Array (BGA) and micro-BGA components, commonly used in high-performance and miniaturized electronic systems. Our manufacturing facility as on March 31, 2026 has an installed capacity of 10,75,000 boards for SMT assembly, 6,00,000 boards for Through-Hole Technology (THT) assembly, and 4,20,000 units for product assembly/box build, aggregating to a total installed capacity of 17,85,000 production units per annum.

Our SMT capabilities support the use of advanced and miniaturized components required in defence, aerospace and industrial electronic systems. The largely automated nature of the SMT process — including solder paste printing, automated component placement and controlled reflow soldering — enables consistent quality and precision.

We also undertake box-build and system integration activities, comprising assembly and integration of electronic modules and sub-systems into fully functional end products. We also manage mechanical enclosure fabrication and related processes, where required, through third-party vendors as part of the overall system integration process, thereby enabling customers to engage through a single, coordinated interface.

We derive our revenue from a diversified set of business segments, namely job work, turnkey manufacturing/build-to-print, obsolescence management (including obsolete component procurement and engineering support) and trading sales. In the past, we undertook the sale of telecom cable jointing kits, which has since been discontinued. Our Company has obtained key industry certifications that demonstrate its commitment to quality and compliance with globally recognized standards in electronics manufacturing. The Company has received the EN 9100:2018 certification for the manufacturing of Printed Circuit Board Assemblies (PCBAs) for aerospace and defence applications, which is equivalent to AS 9100D and JISQ 9100:2016 and includes ISO 9001:2015 quality management standards. This certification confirms that the Company follows stringent quality management practices required for aerospace and defence electronics manufacturing.

After an early phase in telecommunications component supply, the Company entered defence and aerospace electronics manufacturing, establishing itself as a vendor to defence public sector undertakings. We have subsequently transitioned to turnkey

electronics manufacturing, providing end-to-end solutions from component sourcing to system delivery and has more recently developed a dedicated obsolescence management capability, enabling customers with legacy electronics lifecycle requirements to extend the operational life of critical platforms without complete system replacement. This evolution reflects a deliberate strategic progression up the electronics manufacturing value chain toward higher-complexity, higher-value programme engagements.

We have catered to various reputed customers operating in the aerospace, defence electronics, communication systems and technology sectors. Our customer base includes Apollo Micro Systems Limited, Bit Mapper Integration Technologies Private Limited, Linkwell Telesystems Private Limited, SCI-COM Software India Private Limited and Sigma Advanced Systems Limited and other prominent PSU client's. Certain of our customers are also associated with prominent government organizations, public sector undertakings ("PSUs"), and defence-related projects, which reflects the quality standards and reliability of our products and services.

Our client base includes customers operating in sectors such as defence, aerospace, electrical engineering, heavy industries, power and utilities.

**Job work:** Under this segment, customers provide complete product designs and the required materials, while we undertake manufacturing and assembly operations on their behalf. Our scope of work includes PCB assembly, soldering, testing, and sub-assembly activities, all performed in accordance with customer specifications and quality requirements. This model enables customers to leverage our manufacturing infrastructure, process expertise, and quality systems without outsourcing the entire product lifecycle.

**Turnkey Manufacturing/Build-to-Print-:** Under this segment, we undertake end-to-end execution of electronic products. This includes understanding and translating customer requirements into system architecture and detailed designs, (including design support, where required), sourcing and qualifying components, executing PCB assembly and full system integration, performing functional and reliability testing, and delivering a fully validated, ready-to-deploy product. This turnkey approach provides customers with a single, accountable partner across the entire product lifecycle, reducing coordination complexity, compressing timelines and ensuring consistent quality from concept through production and delivery.

**Obsolete Components Procurement/ Engineering & Design:** India's defence electronics ecosystem includes a large installed base of legacy platforms spanning avionics, naval systems, surveillance electronics and ground-based communication equipment that operate on electronic components no longer manufactured by their original suppliers. Obsolescence management, encompassing component re-sourcing, reverse engineering and system redesign, is consequently a structurally growing service requirement across the Indian armed forces and defence PSU supply chain. Our documented execution capability across multiple completed obsolescence management programmes positions us to address this demand as a specialist provider

By combining our knowledge of older systems with modern design and manufacturing capabilities, we help customers extend the useful life of their electronic systems and ensure continued support as per their operational requirements.

**Trading Sales:** In this segment, we procure electronic and electromechanical components from authorized global suppliers and sell them directly to customers. This activity is primarily undertaken to mitigate supply chain risks and reduce lead times, particularly for critical components, which could otherwise disrupt production schedules and delay project execution. In line with common industry practice, we proactively identify long-lead or supply-constrained parts and pre-emptively stock such components to ensure continuity of supply. This approach helps customer avoid schedule slippages and support smoother order-to-cash cycles by reducing dependency on volatile procurement timelines. Our projects are executed through our in-house manufacturing and assembly facility, with our registered office located in Hyderabad, Telangana.

Our Company is led by an experienced and professionally qualified management team with strong domain expertise in the electronics systems design and manufacturing ("ESDM") sector. Our Executive Director and Chairman, Mr. Dovari Yesudas, brings over three decades of industry experience and has been instrumental in establishing the Company's precision electronics manufacturing capabilities, particularly in defence and critical electronics applications. Our Managing Director, Mr. Dovari Amarnath, a Computer Science engineering graduate from IIT Madras with over three decades of involvement in the Company, has played a key role in strengthening our technical capabilities and positioning the Company in high-reliability and mission-critical electronics manufacturing.

Our Company has delivered consistent and accelerating growth over the past three fiscal years. Revenue from operations grew from ₹8,569.91 lakhs in FY2023-24 to ₹15,589.56 lakhs in FY2025-26, representing a compound annual growth rate of approximately 34.87%. This growth was driven by increased order volumes from defence and aerospace customers, capacity expansion, and a progressive shift in business mix toward higher-value turnkey manufacturing engagements. EBITDA margins expanded from 7.82% in FY2023-24 to 17.42 % in FY2025-26, reflecting operating leverage as fixed manufacturing costs were absorbed across a larger revenue base and as the proportion of direct-engagement, higher-margin programmes increased. Debt-equity ratio improved from 1.93x in FY2023-24 to 0.81x in FY2025-26, reflecting improved profitability and internal cash generation.

## KEY FINANCIAL INFORMATION

The following table sets forth certain significant financial metrics for the Financial Years ended March 31, 2024, March 31, 2025 and March 31, 2026 that are relevant to our business:

(Amount in Lakhs, except EPS, % and ratios)

Particulars	For the year ended March 31,		
	2026	2025	2024
Revenue from Operations (₹ in Lakhs) <sup>(1)</sup>	15,589.56	11,356.38	8,569.91
Growth in Revenue from Operations (%)	37.28%	32.51%	61.17%
Total income <sup>(2)</sup>	15,624.83	11,404.00	8,601.33
EBITDA (₹ in Lakhs) <sup>(3)</sup>	2,721.68	1,518.11	672.64
EBITDA Margin (%) <sup>(4)</sup>	17.42%	13.31%	7.82%
Profit After Tax (₹ in Lakhs) <sup>(5)</sup>	1,610.30	865.95	305.03
PAT Margin (%) <sup>(6)</sup>	10.33%	7.63%	3.56%
Net worth <sup>(7)</sup>	5,252.28	1,623.47	757.52
Return on Equity ("RoE") (%) <sup>(8)</sup>	46.03%	69.21%	45.82%
Return on Capital Employed ("RoCE") (%) <sup>(9)</sup>	45.26%	66.21%	43.13%
Net Asset Value Per Share (Post bonus and subdivision of shares) (₹) <sup>(10)</sup>	41.56	15.46	7.51
Debt- Equity Ratio <sup>(11)</sup>	0.81	1.10	1.93

**Notes:**

- Revenue from operations represents the revenue from sale of service & product & other operating revenue of our Company as recognized in the Restated financial information.
- Total income includes revenue from operations and other income.
- EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back interest cost, depreciation, and amortization expense.
- EBITDA margin is calculated as EBITDA as a percentage of total income.
- Restated profit for the period / year margin is calculated as total income less total expenses.
- PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- Net worth means aggregate value of the paid-up equity share capital and reserves & surplus.
- RoE is calculated as Net profit after tax divided by Average Equity.
- Return on capital employed calculated as Earnings before interest and taxes divided by capital employed as at the end of respective period/year. (Capital employed calculated as the aggregate value of Tangible net worth, total debt and deferred tax liabilities)
- NAV per share is computed as the Total Equity divided by the outstanding number of equity shares.
- Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long-term and short-term borrowings. Total equity is the sum of share capital and reserves & surplus.

**REVENUE BIFURCATION**

**Product-wise Revenue Bifurcation:**

(₹ in lakhs)

S. No.	Product Segments	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Amount	In % of Revenue from Operations	Amount	In % of Revenue from Operations	Amount	In % of Revenue from Operations
5.	Turnkey Manufacturing/build-to-print	14,353.01	92.07%	9,384.62	82.64%	6,917.32	80.72%
6.	Obsolescence engineering management	1,018.02	6.53%	916.52	8.07%	1,092.33	12.75%
7.	Trading Sales	99.55	0.64%	830.64	7.31%	329.51	3.84%
8.	Job Work	118.98	0.76%	224.60	1.98%	230.75	2.69%
	<b>Total</b>	<b>15,589.56</b>	<b>100.00</b>	<b>11,356.38</b>	<b>100.00%</b>	<b>8,569.91</b>	<b>100.00%</b>

\*As certified by M/S Dagliya & Co., Chartered Accountants, by their certificate dated May 11, 2026.

**Sector-wise Revenue Bifurcation:**

(₹ in lakhs)

Sector	Fiscal 2026	Fiscal 2025	Fiscal 2024
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S. No.		Amount	In % of Revenue from Operations	Amount	In % of Revenue from Operations	Amount	In % of Revenue from Operations
3.	Government Entities	1094.87	7.02%	991.02	8.73%	639.87	7.47%
4.	Non - Government	14,494.69	92.98%	10,365.36	91.27%	7,930.04	92.53%
<b>Total</b>		<b>15,589.56</b>	<b>100.00%</b>	<b>11,356.38</b>	<b>100.00%</b>	<b>8,569.91</b>	<b>100.00%</b>

\*As certified by M/S Dagliya & Co., Chartered Accountants, by their certificate dated May 11, 2026.

#### Industry-wise Revenue Bifurcation:

(₹ in lakhs)

S. No.	Sector	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Amount	In % of Revenue from Operations	Amount	In % of Revenue from Operations	Amount	In % of Revenue from Operations
6.	Aerospace & Defence	15,247.55	97.81%	10,051.19	88.50%	6,878.93	80.26%
7.	Complex PCBA & NPI	312.55	2.00%	258.36	2.28%	247.58	2.89%
8.	Medical Electronics	4.47	0.03%	1.41	0.01%	2.24	0.03%
9.	Micro Electronics	24.99	0.16%	772.98	6.81%	1,083.10	12.64%
10.	Others	-	-	272.44	2.40%	358.06	4.18%
<b>Total</b>		<b>15,589.56</b>	<b>100.00%</b>	<b>11,356.38</b>	<b>100.00%</b>	<b>8,569.91</b>	<b>100.00%</b>

\*As certified by M/S Dagliya & Co., Chartered Accountants, by their certificate dated May 11, 2026.

#### Geographical-wise Revenue Bifurcation

(₹ in lakhs)

S No.	Locations	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Amount	In % of Revenue from Operations	Amount	In % of Revenue from Operations	Amount	In % of Revenue from Operations
<b>Domestic Revenue</b>							
1.	Andhra Pradesh	6.52	0.04%	59.42	0.52%	382.7	4.47%
2.	Delhi	-	-	0	0.00%	25.74	0.30%
3.	Haryana	107.75	0.69%	45.45	0.40%	62.21	0.73%
4.	Karnataka	4.46	0.03%	3.99	0.04%	16.44	0.19%
5.	Kerala	-	-	0	0.00%	18.8	0.22%
6.	Maharashtra	3.05	0.02%	0.95	0.01%	3.65	0.04%
7.	Telangana	15,306.97	98.19%	10,860.87	95.63%	7,614.18	88.85%
8.	Uttar Pradesh	102.72	0.66%	257.55	2.27%	333.75	3.89%
9.	West Bengal	0.75	0.00%	1.13	0.01%	2.86	0.03%
<b>Total (A)</b>		<b>15,532.22</b>	<b>99.63%</b>	<b>11,229.36</b>	<b>98.88%</b>	<b>8,460.33</b>	<b>98.72%</b>
<b>Export Revenue</b>							
10.	Switzerland	12.74	0.08%	-	-	-	-
11.	USA	44.60	0.29%	127.02	1.12%	109.58	1.28%
<b>Total (B)</b>		<b>57.34</b>	<b>0.37%</b>	<b>127.02</b>	<b>1.12%</b>	<b>109.58</b>	<b>1.28%</b>
<b>Total (A+B)</b>		<b>15,589.56</b>	<b>100.00%</b>	<b>11,356.38</b>	<b>100.00%</b>	<b>8,569.91</b>	<b>100.00%</b>

\*As certified by M/S Dagliya & Co., Chartered Accountants, by their certificate dated May 11, 2026.

#### OUR STRENGTHS

The following competitive strengths have contributed to and will continue to drive our business growth:

*Three decades of Operating Legacy in Mission-Critical Defence and Aerospace Electronics*

We operate in a niche segment of electronics manufacturing focused on low-volume, high-complexity and high-reliability applications catering primarily to the defence, aerospace, electrical engineering, power & utilities, and industrial sectors. Unlike mass-production EMS companies, our business model emphasizes precision engineering, customization and stringent quality compliance, which creates relatively higher entry barriers within this segment.

We have positioned ourselves as a reliable provider of high-reliability and high-complexity electronic solutions by integrating sourcing, assembly, testing, and quality control within a unified execution framework. This integrated approach supports enhanced component traceability and process controls, which are an essential requirement for defence and aerospace applications.

Defence and aerospace applications accounted for 97.81% of our revenue from operations in Fiscal, 2026, reflecting our deep integration into India's strategic electronics manufacturing ecosystem. Unlike mass-production contract assemblers who serve consumer electronics or automotive sectors, our business model is built around low-volume, high-complexity and high-reliability manufacturing — a segment that requires EN 9100:2018 certification (equivalent to AS 9100D), IPC-A-610 Class 3 process qualification, and a documented track record of mission-critical programme delivery. These requirements, which typically take 18 to 24 months to obtain and demonstrate, constitute meaningful barriers to entry and protect our competitive position within this niche.

#### ***Established Track Record in Mission-Critical Defence and Aerospace programs***

We have executed projects involving the manufacture and supply of:

- Imaging Infrared seeker assemblies for missile systems,
- Electronic assemblies for airborne radar systems (ARS), and
- Digital video recording systems (DVRS) for defence aircraft platforms

These programmes require advanced assembly capabilities including Ball Grid Array (BGA) and micro-BGA component placement with X-ray inspection validation processes that demand precision not commonly available in the broader Indian SME electronics manufacturing segment. The successful delivery of these programmes across multiple production runs reflects our process maturity and quality system robustness.

In addition to the above, we have developed strong competencies in precision electronics manufacturing supported by AS9100:2018 certified quality management systems, enabling adherence to stringent aerospace and defence quality requirements. Our integrated capabilities across sourcing, assembly, testing and quality assurance provide end-to-end traceability, which is critical for defence and aerospace ecosystem, reflecting our execution reliability and technical credibility.

#### ***Strong Capabilities in Obsolescence Management and Lifecycle Extension***

We possess capabilities and experience expertise in obsolescence management of legacy electronic systems, including reverse engineering, development of Form-Fit-Function (FFF) replacements, alternate component qualification, and system redesign. These capabilities enable customers to extend the operational life of legacy platforms while avoiding complete system replacement.

India's defence electronics ecosystem includes a large installed base of legacy platforms spanning avionics, naval systems, surveillance electronics and ground-based communication equipment that operate on electronic components no longer manufactured by their original suppliers. Obsolescence management, encompassing component re-sourcing, reverse engineering and system redesign, is consequently a structurally growing service requirement across the Indian armed forces and defence PSU supply chain. Our documented execution capability across multiple completed obsolescence management programmes positions us to address this demand as a specialist provider

Our Company has executed obsolescence management and system upgrade assignments for critical electronic systems in the defence and aerospace sectors. Our capabilities enable us to contribute to critical defence and aerospace programs within the Indian manufacturing value chain.

#### ***Modern SMT Infrastructure and IPC-A-610 Class 3 Assembly Capability***

Our manufacturing capabilities include SMT and through-hole assembly, high-density interconnect boards, BGA and micro-BGA components, conformal coating, potting, and box builds with system integration. We adhere to IPC-A-610 Class 3 standards, typically required for aerospace and defence electronics, and focus on maintaining strong process controls, high first-pass yields and low field failure rates, demonstrating our emphasis on quality and process discipline.

Our manufacturing facility operates Panasonic NPM D3A and Juki 2060 high-speed SMT lines, supported by Maker-Ray 3D Automated Optical Inspection ("AOI") and X-ray inspection systems. Our assembly capabilities encompass high-density interconnect PCBs, Ball Grid Array ("BGA") and micro-BGA components, conformal coating, potting, through-hole assembly and box-build integration. All assembly operations are performed to IPC-A-610 Class 3 acceptability standards. Our facility includes

personnel holding IPC-A-610 Certified IPC Trainer ("CIS") qualification, reflecting a commitment to process discipline and quality competence at the instructor level.



Our infrastructure is equipped with advanced assembly lines, automated pick and place machines, reflow, soldering systems, and specialized inspection and testing equipment to ensure precision and consistency across the manufacturing process. The production environment is supported by stringent quality assurance protocols, including in-process inspections, function testing, and environmental stress testing to validate the reliability and durability of the assembled products.

***Strong Order Book providing revenue visibility***

We maintain a healthy and diversified order book from customers across defence, aerospace, industrial and allied sectors, which provides revenue visibility over the near to medium term. Our order backlog reflects sustained customer confidence in our technical capabilities, quality standards and execution reliability in handling high-reliability electronic assemblies.

Given the mission-critical nature of our programs, particularly in defence and aerospace applications, our projects typically involve multi-stage development, qualification and production cycles. This results in longer engagement tenures and improves revenue visibility. The visibility afforded by our order pipeline enables us to undertake effective capacity planning, optimize procurement strategies and manage working capital efficiently.

Defence and aerospace programmes typically involve multi-stage development, qualification and production cycles, resulting in engagement tenures of two to five years per programme which supports predictable revenue visibility over the near to medium term. Our repeat customer rate of 86.08% for the period ended March 31, 2026 reflects the stickiness of defence and aerospace customer relationships, where switching costs are high and supplier qualification is a lengthy process.

Further, a significant portion of our order inflows is driven by repeat engagements and program continuities from existing customers, demonstrating the continuity of customer engagements. We believe our order book supports expected execution schedules over the near term.

As of April 30, 2026, our order book stood at ₹ 9,664.91 lakhs, details of the order book are set out below: -

*(₹ in Lakhs)*

Sr. No.	Customer	Business Vertical	Order Value	Completion Value	Balance Value
1.	Client - 1	Turnkey manufacturing	1.30	0.00	1.30
2.	Client – 2	Turnkey manufacturing	25.37	0.00	25.37
3.	Client – 3	Turnkey manufacturing, obsolescence management	402.53	0.00	402.53
4.	Client – 4	obsolescence management	31.60	0.00	31.60
5.	Client – 5	Turnkey manufacturing, obsolescence management and trading sales	7409.13	2352.10	5057.03
6.	Client – 6	Turnkey manufacturing and obsolescence management sales	422.33	0.00	422.33
7.	Client – 7	Turnkey manufacturing and obsolescence management sales	95.06	30.73	64.33
8.	Client – 8	Turnkey manufacturing, obsolescence management & Build to print sales	417.17	12.74	404.42
9.	Client – 9	Turnkey manufacturing, obsolescence management & Build to print sales	494.77	201.43	293.34
10.	Client – 10	Turnkey manufacturing & Build to print sales	36.23	24.93	11.31
11.	Client – 11	Turnkey manufacturing & Build to print sales	10.14	0.00	10.14
12.	Client – 12	Turnkey manufacturing sales	1302.56	0.00	1302.56
13.	Client - 13	Turnkey manufacturing sales	72.56	0.00	72.56
14.	Client – 14	Turnkey manufacturing and obsolescence management sales	91.51	91.51	0.00
15.	Client - 15	Turnkey manufacturing & Build to print sales	3021.69	1455.60	1566.08
<b>Total</b>			<b>13,833.95</b>	<b>4,169.04</b>	<b>9,664.91</b>

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### ***Experienced Promoters and Senior Management***

We are led by an experienced and professionally qualified senior management team with deep domain expertise in the electronics systems design and manufacturing (“ESDM”) sector. Our Chairman and Director, Mr. Dovari Yesudas, an industry veteran with over three decades of experience, has played a pivotal role in establishing and scaling our precision electronics manufacturing capabilities, particularly in the defence and critical electronics segments.

Our Managing Director, Mr. Dovari Amarnath, a computer science engineering graduate from the Indian Institute of Technology, Madras, and associated with the Company for over three decades, has been instrumental in strengthening our technical competencies and positioning the Company as a trusted player in high-reliability and mission-critical electronics manufacturing.

Our senior leadership team is supported by experienced professionals heading key functions such as plant operations, engineering, market development, and commercial operations, many of whom have been associated with us for over a decade. Their collective experience has supported our operational scale-up, strengthening customer relationships in defence, aerospace and telecom sectors, expanding into new business verticals, and supporting our overall financial and operational performance.

This depth of experience, technical expertise, and long-standing industry relationships of our Promoters and Senior Management team position us favourably to capitalize on emerging opportunities in the defence, aerospace, and high-reliability electronics markets.

### ***High Customer Retention Reflecting Long-Term Programme Relationships***

Our repeat customer rate was 86.08% for the period ended March 31, 2026, with 68 of 79 active customers in that period representing returning engagements.

The details of year-on-year percentage wise repetitive customers for 3 fiscal years are as follows:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total Customers	79	56	58

Percentage (%)	86.08%	80.36%	81.03%
Repeated Customers	68	45	47

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For the Fiscal Year 2024-25, 45 of 56 active customers 80.36% were repeat customers. This sustained retention reflects the inherent stickiness of defence and aerospace programme relationships, where customers must invest significant time in qualifying new suppliers through technical audits, process validations and approval cycles before placing orders

## OUR STRATEGIES

### *Enhance Production Capacity and Operational Efficiency to Strengthen Competitiveness*

We aim to enhance our manufacturing capacity and operational efficiency through targeted investments in machinery, automation, and process improvements to optimize labour and material utilization, thereby improving project execution timelines. The Company focuses through efficient operational practices, strengthened procurement planning and inventory management frameworks.

Our operations are supported by an experienced team of engineers, procurement professionals, and senior management who operate in accordance with established industry practices. Additionally, our in-house technological capabilities enable effective operational management, robust process controls, and customer responsiveness. By enhancing process efficiency, reducing turnaround times, and ensuring compliance with international quality standards, we aim to strengthen our position in the high-reliability electronics manufacturing segment. The Company has invested in new-generation SMT equipment during FY2025-26, including the Panasonic NPM D3A pick-and-place line commissioned in January 2026.

We intend to utilize a portion of the Net Proceeds of this Issue to further strengthen our manufacturing and inspection infrastructure, including investments in test and inspection equipment and automation of material handling processes.

### *Invest in Research and Development to Develop Complete Systems*

We identify strategic initiatives to enhance operational efficiency and invest in relevant technologies to enhance the quality of our offerings in line with evolving industry trends and customer needs. We intend to continue providing customized solutions to meet the diverse requirements of our customers. Going forward, we plan to increase our investment in research and development to strengthen our capabilities in the design and manufacture of complete electronic systems. Currently, our customization efforts are primarily at the component and subsystem level; however, we intend to expand these capabilities to support product-level customization.

An understanding of customer requirements, particularly in relation to their future product development programs, is essential to our growth strategy. By enhancing our system-level design, prototyping, and testing capabilities, we aim to strengthen our position in the value chain, enhance value addition, and support Company's long-term growth.

This positions us as an integrated manufacturing partner, enabling participation in Joint Manufacturing Models (JMM), which are increasingly being adopted across the defence and aerospace manufacturing ecosystem and require greater manufacturing ownership and coordinated execution support. We intend to progressively strengthen our system-level design, sourcing, and program management capabilities in alignment with these evolving industry requirements.

### *Improving margins through direct PSU engagement and value-added capabilities*

We actively participate in both open and limited tenders issued by Defence PSUs, government bodies, large enterprises, and select MNCs, in strict adherence to our internal procurement and compliance framework. Our strong positioning as a trusted partner in defence and aerospace electronics is supported by integrated in-house capabilities across design, manufacturing, testing and obsolescence engineering enabling us to execute complex, high-value programs independently, without intermediary dependence.

This direct engagement model, combined with our emphasis on customization and indigenization, enhances customer value proposition, drives sustainable margin expansion and strengthens our overall profitability profile. Our direct engagement model is supported by our EN 9100:2018 certification (the primary quality threshold for defence EMS vendor qualification), IPC-A-610 Class 3 process capability, and a track record that includes the manufacture and electronic assemblies for airborne radar systems, and digital video recording systems for defence aircraft platforms.

We intend to deepen this model by pursuing vendor registration with additional PSUs, engaging on indigenisation programs under the Defence Acquisition Procedure (DAP) 2020, and positioning our Company as an IDDM (Indigenously Designed, Developed and Manufactured) capable partner under India's defence procurement framework.

Our EBITDA margins expanded from 7.82% in FY2023-24 to 17.42% in FY2025-26, reflecting the impact of increased direct customer engagement, a higher proportion of turnkey and obsolescence management programmes, and our ability to capture a greater share of the manufacturing value chain without reliance on intermediary integrators.

**Business Diversification**

We intend to diversify our operations across multiple sectors, including emerging sectors such as electric vehicles, missile systems, and unmanned aerial vehicles (UAVs). While defence and aerospace will remain the core of our business, we intend to expand our presence in adjacent high-reliability electronics segments including unmanned aerial vehicles ("UAVs"), electric vehicle power electronics, advanced industrial automation systems and complex PCBA manufacturing for industrial research applications. These sectors share our existing competencies in high-density PCB assembly, system integration and quality compliance enabling us to leverage our certified infrastructure, manufacturing processes and supplier relationships with limited incremental investment.

- **Electric Vehicles (EVs):** The EV sector requires battery management systems (BMS), motor controller PCBAs, and power electronics all within our existing SMT and box-build capability range. Our RoHS-compliant assembly infrastructure and IPC Class 2/3 process disciplines are directly applicable to automotive-grade electronics manufacturing.
- **Unmanned Aerial Vehicles (UAVs):** India's UAV ecosystem, supported by the PLI scheme for drones, requires high-reliability, lightweight electronic assemblies including flight controllers, payload management electronics, and communication modules. Our experience with miniaturised, ruggedised assemblies positions us as a credible EMS partner for domestic UAV OEMs.
- **Missile and Precision Munitions Electronics:** Our existing track airborne radar systems provides a foundation for deeper engagement in guided munitions electronics a segment with strong domestic demand under India's Defence Indigenisation Lists (NIL/PIL).

We intend to engage with these sectors through direct BD outreach, participation in sector-specific tenders, and leveraging our relationships at Tier-1 PSUs who are themselves expanding into these adjacencies. Each new sector also reduces our dependence on any single customer or programme, addressing the customer concentration risk disclosed.

**Expand Our Business and Geographical Footprint**

Our growth has been driven primarily through organic expansion, and going forward we intend to also pursue growth through strategic alliances and partnerships. We aim to enhance our presence in both domestic and international markets by strengthening relationships with existing customers and increasing our focus on acquiring large OEMs and institutional clients. Our export revenue primarily to the United States was ₹44.60 lakhs in FY2025-26. We intend to build on this export foundation by targeting regulated international markets where our process standards and documented programme delivery capabilities provide a credible qualification basis for serving global defence and industrial electronics OEMs. We are also exploring opportunities to support specialized international research and industrial institutions that require high-complexity PCB assembly capabilities not readily available in their local markets. Our domestic growth strategy is focused on deepening existing programme relationships and onboarding new OEM and institutional clients in sectors requiring high-reliability electronics manufacturing.

**BUSINESS PROCESS**

Our Company follows a structured business process (*common process framework*) designed to ensure efficient order execution, operational coordination and timely delivery of products and services. The process typically begins with customer inquiries or participation in tenders, followed by requirement analysis, quotation submission and receipt of purchase orders. Thereafter, procurement, production, quality control, testing and dispatch activities are carried out in a coordinated manner to meet customer specifications and delivery timelines.

**Common Process Framework**



### ***Customer Inquiries / Tenders***

Our Company receives inquiries from customers or participates in competitive tenders. This stage involves reviewing the scope of work, project specifications, delivery timelines, and applicable regulatory or compliance standards. It sets the foundation for a potential contract.

### ***Requirement Analysis***

Upon receipt of inquiry or tender documents, our technical team conduct a comprehensive analysis of the requirements. This includes evaluating technical feasibility, design complexity, component availability, manufacturing capability, compliance obligations, and project timelines.

### ***RFQ & Cost Sheet Analysis***

After analysing the customer requirements, a detailed Request for Quotation (RFQ) is prepared. A comprehensive cost sheet is developed considering raw materials, electronic components, PCB requirements, labour costs, machine utilization, testing requirements, packaging, logistics, and expected margins.

### ***Quotation & Approval***

After internal validation of costing and commercial terms, a formal quotation is submitted to the customer. The quotation includes pricing, payment terms, delivery schedule, warranty terms, and other terms & conditions. A Once the customer approves the quotation, the company confirms the production lead time.

### ***Purchase Order (PO)***

Upon approval of the quotation, the customer issues a Purchase Order (PO). The PO specifies product details, quantities, pricing, delivery schedule, technical specifications, and contractual terms. The order is internally reviewed to ensure alignment with the approved quotation before execution.

### ***Material Receipt & GRN***

Based on the confirmed order, procurement of raw materials, PCBs, electronic components, and other inputs is initiated. Upon receipt at our facility, materials undergo verification for quantity and quality compliance. A Goods Receipt Note (GRN) is generated after inspection and validation, ensuring accurate inventory recording and traceability.

### ***Production (SMT / TMD)***

Manufacturing activities commence as per the production plan. This includes Surface Mount Device (SMD) processes for automated component placement and Through Mount Device (THT) for manual or selective soldering, depending on design requirements.

### ***Quality Control***

Our Company implements stringent quality control measures at various stages of production. In-process inspections, solder quality checks, visual inspections, and dimensional verifications are conducted to ensure compliance with defined quality standards.

### ***Testing & Validation***

Finished products undergo comprehensive testing and validation procedures, including functional testing, electrical performance testing, and reliability checks. This ensures that the final product meets customer specifications and performance parameters before dispatch.

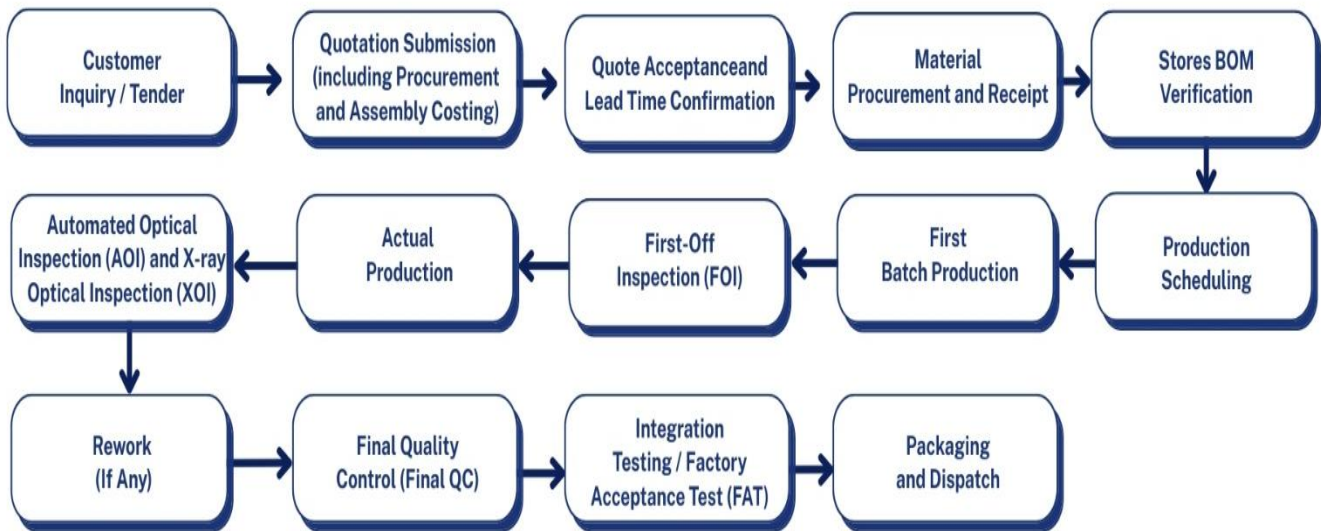
### ***Invoice & Dispatch***

Upon successful completion of testing and final approval, invoices are generated as per agreed commercial terms. Products are securely packaged and dispatched according to the committed delivery schedule, ensuring safe transit and compliance with logistical requirements.

### ***Customer Feedback & Post-Delivery Support***

After delivery, our Company actively engages with customers to obtain feedback regarding product performance and service quality. Any concerns or service requirements are addressed promptly. Customer feedback is analysed to support continuous improvement in product quality, operational efficiency, and customer satisfaction.

### **Turnkey Manufacturing**



### ***Customer Inquiry and/or Tender Participation***

The process typically begins with an inquiry from an existing or prospective client, or through our participation in a formal tender process. Clients provide technical specifications, system requirements, and expected delivery timelines. In some cases, requests for quotation (RFQs) are issued along with reference drawings, schematics, or functional descriptions. Our engineering and commercial teams jointly evaluate the feasibility and scope of work.

### ***Quotation Submission (including Procurement and Assembly Costing)***

Based on the RFQ, we prepare a detailed quotation covering the complete cost of the project, including component procurement, fabrication, assembly, testing, and logistics. This quotation also includes proposed delivery schedules, terms of warranty, and compliance with applicable industry standards (e.g., IPC, MIL, JSS). The quote reflects inputs from our sourcing, production planning, and engineering teams.

### ***Quote Acceptance and Lead Time Confirmation***

Once the customer accepts our commercial and technical offer, a formal work order or purchase order (PO) is received. We then validate component availability and issue a project-specific lead time confirmation. Any dependencies—such as import lead times, customer-supplied inputs, or tooling—are documented at this stage to align expectations.

### ***Material Procurement and Receipt***

We initiate procurement of components from our network of suppliers. Procurement is carried out strictly as per the approved Bill of Materials (BOM), with a focus on traceability, batch integrity, and regulatory compliance (e.g., RoHS, REACH). Upon receipt, each component undergoes inward inspection for quantity, part number match, visual quality, and documentation (such as Certificates of Conformance).

### ***Stores BOM Verification***

The received materials are reconciled with the project BOM. Our stores and materials team perform a thorough check for completeness, shortages, and substitutions (if any). Items are then labelled, entered into our material management system, and securely stored in ESD-safe bins until issued for production.

### ***Production Scheduling***

Our production planning team prepares a detailed schedule, allocating resources such as SMT line time, manpower, inspection slots, and testing equipment. Factors such as line changeovers, machine availability, and parallel project loads are considered to optimize throughput without compromising quality.

### ***First Batch Production***

Before full-scale manufacturing begins, a **pilot batch or first batch** of the product is produced. This limited production run helps verify the manufacturing setup, assembly process, and component compatibility. It allows engineers and quality teams to identify any issues early in the production cycle.

### ***First-Off Inspection***

A pilot build, typically the first PCB or sub-assembly, is assembled and subjected to a detailed inspection. This includes verifying solder quality, component placement, polarity, mechanical tolerances, and conformance to the assembly drawings. Feedback from FOI is used to fine-tune assembly processes before ramping up production.

### ***Actual Production***

Once the pilot batch successfully passes inspection, the process moves to full-scale or actual production. During this stage, the production line manufactures the required volume of PCB assemblies using automated machinery such as surface-mount technology (SMT) machines and assembly equipment, ensuring consistency, efficiency, and quality throughout the manufacturing process.

***Automated Optical Inspection (AOI) and X-Ray Optical Inspection (XOI)***

For densely populated or high-reliability boards, AOI is used to inspect solder joints, missing components, and placement accuracy. For hidden or complex assemblies, such as BGA packages, XOI is employed to detect voids, misalignment, or internal shorts. These inspections enhance defect detection without damaging the assemblies.

***Rework (If Any)***

In case any defects are identified during IPQC, AOI, or XOI, rework is carried out by trained technicians under the supervision of the quality control team. Rework processes comply with IPC standards and include soldering under magnification, component removal, and reinstallation using hot air or reflow equipment.

***Final Quality Control (Final QC)***

The fully assembled product undergoes a comprehensive final inspection. This includes dimensional checks, functional pin testing, marking verification, and cosmetic inspection. The QC team ensures that all checklists are completed and that assemblies meet the defined acceptance criteria before advancing to testing.

***Integration Testing/Factory Acceptance Test (FAT)***

For system-level assemblies or customer-specific applications, we perform integration testing to validate electrical functionality, communication protocols, and load performance. Factory Acceptance Tests (FAT) are conducted as per mutually agreed test plans. These tests may involve customer participation or video documentation depending on project requirements.

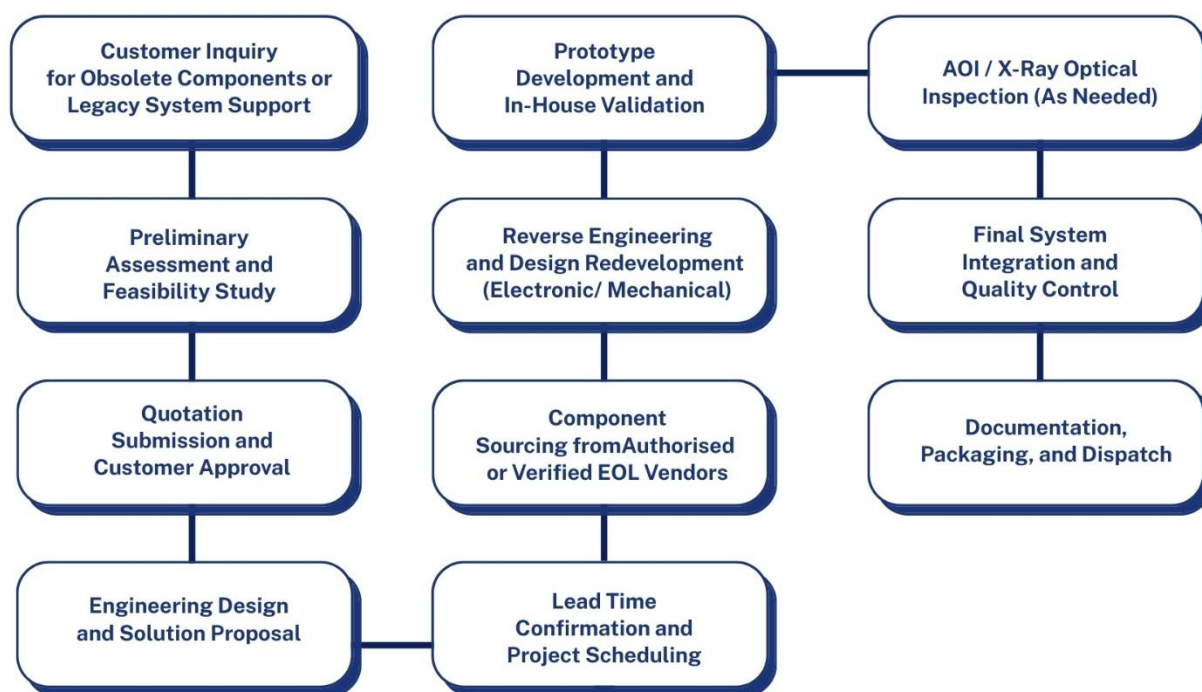
***Packaging and Dispatch***

Finished goods are packaged using anti-static, moisture barrier, or shock-proof materials as per the sensitivity of the product. Packaging is validated against customer specifications or internal standards. Post-packaging, products are labelled with batch codes, delivery tags, and shipping documents before dispatching through designated logistics partners.

**Obsolete Components Procurement/ Engineering & Design**

Our Company also undertakes Obsolete Component Procurement and Engineering Support Services, particularly for applications where legacy electronic systems require continued maintenance, replacement parts, or redesign to maintain operation functionality. The process typically involves identification of obsolete or hard-to-source components, sourcing of suitable alternatives, and where necessary, engineering modifications or redesign to ensure compatibility with existing systems.

The following outlines our typical process flow for this vertical:



### ***Customer Inquiry for Obsolete Components or Legacy System Support***

The process is triggered when a client, typically from the defence, aerospace, or industrial electronics sector, seeks support for systems or components that are no longer manufactured or available. Customers may approach us with partial documentation, physical samples, or functional specifications.

### ***Preliminary Assessment and Feasibility Study***

Our engineering and sourcing teams conduct an initial evaluation of the customer's requirement. This includes reviewing legacy schematics (if available), understanding system functionality, and identifying whether the need can be met through direct component sourcing or requires a redesign/replacement approach. If required, physical components are analyzed for electrical parameters, form-fit-function (FFF), and materials.

### ***Quotation Submission and Customer Approval***

A formal quotation is issued covering component sourcing, engineering design, prototyping, testing, and final delivery. Upon customer approval, a work order is issued, and the project enters the execution phase.

### ***Engineering Design and Solution Proposal***

When direct replacement is not feasible, we prepare a detailed engineering proposal that includes reverse engineering of the product, PCB re-layout, selection of functionally equivalent modern components, and/or redesign of sub-assemblies. The proposal outlines our technical approach, expected challenges, validation methodology, estimated timeline, and cost structure.

### ***Lead Time Confirmation and Project Scheduling***

We confirm project timelines based on component lead times, engineering complexity, prototype build stages, and any dependencies on external vendors or certifications. A detailed internal schedule is drawn up to monitor progress.

### ***Component Sourcing from Authorized or Verified EOL Vendors***

In cases where obsolete parts are still available in limited supply, our procurement team identifies reliable vendors through our global sourcing network. Each component is verified for authenticity, traceability, and compliance. Where possible, part lifecycle risk analysis is shared with the customer.

### ***Reverse Engineering and Design Redevelopment (Electronic/Mechanical)***

If sourcing is not viable, our engineering team undertakes reverse engineering—analyzing physical samples, re-creating schematic diagrams, and re-designing the layout using currently available technology. For mechanical enclosures, connectors, or form factor compatibility, CAD-based redesign is undertaken internally or via approved vendors.

### ***Prototype Development and In-House Validation***

A prototype is manufactured based on the new design. This prototype is subjected to internal validation for electrical functionality, thermal behaviour, signal integrity, and mechanical fit. If applicable, integration testing with the customer's existing system is carried out.

### ***AOI/X-Ray Optical Inspection (As needed)***

Critical sub-assemblies undergo AOI and/or X-ray Optical Inspection (XOI) to detect solder defects, hidden shorts, and assembly irregularities. These tests are particularly important for BGA and multilayer board assemblies.

### ***Final System Integration and Quality Control***

The validated prototype is subjected to a final quality control process. Functional tests, environmental tests (if applicable), and a Factory Acceptance Test (FAT) are conducted. We ensure that the redesigned or re-engineered system meets all functional and reliability benchmarks as agreed with the client.

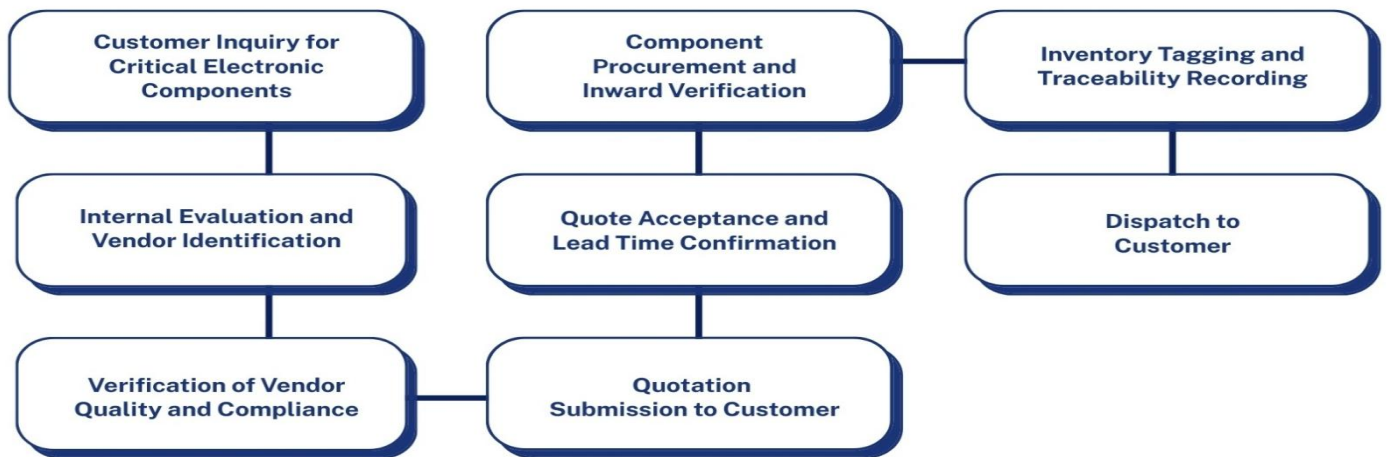
### ***Documentation, Packaging and Dispatch***

A complete technical documentation pack—including revised schematics, BOM, test reports, and design validation notes—is prepared and shared with the client. Final units are packed in anti-static and shock-proof packaging and dispatched as per the agreed delivery mode.

### ***Component Trading and Distribution***

Our Company also undertakes trading and supply of electronic components, including MIL-grade components and bulk electronic parts, to support customer requirements across various industries. Under this model, the Company sources components from approved suppliers and distributors and supplies them to customers while ensuring quality verification, supply chain reliability and timely delivery. The key stages of the trading sales process are described below.

The process flow followed in this business is outlined below:



### ***Customer Inquiry for Critical Electronic Components***

The engagement typically begins with a customer inquiry or request for quotation (RFQ) for specific components. These requests often include part numbers, manufacturer details, quantity required, and preferred delivery timelines. Many of these inquiries are for hard-to-find, end-of-life (EOL), or technically complex components that require specialized sourcing.

### ***Internal Evaluation and Vendor Identification***

Our sourcing and technical support teams evaluate the component requirements in terms of availability, compliance (e.g., RoHS, REACH), and technical specifications. We identify suitable vendors from our network of authorized distributors and verified independent suppliers. Each vendor is pre-qualified based on historical performance, product authenticity, and supply capabilities.

### ***Verification of Vendor Quality and Compliance***

Before proceeding with procurement, we verify vendor certifications, past supply history, and quality practices. For critical components or new vendors, we may request batch traceability documents, test reports, or Certificates of Conformance (CoC). This step ensures that the components we offer meet customer expectations for performance and reliability.

### ***Quotation Submission to Customer***

Based on the sourcing feasibility, pricing, and lead time estimates, we submit a detailed quotation to the customer. This includes part-level pricing, minimum order quantities (if any), delivery schedules, and commercial terms. For defence and PSU customers, quotations are often structured to meet public procurement norms and documentation standards.

### ***Quote Acceptance and Lead Time Confirmation***

Once the customer accepts our quotation, we reconfirm the delivery schedule and initiate internal planning for procurement and logistics. Any changes in component availability or vendor commitments are promptly communicated to the customer.

### ***Component Procurement and Inward Verification***

Upon placement of the purchase order, components are sourced from the identified vendors. When received at our facility, each shipment undergoes inward inspection. This includes checking the part number, manufacturer, quantity, packaging condition, date code, and documentation such as CoC and test reports, where applicable.

### ***Inventory Tagging and Traceability Recording***

Approved components are labelled with internal tracking identifiers and logged into our inventory management system. Traceability data—including vendor source, lot number, and inspection outcome—is maintained for all high-reliability components, especially for defence and aerospace applications.

### ***Dispatch to Customer***

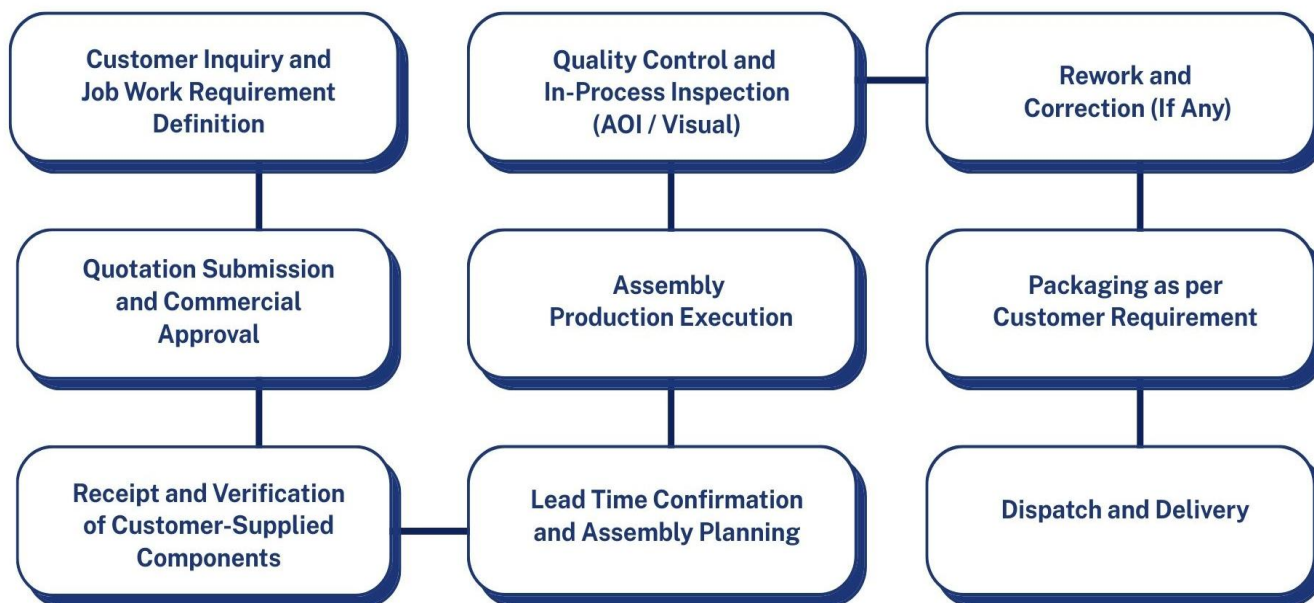
The verified components are packaged based on sensitivity and handling requirements. Anti-static shielding, vacuum sealed bags, and cushioning materials are used as required. All relevant documentation—such as invoices, delivery challans, and quality certificates—is included in the shipment. Dispatch is done through reputed logistics partners or as per customer instructions.

This trading vertical supports our customers' electronic system development and manufacturing by ensuring the timely availability of compliant and quality-assured components. Our strengths lie in our ability to source globally, verify rigorously, and respond flexibly to client-specific procurement needs.

### **Job Work Services**

Our job work services vertical involves undertaking contract-based assembly and manufacturing of electronic products and systems using customer-supplied materials, designs, or subassemblies. These assignments are typically short- to medium run production cycles, supporting prototyping, pilot batches, or overflow manufacturing. We provide infrastructure, skilled manpower, quality assurance, and process controls aligned with customer specifications.

The step-wise business process is as follows:



**Customer Inquiry and Job Work Requirement Definition**

The process is initiated by a customer inquiry for job work services. Customers generally share a scope of work document or a technical requirement sheet specifying the type of assembly required, nature and quantity of components being supplied, quality benchmarks, testing requirements, and desired timelines.

**Quotation Submission and Commercial Approval**

Based on the complexity of assembly, testing requirements, manpower, and resource utilization, we submit a quotation for job work charges. This includes labour costs, overheads, and any additional value-added services such as inspection, testing, or packaging. Upon acceptance of the quote, a purchase order is issued by the customer.

**Receipt and Verification of Customer-Supplied Components**

Upon receiving customer components, our stores team conducts a physical verification to check part numbers, quantities, packaging condition, and compliance with the provided Bill of Materials (BOM). Any shortages, damage, or mismatch are immediately reported to the customer. The components are tagged and stored in designated ESD-safe bins to maintain traceability throughout the assembly process.

**Lead Time Confirmation and Assembly Planning**

We confirm lead time-based on-line availability, engineering inputs, and any custom tooling or fixtures required. A production schedule is prepared to align with the customer’s delivery expectations. In cases involving multiple assemblies or test stages, milestones are established.

**Assembly Production Execution**

The assemblies are carried out as per customer-supplied drawings, process documents, and quality instructions. Our production infrastructure, which includes SMT (Surface Mount Technology) lines and manual soldering stations, is utilized to complete the build as per defined standards. Experienced technicians are deployed for precision assembly and integration.

**Quality Control and In-Process Inspection (AOI/Visual)**

Each assembly undergoes in-process quality checks to verify component placement, solder joints, polarity, and mechanical alignment. Automated Optical Inspection (AOI) and visual inspection are performed at critical stages. Any deviations from specifications are recorded, and non-conformities are flagged for rework.

**Rework and Correction (If Any)**

Defective assemblies, if any, are routed to rework with detailed feedback. Our rework team, trained to IPC standards, performs necessary corrections under controlled conditions. Only after clearing quality checkpoints are reworked units accepted for further processing.

**Packaging as per Customer Requirement**

Once assemblies are complete and cleared for dispatch, they are packed in line with customer specifications. This may include ESD-safe packaging, labelling, moisture protection, or custom kitting. Batch tagging and inspection stickers are applied wherever mandated.

**Dispatch and Delivery**

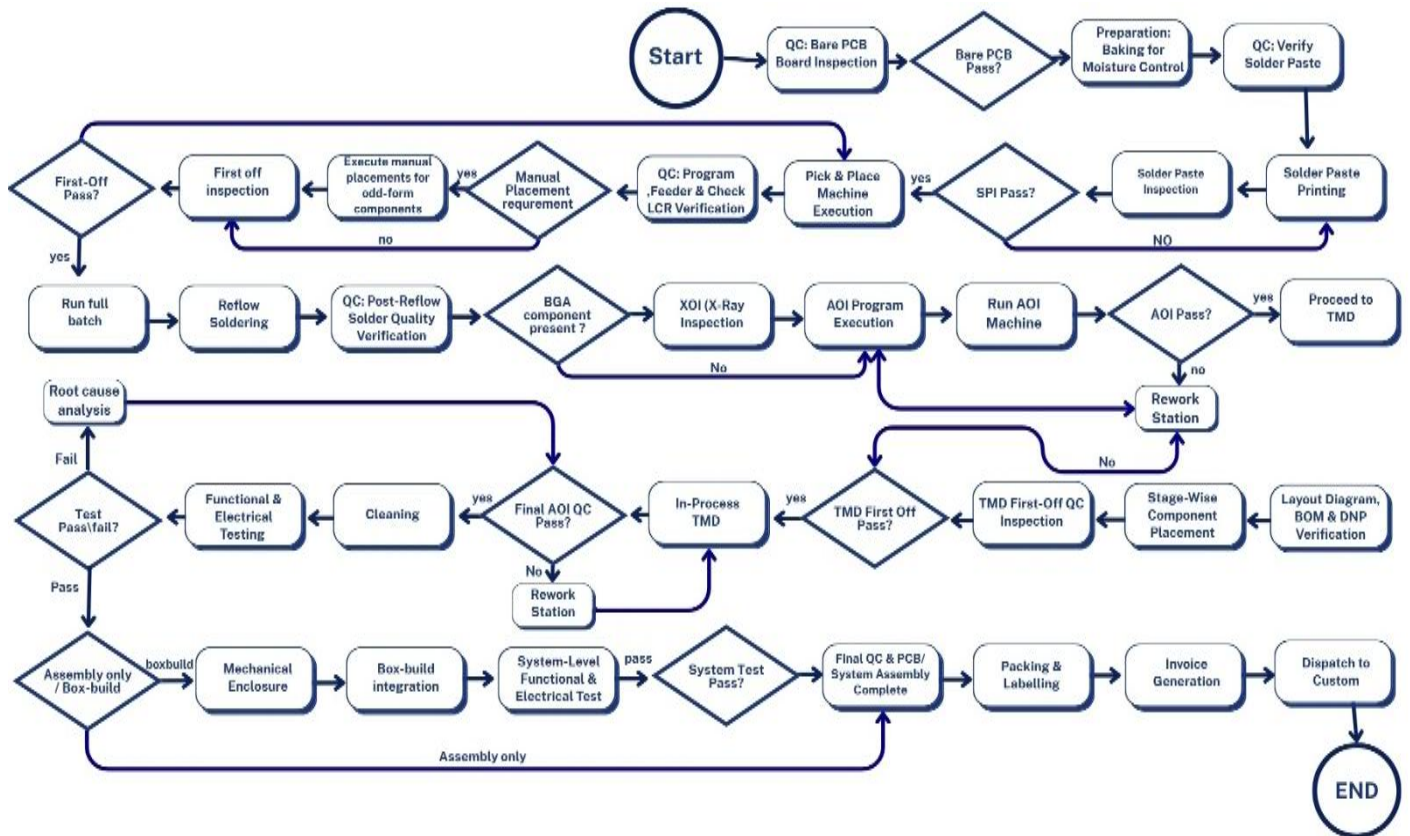
The completed assemblies are dispatched to the customer along with relevant documentation such as job work invoices, inspection reports (if required), and delivery notes. Logistics are coordinated in consultation with the customer to ensure secure and timely delivery.

Our job work services offer clients flexibility, access to certified infrastructure, and quality-controlled manufacturing without investing in in-house production capacity. These services are particularly beneficial to system integrators and R&D teams seeking reliable execution for time-bound or specialized assembly tasks.

**MANUFACTURING PROCESS**

We undertake Printed Circuit Board (PCB) assembly under turnkey electronics manufacturing model, where we manage component procurement, PCB assembly and, where required, box-build integration.





### ***Bare PCB Board Inspection***

The process begins with the receipt of bare printed circuit boards (PCBs), which undergo detailed quality inspection to verify dimensional accuracy, trace integrity, drilling quality, surface finish, and the absence of physical damage or warpage. Non-conforming PCBs are rejected or returned to suppliers.

### ***PCB Preparation and Moisture Removal***

The inspected PCBs are subjected to controlled baking to remove absorbed moisture, preventing defects such as delamination or soldering failures during high-temperature assembly processes.

### ***Solder Paste Verification***

Prior to production, solder paste is verified for viscosity, shelf life, storage conditions, and composition to ensure its suitability for forming reliable solder joints.

### ***Solder Paste Printing***

Solder paste is applied to PCB pads using stencil-based printing machines to deposit precise quantities of paste at designated component mounting locations.

### ***Solder Paste Inspection (SPI)***

Automated SPI systems inspect the printed solder paste for parameters such as volume, height, alignment, and uniformity to detect printing defects before component placement.

### ***Automated Pick and Place Assembly***

High-speed pick-and-place machines mount electronic components such as resistors, capacitors, and integrated circuits onto the PCB pads according to the design layout.

### ***Feeder Program and Component Verification***

Machine programs and feeder configurations are validated, and components are tested using LCR meters to verify electrical parameters and ensure correct component installation.

### ***Manual Component Placement***

Components unsuitable for automated placement due to size or packaging are installed manually by trained technicians.

### ***First-Off Inspection***

The first assembled PCB undergoes inspection to verify component placement accuracy, polarity orientation, and alignment before full-scale production begins.

### ***Reflow Soldering***

Assembled PCBs pass through a reflow oven with a controlled temperature profile where solder paste melts and forms permanent solder joints between components and the PCB.

### ***Post-Reflow Solder Inspection***

PCBs are inspected after reflow to detect defects such as solder bridges, insufficient solder, cold joints, or component misalignment.

### ***X-Ray Inspection for BGA Components***

For assemblies containing Ball Grid Array (BGA) components, X-ray inspection is performed to identify hidden solder defects beneath the components.

### ***Automated Optical Inspection (AOI)***

AOI systems use cameras and image processing software to detect missing components, polarity errors, incorrect orientation, and soldering defects.

### ***Rework and Defect Correction***

Any defects identified during inspection are rectified by trained technicians through component replacement, solder correction, or realignment.

### ***Layout, BOM and DNP Verification***

The PCB assembly is verified against the layout diagram, Bill of Materials (BOM), and Do Not Populate (DNP) list to ensure compliance with design specifications.

### ***Through-Hole and Manual Assembly***

Through-hole components and other manually installed devices are inserted and soldered as per product design requirements.

### ***In-Process Quality Inspection***

Continuous inspection is conducted during manual assembly to ensure adherence to quality standards and identify defects early in the process.

### ***PCB Cleaning***

Completed PCBs undergo cleaning to remove flux residues, dust, and contaminants using chemical or ultrasonic cleaning processes.

### ***Functional and Electrical Testing***

The assembled PCBs are tested for electrical continuity, voltage parameters, signal integrity, and overall functional performance.

### ***Root Cause Analysis for Failed Units***

Any failed units are analysed to identify root causes of defects, and corrective measures are implemented to prevent recurrence.

### ***Mechanical Enclosure and Box-Build Integration***

Depending on product requirements, PCBs are integrated into mechanical enclosures along with connectors, cables, and other components to form a complete system.

### ***System-Level Functional Testing***

The fully assembled system undergoes comprehensive functional testing under operational conditions.

### ***Final Quality Control***

A final inspection is conducted to confirm that the product meets all functional, quality, and cosmetic standards.

### ***Packing, Labelling and Dispatch***

Approved products are packed using anti-static and protective materials, labelled appropriately, and dispatched to customers with necessary documentation.

## **SWOT ANALYSIS**

### **Strengths**

#### ***Strong Presence in High-Reliability Electronics***

The Company has established capabilities in manufacturing and assembling high-reliability electronics for defense, avionics, industrial automation, and other critical applications.

#### ***Proven Track Record in Obsolescence Engineering Management***

The Company has demonstrated expertise in managing component obsolescence through alternative sourcing and engineering solutions for long-lifecycle products.

#### ***Approved Vendor for Key Defence & Aerospace Entities***

The Company is an approved and recognized vendor for government PSUs and private sector entities.

#### ***Cost-Effective & Scalable Operations***

The Company operates a cost-efficient and scalable manufacturing setup with integrated in-house capabilities, enabling competitive pricing and operational scalability.

### **Weaknesses**

#### ***Lower Brand Recognition in Commercial Markets***

Company operates primarily as a B2B EMS player with limited brand recognition outside specialized industrial and defense ecosystems.

#### ***High Capital Requirement***

The company requires continuous investments in advanced machinery, inspection equipment, and testing facilities to comply with evolving quality standards.

### **Opportunities**

#### ***Strategic Alliances with Global OEMs and Engineering Companies***

Partnerships with international defence and aerospace players can provide access to advanced technologies and specialized manufacturing opportunities.

#### ***Growth in Export Markets***

The Company's existing export presence in Europe and its ability to compete effectively with Chinese manufacturers provide opportunities for further international market expansion.

#### ***Government Initiatives under "Make in India"***

Government initiative, including funding and incentives for indigenous electronics and defence manufacturing provides significant growth potential.

### ***Expansion into Emerging Technologies***

Investments in RFSoc, embedded AI, VLSI, and advanced microelectronics can strengthen the Company's technological capabilities and competitive differentiation.

### **Threats**

#### ***Competition from Global Players***

The presence of large multinational companies with established capabilities intensifies competitive pressures in high-reliability electronics and semiconductor markets.

#### ***Rapid Technology Change***

Continuous skill development and sustained investments in Artificial Intelligence (AI), Machine Learning (ML) and other emerging technologies are required to remain competitive in industry.

#### ***Macroeconomic Slowdowns and Budget Constraints***

Change in government budget allocations for defence and aerospace programs may affect order inflows for our Company.

#### ***Geopolitical and Supply Chain Risks***

Dependence on imported semiconductor chips and electronic sub-assemblies affects the company's supply chain.

## **CUSTOMERS DETAILS**

The following table sets out the details of customer revenue concentration for the Fiscal 2026, Fiscal 2025, and Fiscal 2024:

(₹ in lakhs)

Concentrated Customers	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	In % of Revenue from Operation	Amount	In % of Revenue from Operation	Amount	In % of Revenue from Operation
Top 1 customer	9,677.27	62.08%	7,172.25	63.16%	5,121.87	59.77%
Top 3 customers	12,488.04	80.11%	8,951.71	78.83%	6,508.44	75.95%
Top 5 customers	13,931.31	89.36%	9,720.15	85.59%	7,227.59	84.34%
Top 10 customers	15,229.63	97.69%	10,813.01	95.22%	7,907.89	92.28%

\* As certified by M/S Dagliya & Co., Chartered Accountants, by their certificate dated May 11, 2026.

## **RAW MATERIAL & SUPPLIERS**

Our business activities involve sourcing and integrating electronic components and essential materials required for the production and assembly of printed circuit board (PCB) assemblies and electronic systems. The raw materials used in our processes can generally be grouped into the following categories:

### ***Bare Printed Circuit Boards (PCBs)***

Bare PCBs including FR4 and Rogers PCBs are used as the foundation for electronic assemblies. These boards provide mechanical support and electrical connectivity for mounted components, depending on application and frequency requirements.

### ***Passive Components***

Passive components include resistors, capacitors, inductors, and ferrite beads. These components control current flow, voltage stability, signal filtering, and noise suppression within electronic circuits.

### ***Semiconductor Components***

Semiconductor devices such as Digital Signal Processors (DSPs), Metal-Oxide-Semiconductor Field-Effect Transistors (MOSFETs), diodes (Schottky Diodes, TVS Diodes, Rectifiers), transistors (NPN and PNP), voltage regulators and RF power amplifiers, are used for switching, rectification, amplification, and power regulation.

### ***Integrated Circuits (ICs) & Microcontrollers***

IC's and microcontrollers perform core processing and control functions. These include Microcontroller (MCUs), memory IC's, RF/Rfid chips, and authentication ICs, enabling data processing, storage, communication, and security features.

### ***FPGA & Programmable Devices***

Field Programmable Grid Arrays (FPGAs), Complex Programmable Logic Devices (CPLDs) and similar programmable devices are used in applications requiring high-speed processing and flexible logic configuration. These components allow customization after manufacturing.

### ***Electromechanical Components & Connectors***

Electromechanical components including connectors, headers, and IDC connectors are used to establish electrical and mechanical connections between PCBs and external systems. They ensure reliable signal transmission and ease of assembly and maintenance.

### ***Other Components***

This category includes quartz crystals and oscillators for precise timing, LCD display modules for visual output, IR emitters and photodiodes for optical sensing, and consumables like adhesive tapes, labels, and mechanical supports to ensure assembly stability, identification, and durability of the final product.

### **The details of the raw materials procured are as follows:**

We directly procure our raw materials from suppliers located in India and outside India. We maintain a diversified supplier base, and we do not rely on a limited number of suppliers for the supply of our raw materials. The table below sets out our cost of materials sourced from suppliers located in India and outside India:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in Lakhs)	In %	Amount (₹ in Lakhs)	In %	Amount (₹ in Lakhs)	In %
Cost of materials sourced from suppliers located in India	15,078.89	98.12%	9,633.18	97.52%	9,700.22	98.50%
Cost of materials sourced from suppliers located outside India	288.90	1.88%	244.54	2.48%	147.58	1.50%

Set out this table below is the concentrated suppliers for the year ended Fiscal 2026, Fiscal 2025 and Fiscal 2024 :

(₹ in lakhs)

Concentrated suppliers	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	In % of Total Purchases	Amount	In % of Total Purchases	Amount	In % of Total Purchases
Top 3 suppliers	2641.18	17.19%	4,635.40	46.93%	4,359.55	44.27%
Top 5 suppliers	5524.71	35.95%	6,409.20	64.89%	6,276.10	63.73%
Top 10 suppliers	7992.25	52.01%	8,664.15	87.71%	9,016.55	91.56%
Top 1 suppliers	12,049.48	90.74%	2,134.13	21.61%	1,727.63	17.54%

\*As certified by M/S Dagliya & Co., Chartered Accountants, by their certificate dated May 11, 2026.

## **UTILITIES & INFRASTRUCTURE FACILITIES**

### **Power**

Our Company needs electricity for regular office and manufacturing facility use such as lighting and systems. This requirement is adequately met through the available electricity supply.

### **Water**

Water required for human consumption at the office and manufacturing facility is sourced from the municipal water supply, and adequate power supply arrangements are in place. All requirements are fully met at the existing premises.

### **Manufacturing Facility**

Our PCB assembly and testing areas maintain ESD (Electrostatic Discharge) controlled zones in accordance with IPC and ANSI/ESD standards, with humidity monitoring systems to protect moisture-sensitive electronic components. Component storage areas are maintained under controlled temperature and humidity conditions to preserve component integrity, particularly for moisture-sensitive devices ("MSDs") classified to IPC/JEDEC J-STD-033 requirements.

## TECHNOLOGY AND OPERATIONS

We believe that an appropriate information technology infrastructure is important in order to support the growth of our business. Our registered office is well equipped with computer systems, internet connectivity and other communication equipment which are required for our business operations to function smoothly. Our operations are supported by enterprise IT infrastructure including Tally Prime for financial accounting and an enterprise resource planning (ERP) system currently being implemented to integrate production planning, inventory management, procurement, and financial reporting across all functions.

### Domain & Web Hosting

S. No.	Domain names & ID	Sponsoring Registrar & IANA ID	Registrant Name	Creation Date	Registration Expiry Date
1.	merritronix.com	Big Rock Solutions Pvt. Ltd.& 1495	Thoughtful	June 1, 2025	June 1, 2026

## QUALITY CONTROL & SERVICES

We maintain a robust and well-documented quality control framework that spans the entire product life cycle, supported by a dedicated team overseeing supplier quality, incoming quality, process quality and outgoing quality assurance functions. Our quality systems are designed to ensure strict adherence to customer specifications through periodic supplier audits, structured incoming inspections, in-process controls aligned with customer-approved control plans, and comprehensive final product validation.

We also deploy process-based quality systems across procurement, receipt, storage, packaging and stage-wise production checks, supported by formal capacity and competence assessment protocols for new RFQs.

Our quality framework is reinforced by EN 9100:2018 certification (equivalent to AS 9100D and inclusive of ISO 9001:2015) for manufacturing of printed circuit board assemblies for aerospace and defence applications. Further strengthening our technical quality capability, our personnel include IPC-A-610 Certified IPC Trainer-qualified resources, reflecting adherence to globally recognized electronic assembly acceptability standards.

## MACHINERY & EQUIPMENTS

We operate a well-equipped and modern electronics manufacturing facility supported by a comprehensive range of advanced machinery and testing equipment. Its infrastructure covers the entire surface-mount technology (SMT) and through-hole assembly process, including automated solder paste printing, high-speed pick-and-place machines, nitrogen reflow soldering ovens, and wave soldering systems. The facility is further supported by automated optical inspection (AOI) systems, 3D AOI, X-ray inspection machines for BGA and hidden joint analysis, and specialized BGA rework stations, ensuring high reliability and quality in complex electronic assemblies.

We have also recently procured new-generation SMT and inspection equipment, including advanced pick-and-place systems, conveyors, a nitrogen reflow oven, and a 3D AOI machine, further enhancing its manufacturing speed, precision, and quality assurance capabilities. With this upgraded and diversified machinery base, the Company is adequately equipped to handle high-reliability, low-volume, high-complexity electronics manufacturing requirements, particularly for defence, aerospace, and other mission-critical applications.

## CAPACITY UTILISATION

The table below presents details of the capacity utilization of our manufacturing facility located in Hyderabad, Telangana, calculated based on the total installed production capacity and actual production for the three fiscal years and the stub period mentioned below:

Section	Particulars	Fiscal 2026		Fiscal 2025	Fiscal 2024
		Installed	Weighted*		
SMD Section	Installed Capacity (in Boards)	10,75,000	8,42,500	7,65,000	7,65,000
	Production (in Boards)	6,98,750	6,98,750	6,84,000	6,48,000
	<b>Utilization (in %)</b>	<b>65.00%</b>	<b>82.94%</b>	<b>89.41%</b>	<b>84.71%</b>
TMD Section	Installed Capacity (in Boards)	6,00,000	6,00,000	6,00,000	6,00,000
	Production (in Boards)	5,94,000	5,94,000	5,64,000	5,40,000
	<b>Utilization (in %)</b>	<b>99.00%</b>	<b>99.00%</b>	<b>94.00%</b>	<b>90.00%</b>
Box Build	Installed Capacity (in Boards)	4,20,000	4,20,000	4,20,000	4,20,000
	Production (in Boards)	4,15,500	4,15,500	3,99,000	3,78,000
	<b>Utilization (in %)</b>	<b>98.93%</b>	<b>98.93%</b>	<b>95.00%</b>	<b>90.00%</b>

As certified by M/s Axium Valuation Services LLP, Chartered Engineer by their certificate dated May 14, 2026.

\* For FY 2025–26, The Panasonic NPM D3A (commissioned in January 2026) increased SMD installed capacity from 7,65,000 to 10,75,000 but contributed zero production during the April–December 2025 window, inflating the denominator without a corresponding production contribution. The 'Actual Utilisation (Corrected)' column shows production against the capacity (8,42,500 for SMD Section is the calculated Weighted Capacity for the year) that was operationally installed during the year.

## COLLABORATIONS/TIE UPS/ JOINT VENTURES

We do not have any Collaboration/Tie Ups/Joint Ventures as on date of this Red Herring Prospectus.

## EXPORT OBLIGATION

The Company has export obligation to the extent of 5,65,236 USD, as on date of this Red Herring Prospectus.

## HUMAN RESOURCE

Department-wise bifurcation of on-roll employees as of March 31<sup>st</sup>, 2026 has been provided below:

S. No.	Division/Department	Headcount
1.	Accounts & Finance	4
2.	HR & Administration	2
3.	Dispatch & Logistics	4
4.	Operation & Execution	1
5.	Legal & Compliance	1
6.	Management	3
7.	Purchase	3
8.	Sales	1
9.	Stores & Inventory	1
10.	Support Staff	37
	<b>Total</b>	<b>57</b>

### Contractual Employees

We engage Twenty-one contractual employees on a need-based basis to support its project execution, manufacturing operations and ancillary functions. Such contractual personnel are typically deployed for specific assignments, peak workload requirements, or time-bound projects, enabling operational flexibility and cost efficiency. These contractual employees are sourced directly through third-party manpower service providers in compliance with applicable labour laws and regulations. The Company ensures that all statutory obligations, including payment of wages, provident fund contributions

### Employee Statutory Contributions

Please find below the details of employees registered with Employee Provident Fund and Employee State Insurance as on March 31<sup>st</sup>, 2026.

Particulars	For the period of March 31st, 2026	
	No. of Employees	Amount Paid (in ₹ lakhs)
EPFO	50	0.54
ESIC	21	0.11

### Employee Strength and Attrition

The table below sets forth the details of employee strength and attrition for the last three financial years:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Employees at the beginning of the period	52	54	47
Additions during the year	8	0	15
Deletions during the year	6	2	8
Employees at the end of the period	54	52	54
Attrition rate (%)	11.32%	3.77%	15.84%

\*Attrition rate has been calculated based on the average number of employees during the respective financial year.

#### EMPLOYEE AND RELATED COSTS/EXPENSES

The employee and related costs/expenses with percentage of revenue for 3 fiscal are as follows:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Employee Benefit Expenses	234.47	170.51	172.08
Total Revenue	15,589.56	11,356.38	8,569.91
% of Employee costs against the revenue	1.50%	1.50%	2.01%

The Employee Benefit expenses include Salary and Wages paid to employees including contribute to welfare funds such as provident fund, ESI, remuneration paid to directors, gratuity expenses and staff welfare expenses on day-to-day basis.

#### INSURANCE

We maintain insurance policies that are customary for companies operating in our industry. Details of Insurance obtained by our company as of the date of this offer document are as under:

(₹ in Lakhs)

S. No.	Policy No.	Insurer	Description Of Policy	Sum Insured	Premium Paid (Yearly)	Date of Expiry of the Policy
1.	61040011259600000008	The New India Assurance Co. Ltd.	Fire Insurance	4,391.95	6.48	22/08/2026
2.	1901808087 00000655	TATA AIG	Property Insurance	28.36	0.05	14/04/2031
3.	1901808087 00000228	TATA AIG	Property Insurance	99.90	0.23	14/04/2031
4.	61040046250100000026	The New India Assurance Co. Ltd.	Burglary	4,336.82	0.51	22/08/2026
5.	61040011254300000015	The New India Assurance Co. Ltd.	Laghu Udyam Suraksha	550.00	1.14	26/01/2027
6.	6205435289	TATA AIG	Vehicle Insurance	12.89	0.25	29/11/2026
7.	3196322541/000000/00	TATA AIG	Vehicle Insurance	0.73	0.07	22/04/2029
8.	61240111258000000013	The New India Assurance Co. Ltd.	Sookshma Udyam Suraksha Policy	0.48	0.11	20/11/2026

#### Insurance Coverage of Assets

The table below sets forth details of insurance coverage of the Company's assets as a percentage of net assets as on March 31, 2026:

Particulars	March 31, 2026
Insurance Coverage	5,084.31
Net Assets	5,312.96
Insurance Coverage as a percentage of net assets	95.70%

\*As certified by M/S Dagliya & Co., Chartered Accountants, by their certificate dated May 11, 2026.





We maintain insurance policies that are customary for companies operating in our industry. The company believes that its exiting insurance coverage is adequate and is consistent with industry practices; however, there can be no assurance that such coverage will be sufficient to cover all losses or that claims, if any, will be fully settled in a timely manner.

## IMMOVABLE PROPERTIES

S. No.	Address	Description & Usage	Ownership Status	Name of Seller/ Licensor	Date of Agreement	Agreement Registered/ Stamped	Date of Expiry if Leased / Rented	Lessor is related or not
1.	C-22, in survey No.324/1, Electronic complex, Kushaiguda, ECIL POST, Hyderabad - 500062	Registered Office & Manufacturing Facility	Leased	M/S. Amar Electronics	25/06/2020	Stamped	31/03/2030	Yes

## INTELLECTUAL PROPERTY

As on the date of this Red Herring Prospectus, our Company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999:

S. No.	Trademark/Copyright	Class	Nature of Trademark/Copyright	Trademark No. & Date	Status
1.	MERRITRONIX	9	Word	7055022 & 11/06/2025	Formalities Check Pass
2.	MERRITRONIX	35	Word	7055023 & 11/06/2025	Formalities Check Pass
3.	MERRITRONIX	40	Word	7055025 & 11/06/2025	Formalities Check Pass
4.	MERRITRONIX	42	Word	7055024 & 11/06/2025	Formalities Check Pass
5.		9	Logo	7055026 & 11/06/2025	Formalities Check Pass
6.		35	Logo	7055027 & 11/06/2025	Formalities Check Pass
7.		40	Logo	7055028 & 11/06/2025	Formalities Check Pass
8.		42	Logo	7055029 & 11/06/2025	Formalities Check Pass

## AWARDS & RECOGNITION

Please see “History and Certain Other Corporate Matters- Awards and Accreditations” on page 183, respectively, for details of the key awards and recognition received by us.

## COMPETITION

We operate in the Electronics System Design and Manufacturing (ESDM) sector, which is characterized by intense competition alongside strong growth potential. The competitive dynamics in this industry vary based on geography, target markets, product complexity, and end-use applications. To maintain and strengthen our competitive position, we continuously focus on optimizing production, transportation and distribution costs while enhancing overall operational efficiency. Competition in the ESDM industry is largely influenced by factors such as product quality, technological capabilities, cost competitiveness, timely delivery and customer support.

The industry caters to a diverse range of segments including consumer electronics, telecommunications, industrial automation, automotive electronics and medical devices, each presenting unique opportunities and competitive challenges. Accordingly, we

seek to remain agile in response to evolving market conditions through ongoing innovation, process improvements and close customer engagement, which we believe supports the sustainability of our business model in a rapidly evolving industry environment.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Pursuant to the provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder, the Corporate Social Responsibility (“CSR”) provisions became applicable to the Company during the financial year under review. Accordingly, the Board of Directors has constituted a Corporate Social Responsibility Committee and adopted a CSR Policy in line with the statutory requirements. The Company recognizes its responsibility towards society and is committed to undertaking CSR initiatives in areas aligned with Schedule VII of the Companies Act, 2013, with a focus on creating sustainable and meaningful social impact. The CSR Committee oversees the formulation, implementation and monitoring of CSR activities and ensures that the Company remains compliant with all applicable CSR regulations.

## KEY INDUSTRIAL REGULATIONS AND POLICIES

*In carrying on our business as described in the section titled “Our Business” on page 149, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, see “Government and Other Approvals” on page 234.*

Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our Company’s businesses. Our Company is required to obtain and regularly renew certain licenses/ registrations and/or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by our Company:

### **A. Industry Related Law**

#### ***Electricity Act, 2003 (“Electricity Act”)***

The Electricity Act was enacted to regulate the generation, transmission, distribution, trading and use of electricity by authorising a person to carry on the above acts either by availing a license or by seeking an exemption under the Electricity Act. Additionally, the Electricity Act states no person other than Central Transmission Utility or State Transmission Utility, or a licensee shall transmit or use electricity at a rate exceeding 250 watts and 100 volts in any street or place which is a factory within the meaning of the Factories Act, 1948 or a mine within the meaning of the Mines Act, 1952 or any place in which 100 or more persons are ordinarily likely to be assembled. An exception to the said rule is given by stating that the applicant shall apply by giving not less than 7 days’ notice in writing of his intention to the Electrical Inspector and to the District Magistrate or the Commissioner of Police, as the case may be, containing the particulars of electrical installation and plant, if any, the nature and purpose of supply of such electricity. The Electricity Act also lays down the requirement of mandatory use of meters to regulate the use of electricity and authorises the Commission so formed under the Electricity Act, to determine the tariff for such usage. The Electricity Act also authorises the State Government to grant subsidy to the consumers or class of consumers it deems fit from paying the standard tariff required to be paid.

#### ***The Central Electricity Authority (Measures Relating to Safety and Electric Supply) Regulations, 2023 (the “CEA Regulations”)***

The CEA Regulations supersede the Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010. The CEA Regulations are applicable to electrical installation including electrical plant and electric line, and the person engaged in the generation, transmission, distribution, trading, supply or use of electricity. General safety requirements pertaining to the construction, installation, protection, operation and maintenance of electric supply and apparatus are provided under the CEA Regulations. Further, the CEA Regulations also cover the general conditions relating to supply and use of electricity, safety provisions for electrical installation and apparatus of voltage not exceeding 650 voltage, safety requirements for overhead lines, underground cables, electric traction, mines and oil fields.

#### ***Bureau of Indian Standards Act, 2016 (“Bureau of Indian Standards Act”)***

The Bureau of Indian Standards Act provides for the standardization, conformity assessment, marking and quality certification of goods, articles, processes, systems and services. The Bureau of Indian Standards Act provides for the functions of the bureau which include, among others (a) recognize as an Indian standard, any standard established for any goods, article, process, system or service by any other institution in India or elsewhere; (b) specify a standard mark to be called the Bureau of Indian Standards Certification Mark; and (c) make such inspection and take such samples of any material or substance as may be necessary.

#### ***The Electrical Wires, Cables, Appliances and Protection Devices and Accessories (Quality Control) Order, 2003***

The Electrical Wires, Cables, Appliances and Protection Devices and Accessories (Quality Control) Order, 2003 (“Order”), prohibits the manufacture, storage for sale, sale and distribution of electrical wires, cables, appliances, protection devices (including low voltage switchgear and fuses) that do not conform to the standards specified in such order and that do not bear the standard mark issued by BIS. The Order imposes a mandatory requirement on manufacturers to obtain a license for the use of the standard mark. The Central Government appoints an officer who is empowered to inspect any books, documents, search any premises, of any person or company engaged in manufacturing, storage, distribution and sale of electrical equipment, he can require such persons to furnish information and samples as the case may be and seize electrical equipment in contravention of the Order.

#### ***Electronics and Information Technology Goods (Requirement for Compulsory Registration) Order, 2021***

The Electronics and Information Technology Goods (Requirement for Compulsory Registration) Order, 2021 (the “Compulsory Registration Order”) has been notified in supersession of the Electronics and Information Technology Goods (Requirement for Compulsory Registration) Order, 2012. The Compulsory Registration Order states that the manufacturing, storage, import, sale or distribution of goods, which do not meet the specified standard and/or bear a self-declaration confirming conformance to the relevant Indian standard is prohibited. Such goods shall also bear the “Standard Mark” under a license from the Bureau of Indian Standards in accordance with the Bureau of Indian Standards (Conformity Assessment) Regulations, 2018. The only exception is for those goods or articles which are meant for export which conform to the specification required by the foreign buyer and to goods or articles, for which the Central Government has issued a specific exemption letter, based on reasons to be recorded in writing.

#### ***Legal Metrology Act, 2009 (the “LM Act”) and the Legal Metrology (Packaged Commodities) Rules, 2011 (the “LM Rules”)***

The LM Act along with LM Rules, establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure, or numbers. Any transaction relating to goods, or a class of goods shall be as per the weight, measurements or numbers prescribed by the Legal Metrology Act. The Legal Metrology Act prohibits the manufacture, packing, selling, importing, distributing, delivering, offer for sale of any pre-packaged commodity if such does not adhere to the standard regulations set out. The LM Act provides for, among others, standard weights and measures and requirements for verification and stamping of weight and measure. LM Rules inter alia provide that certain commodities shall be packed for sale, distribution and delivery in standard quantities as laid down under the LM Rules. LM Rules also provide for declarations that must be made on packages, where those declarations should appear on the package and the manner in which the declaration is to be made.

#### ***Atomic Energy Act, 1962 (“Atomic Energy Act”) and Atomic Energy (Radiation Protection) Rules, 2004 (“Radiation Rules”)***

The Atomic Energy Act, inter alia, mandates that no minerals, concentrates and other materials which contain prescribed substances be disposed of without the previous permission in writing of the Central Government. Further, the Atomic Energy Act provides that the Central Government may require a person to make periodical and other returns or such statements accompanied by plans, drawings and other documents as regards any prescribed substance in the Atomic Energy Act that can be a source of atomic energy and further states that the Central Government may prohibit among other things the acquisition, production, possession, use, disposal, export or import of any prescribed equipment or substance except under a license granted by it to that effect. Pursuant to the provisions of the Atomic Energy Act, the Central Government has framed the Radiation Rules, which apply to practices adopted and interventions applied with respect to radiation sources. The Radiation Rules prescribe guidelines such as license for carrying out activities relating to radiation, specifies procedure for obtaining licenses, exemptions, etc and requirements for radiation surveillance, health surveillance etc. The Radiation Rules provide that all persons handling radioactive material need to obtain a license from a competent authority. It stipulates that no person is to use any radioactive material for any purpose, in any location and in any quantity, other than in a manner otherwise specified in the license and that every employer must designate a “Radiological Safety Officer” and maintain records with respect to every such radiation worker in the manner prescribed in the Radiation Rules.

#### ***The Factories Act, 1948***

The Factories Act defines a ‘factory’ to be any premises including the precincts thereof, on which on any day in the previous 12 months, 10 or more workers are or were working and in which a manufacturing process is being carried on or is ordinarily carried on with the aid of power; or where at least 20 workers are or were working on any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories.

#### ***The National Policy on Electronics, 2019 (“NPE”)***

The NPE is issued by the Ministry of Electronics and Information Technology, Government of India. The NPE envisions positioning India as a global hub for Electronics System Design and Manufacturing -(ESDM) by encouraging and driving capabilities in the country for developing core components, including chipsets, and creating an enabling environment for the industry to compete globally.

#### ***The Information Technology Act, 2000 (the “IT Act”) and the rules made thereunder***

The IT Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information, (ii) facilitate electronic filing of documents and (iii) create a mechanism for the authentication of electronic documentation through 301 digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. The IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. The Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009 specifically permit the Government of

India to block access of any information generated, transmitted, received, stored or hosted in any computer resource by the public, the reasons for which are required to be recorded by it in writing.

The Information Technology (Amendment) Act, 2008, which amends the IT Act, facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and creates liability for failure to protect sensitive personal data.

The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India ("DoIT"), in April 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("IT Security Rules") in respect of Section 43A of the IT Act, which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected, and any third-party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The DoIT notified the Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 ("IT Intermediary Rules") superseding the Information Technology (Intermediaries Guidelines) Rules, 2011, requiring intermediaries receiving, storing, transmitting, or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the IT Intermediary Rules, to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries. The IT Intermediaries Rules further requires the intermediaries to provide for a grievance redressal mechanism and appoint a nodal officer and a resident grievance officer.

## **B. Laws relating to employment**

### ***The Industrial Relations Code, 2020***

The Industrial Relations Code, 2020, streamlines Indian labour law by consolidating three key statutes to enhance the ease of doing business. It significantly increases operational flexibility for companies by raising the employee threshold from 100 to 300 for requiring prior government permission for layoffs, retrenchment, and closure, and for mandating formal standing orders. While providing this flexibility, the Code also introduces several worker-centric provisions, including an expanded definition of 'worker,' the formal recognition of fixed-term employment with pro-rata benefits, and the establishment of a 'Reskilling Fund' for retrenched employees. Furthermore, it establishes a clear framework for recognizing a sole negotiating union to streamline collective bargaining and imposes stricter conditions, such as a mandatory notice period, for strikes and lock-outs, aiming to balance employer flexibility with industrial harmony.

### ***Code on Wages, 2019***

The Code on Wages, 2019, is a comprehensive legislation that consolidates and simplifies four central labour laws: the Payment of Wages Act, 1936; the Minimum Wages Act, 1948; the Payment of Bonus Act, 1965; and the Equal Remuneration Act, 1976. Its primary objective is to create a uniform and streamlined framework for wage-related regulations across all sectors of employment. A key feature of the Code is the universalization of minimum wage and timely wage payment provisions, making them applicable to all employees, including those in the unorganized sector, thereby removing previous wage ceilings and employment-specific limitations. The Code introduces the concept of a national "floor wage" to be determined by the Central Government, which will serve as a baseline that state-level minimum wages cannot fall below. Furthermore, it prohibits gender discrimination in matters of wages and recruitment for the same or similar nature of work, codifies the rules for annual bonus payments, and specifies clear timelines for wage payments and permissible deductions. The enforcement mechanism is also revamped, introducing the role of an "Inspector-cum-Facilitator" to advise employers and employees, alongside traditional inspection functions, aiming for a more transparent and less adversarial compliance system.

### ***Code on Social Security, 2020***

The Code on Social Security, 2020, is a comprehensive legislation designed to consolidate and amend nine central labour enactments related to social security, including those governing provident funds, employee insurance, maternity benefits, and gratuity. Its most significant objective is to universalize social security benefits by extending coverage to the vast unorganized sector, as well as to gig and platform workers, who were previously largely outside the traditional safety net. The Code establishes a framework for this expansion through the mandatory registration of all workers on a national portal and the creation of a dedicated Social Security Fund to finance schemes for them. While streamlining the administration of existing statutory schemes like the EPF and ESI, the Code's core purpose is to create a single, unified structure to provide a social security umbrella for the entire Indian workforce, adapting to the changing nature of work in the modern economy.

## ***Occupational Safety, Health and Working Conditions (OSH) Code, 2020***

The Occupational Safety, Health and Working Conditions (OSH) Code, 2020, is a comprehensive legislation that consolidates and replaces 13 central labour laws, including The Factories Act, 1948; The Mines Act, 1952; The Dock Workers (Safety, Health and Welfare) Act, 1986; The Building and Other Construction Workers Act, 1996; The Plantations Labour Act, 1951; The Contract Labour Act, 1970; The Inter-State Migrant Workmen Act, 1979; The Working Journalist and other Newspaper Employees Act, 1955; The Working Journalist (Fixation of Rates of Wages) Act, 1958; The Motor Transport Workers Act, 1961; The Sales Promotion Employees Act, 1976; The Beedi and Cigar Workers Act, 1966; and The Cine-Workers and Cinema Theatre Workers Act, 1981. Its primary objective is to create a single, uniform regulatory framework for a wide range of establishments. The Code simplifies compliance for employers by introducing a single registration and license system and clearly defines the duties of both employers and employees regarding workplace safety. Furthermore, it establishes advisory boards, introduces specific welfare provisions for contract and migrant workers, and permits women to work at night with their consent and adequate safety. By shifting the enforcement mechanism towards an "Inspector-cum-Facilitator" model, the Code aims to foster a more proactive and advisory approach to ensuring safe and humane working conditions.

## **C. Environmental Laws**

### ***The Environment (Protection) Act, 1986 (the "EPA") and the Environment Protection Rules, 1986 (the "EP Rules") read with the Environmental Impact Assessment Notification, 2006 (the "EIA Notification")***

The EP Act has been enacted with the objective of protection and improvement of the environment and for matters connected therewith. As per the EP Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent, control and abate environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EP Act, including the power to direct the closure, prohibition or regulation of any industry, operation, or process. The EP Rules prescribes the standards for emission or discharge of environmental pollutants from industries, operations, or processes, prohibitions and restrictions on the location of industries as well as prohibitions and restrictions on the handling of hazardous substances in different areas for the purpose of protecting and improving the quality of the environment and preventing and abating environmental pollution. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the spatial extent of potential impacts and potential impact on human health and natural and manmade resources.

### ***The Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act") and Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")***

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned PCB. The Water Act also provides that the consent of the concerned PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent. Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act") The Air Act requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

### ***Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the "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, 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.

### ***The Public Liability Insurance Act, 1991 ("PLI Act")***

The PLI Act provides for public liability insurance for the purpose of providing immediate relief to the persons affected by accident occurring while handling any hazardous substance and imposes liability on the owner of hazardous substances for any damage arising out of an accident involving such hazardous substances. The government by way of a notification has enumerated a list of hazardous substances. The owner or handler is also required to obtain an insurance policy insuring against liability under the legislation. The rules made under the PLI Act mandate that the owner has to contribute towards the environmental relief fund a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

## **D. Intellectual Property Laws**

### ***The Trademarks Act, 1999 ("Trademarks Act")***

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trademark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal.

### ***The Patents Act, 1970 (the “Patents Act”) 306***

The Patents Act governs the law relating to patents in India. A patent which is granted under the Act, subject to certain conditions, grants an exclusive right to the patentee to prevent third parties, who do not have the patentee’s consent, from the act of making, using, offering for sale, selling or importing the patented product or process. An invention under the Patents Act means a new product or process involving an inventive step and capable of industrial application. The Patents Act prescribes eligibility criteria for grant of patents, including the requirement that an invention must satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection. The term of a patent under the Patents Act is twenty years from the date of filing an application for the patent.

### ***The Copyright Act, 1957 (the Copyright Act)***

The Copyright Act, along with the Copyright Rules, 2013 (“Copyright Laws”) governs copyright protection in India. The Register of Copyrights under the Copyright Laws acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions.

### ***The Designs Act, 2000 (the “Design Act”) and the Design Rules, 2001 (the “Design Rules”)***

The Design Act consolidates and amends the law relating to the protection of designs which came into force on May 11, 2001. The Design Act is a complete code in itself and is statutory in nature and protects new or original designs from getting copied which might cause loss to the proprietor. The proprietor upon registration gets ‘copyrights in design’ for the period of 10 years from the date of registration which can be renewed for a second period of five years, before the expiration of original period of 10 years. The controller registers a design under the Design Act after verifying that the design of any person, claiming to be the proprietor, is the new or original design not previously published anywhere in any country and is not against any public policy or morality. Any obvious or fraudulent imitation of a design, which is already registered, without the consent of its proprietor, is unlawful. It also prohibits the import of any material which closely resembles a registered design. The Central Government also drafted the Design Rules under the authority of the Design Act for the purpose of specifying certain prescriptions regarding the practical aspects related to designs such as payment of fee, register for designs, classification of goods, address for service, restoration of designs etc.

## **E. Foreign Laws**

### ***Foreign Investment Regulations (the “Foreign Investment Regulations”)***

The foreign investment in India is governed, among others, by the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (“**FEMA Rules**”) and the consolidated FDI policy (effective from October 15, 2020) issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion (“**FDI Policy**”), each as amended. Further, the Reserve Bank of India has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 on October 17, 2019 which regulates mode of payment and remittance of sale proceeds, among others. The FDI Policy and the FEMA Rules prescribe inter alia the method of calculation of total foreign investment (i.e. direct foreign investment and indirect foreign investment) in an Indian company.

### ***Foreign Trade (Development and Regulation) Act, 1992 (“FTDRA”), the Foreign Trade (Regulation) Rules, 1993 (“FTRR”) and the Foreign Trade Policy 2015 - 2020 (“Foreign Trade Policy”)***

The FTDRA provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTDRA empowers the Central Government to formulate and amend the foreign trade policy. The FTDRA prohibits any person from making an import or export except under an Importer-exporter Code Number (“**IEC**”) granted by the director general or any other authorised person in accordance with the specified procedure. The IEC may be suspended or cancelled if the person who has been granted such IEC contravenes, amongst others, any of the provisions of the FTDRA, or any rules or orders made thereunder, or the foreign policy or any other law pertaining to central excise or customs or foreign exchange. The FTDRA also prescribes the imposition of penalties on any person violating its provisions. The FTRR prescribes the procedure to make an application for grant of a license to import or export goods in accordance with the foreign trade policy, the conditions of such license, and the grounds for refusal of a license. The FTDRA empowers the Central Government to, from time to time, formulate and

announce the foreign trade policy. The Foreign Trade Policy came into effect in 2017 and requires all importers and exporters to obtain an IEC. Further, pursuant to the policy, the Director General of Foreign Trade may impose prohibitions or restrictions on the import or export of certain goods, for reasons including the protection of public morals, protection of human, animal or plant life or health, and the conservation of national resources. The Foreign Trade Policy also prescribes restrictions on imports or exports in relation to specific countries, organisations, groups, individuals or products. The Foreign Trade Policy also provides for various schemes, including the export promotions capital goods scheme and duty exemption/remission schemes. India's current Foreign Trade Policy (2015-20) (as extended until September 30, 2022 and thereafter, extended till March 31, 2023) envisages helping exporters leverage benefits of GST, closely monitoring export performances, increasing ease of trading across borders, increasing realization from India's agriculture-based exports and promoting exports from MSMEs and labour-intensive sectors.

### ***Foreign Exchange Management Act, 1999 (“the FEMA”) and Rules and Regulations thereunder***

Export of goods and services outside India is governed by the provisions of the Foreign Exchange Management Act, 1999, read with the applicable regulations. The Foreign Exchange Management (Export of goods and services) Regulations, 2000 have been superseded by the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 ("Export of Goods and Services Regulations 2015") issued by the RBI on January 12, 2016 (last amended on June 23, 2017). The RBI has also issued a Master Circular on Export of Goods and Services. The export is governed by these Regulations which make various provisions such as declaration of exports, procedure of exports as well as exemptions.

### ***FEMA Rules***

The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 by Notification No. FEMA. 395/2019-RB dated October 17, 2019 (“**FEMA Rules**”) to prohibit, restrict, or regulate transfer by or issue security to a person resident outside India. As laid down by the FEMA Rules, no prior consents and approvals are required from the RBI for Foreign Direct Investment (“**FDI**”) under the “automatic route” within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the RBI. At present, the FDI Policy does not prescribe any cap on the foreign investments in the sector in which the Company operates. Therefore, foreign investment up to 100% is permitted in the Company under the automatic route.

## **F. Taxation Laws**

### ***Income Tax Act, 1961 (the “Income Tax”)***

Income Tax Act, 1961 is applicable to every domestic or foreign company whose income is taxable under the provisions of this Act or rules made under it depending upon its “Residential Status” and “Type of Income” involved. Under section 139(1) every Company is required to file its income tax return for every previous year by October 31 of the assessment year. Other compliances like those relating to tax deduction at source, fringe benefit tax, advance tax, and minimum alternative tax and the like are also required to be complied with by every company.

### ***Goods and Service Tax (GST) (the “Goods and Services Tax”)***

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

### ***Customs Act, 1962 (“Customs Act”) and the Customs Tariff Act, 1975***

The Customs Act, as amended, regulates import of goods into and export of goods from India by providing for levy and collection of customs duties on goods in accordance with the Customs Tariff Act, 1975. Any company intending to import or export goods is first required to get registered under the Customs Act and obtain an Importer Exporter Code under FTDR. Customs duties are administered by Central Board of Indirect Tax and Customs under the Ministry of Finance, Government of India.

### ***Professional Tax (the “Professional Tax”)***

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary

or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

## **G. Other Applicable Laws**

### ***The Companies Act, 2013 (“Companies Act”)***

The Companies Act deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial, and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

### ***The Indian Contract Act, 1872 (“Contract Act”)***

The Indian Contract Act lays down the essentials of a valid contract, it provides a framework of rules and regulations that govern the validity, execution and performance of a contract and codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

### ***Sale of Goods Act, 1930 (the “Sale of Goods Act”)***

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

### ***Competition Act, 2002 (“Competition Act”)***

The Competition Act aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) which became operational from May 20, 2009, has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising, or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

### ***The Micro, Small and Medium Enterprises Development Act, 2006 (“MSMED Act”)***

The MSMED Act, was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (“**MSME**”). A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated June 1, 2020 revising definition and criterion and the same came into effect from July 1, 2020. The notification revised the definitions as "Micro enterprise", where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; "Small enterprise", where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; "Medium enterprise", where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees.

### ***Shops and Establishments Legislations***

Under the provisions of local shops and establishments legislations applicable in different states, commercial establishments are required to be registered. Such legislations regulate the working and employment conditions of workers employed in shops and commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

## ***Municipality Laws***

State governments are empowered to endow municipalities with such powers and authority as may be necessary to enable them to perform functions in relation to permitting the carrying on of trade and operations. Accordingly, State governments have enacted laws authorizing municipalities to regulate use of premises, including regulations for issuance of a trade license to operate, along with prescribing penalties for non-compliance.

## ***The Insolvency and Bankruptcy Code, 2016 (the “Code”)***

The Insolvency and Bankruptcy Code, 2016 cover Insolvency of companies, Limited Liability partnerships (LLPs), unlimited liability partnerships, and individuals. The IBC 2016 has laid down a collective mechanism for resolution of insolvencies in the country by maintaining a delicate balance for all stakeholders to preserve the economic value of the process in a time bound manner. The code empowers any creditor of a Corporate Debtor (CD), irrespective of it being a Financial Creditor (FC) or Operational Creditor (OC) or secured or unsecured creditor, or the Corporate Debtor itself, to make an application before the Adjudicating Authority (AA) to initiate Corporate Insolvency Resolution Process (CIRP) against a Corporate Debtor, at their discretion, in the event of there being a default by the Corporate Debtor in payment of their dues for an amount as specified from time to time. On initiation of the Said CIRP, a resolution to be sought for the company within a time bound time period of 180 days.

## ***Fire Safety Legislations (the “Fire Safety Legislations”)***

Fire safety legislations enacted by several states in India provide for, amongst other things, the establishment of state fire services departments in respective State. Under these laws, owners of certain premises or certain class of premises, which are used for purposes which may cause a risk of fire, are required to obtain an approval from the relevant authority of such fire services department. Owners are further required to implement adequate fire prevention and safety measures and appoint a fire safety officer for inspection of premises from time to time, as may be prescribed under applicable law. Further, restrictions have been imposed on the working of high-risk premises in case these approvals are not acquired or for other violations of the provisions of the fire safety laws

## ***Consumer Protection Act, 2019 (the “Consumer Protection Act”) and the rules made thereunder***

The Consumer Protection Act provides for the protection of the interests of consumers and the establishment of authorities for the timely and effective administration and the settlement of consumer disputes. The Act empowers the Central Government to constitute the Central Consumer Protection Authority to regulate matters relating to the violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of the public and consumers, and to promote, protect and enforce the rights of consumers as a class, and conduct inquiries or investigations under the Consumer Protection Act. Further, the Consumer Protection Act enables complainants to file complaints in respect of, *inter alia*, goods suffering defects, services suffering deficiencies, and goods or services hazardous to life and safety. Consumers are also empowered to file product liability actions, for claiming compensation for the harm caused to them by defective products or deficient services, in respect of which such product manufacturers or sellers may be held responsible.

In line with the Consumer Protection Act, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India (“MoCA”) has also notified the Consumer Protection (E-Commerce) Rules, 2020 (“Ecommerce Rules”) which provides a framework to regulate the marketing, sale and purchase of goods and services online. The E-Commerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce, and sellers of products and services. Further, E-Commerce (Amendment) Rules, 2021 further mandated e-commerce entities which are companies or an office, branch or agency outside India owned and controlled by a resident Indian, to appoint a nodal officer or alternate senior functionary resident in India, to comply with the Consumer Protection Act and rules under it.

## **H. Other Laws**

In addition to the above, our Company is required to comply with the provisions of the Prevention of Corruption Act, 1988, Rent Control Act, Information Technology Act 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

Our Company was incorporated on October 14, 1988 as “*Merritronix Private Limited*”, a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, Andhra Pradesh. Subsequently, a Certificate of Registration of Regional Director order, dated October 05, 2021 was issued by the Registrar of Companies, Hyderabad pursuant to the shifting of the Registered Office of the Company from the “*State of Andhra Pradesh*” to the “*State of Telangana*”, under the provisions of the Companies Act, 2013. Thereafter, our Company was converted into a public limited company pursuant to a resolution passed by our Shareholders at an Extraordinary General Meeting held on January 06, 2025, and consequently the name of our Company was changed to “*Merritronix LTD.*”. A Fresh Certificate of Incorporation dated February 07, 2025 was issued by the Registrar of Companies, Central Registration Centre upon such conversion.

### Change in registered office of our Company

The Registered office of our company is situated at C-22, Electronic Complex, Kushaiguda, Hyderabad, India, 500062.

Date of Change of Registered office	Address	Reason for such change
May 11, 1991	From LIG -8/281, Dr A S Rao Nagar, Hyderabad, Andhra Pradesh- 500062 to C-22, Electronic Complex, Kushaiguda, Hyderabad - 500062, Andhra Pradesh	For Administrative Convenience
October 23, 2013	From C-22, Electronic Complex, Kushaiguda, Hyderabad - 500062, Andhra Pradesh to D. No. 39-2-16A, F. No: S1, Vishnuvardhan Rao Street, Labbi Pet, Vijayawada Town, Krishna District, Andhra Pradesh, 520010	For Administrative Convenience
August 03, 2021	From D. No. 39-2-16A, F. No: S1, Vishnuvardhan Rao Street, Labbi Pet, Vijayawada Town, Krishna District, Andhra Pradesh, 520010 to C-22, Electronic Complex, Kushaiguda, Hyderabad, Telangana, India, 500062	For Administrative Convenience

### Main Objects of our Company

The main objects of our Company are as follows:

1. *To carry on business as manufacturers of and dealers in Electronic Components and Equipment's.*
2. *To carry on business as repairers of and dealers in electronic components, equipment's, boxes from cardboard, plastic corrugated board, engines, machinery implements, gears, tools and engineering products and supplied of all kinds and hardware, wireless goods and other allied products relating to the main objects.*
3. *To carry on business as iron workers, steel makers, blast furnace proprietors, importers and exporters, mechanical engineers, motor engineers, electrical and electronic engineers, oil fuel engines, constructional engineers, marine engineers, civil engineers, consulting engineers, electric and chromium polishers, painters, warehouse men, storage contractors.*
4. *To undertake business as manufacturers and dealers in insulators and insulating materials both thermal and electronical paper and other allied products.*
5. *Setting up of Electronics testing facility and environmental testing facility.*
6. *Setting up of Development and engineering facility in electronic engineering, Integrated Circuit/Semi-Conductor designing, Integrated circuit/Semi-Conductor packaging and testing and adapting to any emerging technologies and processes which may evolve in the domain.*
7. *Retrieving and Refurbishment of electronic components for use.*
8. *Testing of electronic components and qualifying them.*
9. *Warehousing of electronic components.*
10. *Manufacturing of electronic assemblies including enclosures, electrical testing, functional testing, environmental testing etc.*

The main objects as contained in the MoA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this issue.

### Amendments to the Memorandum of Association

The following amendments have been made to the Memorandum of Association of our Company in the last ten (10) years:

Date of shareholder's resolution	Nature of amendments
July 16, 2020	Addition of new clause in Clause III(b) – “Other Objects”: <i>6. To Manufacture Ventilators</i>
April 05, 2021	Clause II of MoA was altered to shift the registered office from the state of Andhra Pradesh to the state of Telangana vide special resolution of members passed in EGM dated April 05, 2021 and the same was approved vide the order of the Regional Director, Hyderabad dated July 28, 2021.
December 05, 2024	<p>Adoption of new set of MoA in accordance with the Table A of the Schedule I of the Companies by:</p> <p>Amending the heading of Clause (III)(A) which is to be read as <b>“THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION”</b>;</p> <p>Altering the main objects of Clause III(A) by replacing as under:</p> <p><b>To retain existing Clauses 1 to 5 as follows:</b></p> <ul style="list-style-type: none"> <li>• <i>To carry on business as manufacturers of and dealers in Electronic Components and Equipments.</i></li> <li>• <i>To carry on business as manufacturers of and dealers in products from P. V. C., Boxes from Cardboard and Plastic Corrugated board.</i></li> <li>• <i>To carry on business as repairers of and dealers in electronic components, equipments, boxes from cardboard, plastic corrugated board, engines, machinery implements, gears, tools and engineering products and supplied of all kinds and hardware, wireless goods and other allied products relating to the main objects.</i></li> <li>• <i>To carry on business as iron workers, steel makers, blast furnace proprietors, importers and exporters, mechanical engineers, motor engineers, electrical and electronic engineers, oil fuel engines, constructional engineers, marine engineers, civil engineers, consulting engineers, electric and chromium polishers, painters, warehouse men, storage contractors.</i></li> <li>• <i>To undertake business as manufacturers and dealers in insulators and insulating materials both thermal and electrical paper and other allied products.</i></li> </ul> <p><b>To insert the following new sub-clauses 6-11:</b></p> <p><i>Setting up of Electronics testing facility and environmental testing facility.</i>  <i>Setting up of Development and Engineering facility in electronic engineering and VLSI designing etc.</i>  <i>Retrieving and Refurbishment of electronic components for use.</i>  <i>Testing of electronic components and qualifying them.</i>  <i>Warehousing of electronic components.</i>  <i>Manufacturing of electronic assemblies including enclosures, electrical testing, functional testing, environmental testing etc.</i></p> <p>Amending the heading of Clause (III)(B) which is to be read as <b>“MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A)”</b>;</p> <p>Altering the Clause IV which is to be read as <b>“The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.”</b>;</p> <p>Omitting the Clause III(C) containing <b>“Other Objects”</b>;</p> <p>Substituting the word <b>“Companies Act, 1956”</b> with the word <b>“Companies Act, 2013”</b> wherever appearing.</p> <p>Alteration in the Clause V of Memorandum of Association pursuant to increase in Authorised Share Capital from ₹1,50,00,000 divided into 1,50,000 Equity Shares of ₹100 each to ₹15,00,00,000 divided into 15,00,000 Equity Shares of ₹100 each.</p> <p>Alteration in the Clause V of MoA pursuant to sub-division of Authorised Share Capital from ₹15,00,00,000 divided into 15,00,000 Equity Shares of ₹100 each to ₹15,00,00,000 divided into 1,50,00,000 Equity Shares of ₹10 each.</p>
	Following sub-clause 2 of Clause III(A) of MoA was omitted: <i>2. To carry on business as manufacturers of and dealers in products from P. V. C., Boxes from Cardboard and Plastic Corrugated board.</i>

Date of shareholder's resolution	Nature of amendments
January 06, 2025	Sub-Clauses 3-11 of Clause III(A) of MoA were re-numbered to sub-clause 2-10 of Clause of III(A) of MoA.
	Following Amendment to existing sub-clause 6 of Clause III (A) of MoA of the Company: <i>6. Setting up of Development and engineering facility in electronic engineering, Integrated Circuit/ Semiconductor designing, Integrated circuit/ Semiconductor packaging and testing and adapting to any emerging technologies and processes which may evolve in the domain.</i>
	Amendment to Clause I of the MoA to reflect the alteration in the company's name from "Merritronix Private Limited" to "Merritronix LTD." consequent to its conversion from a private limited company to a public limited company.
May 22, 2025	Alteration in the Clause V of Memorandum of Association pursuant to increase in Authorised Share Capital from ₹15,00,00,000 divided into 1,50,00,000 Equity Shares of ₹10 each to ₹16,00,00,000 divided into 1,60,00,000 Equity Shares of ₹10 each.
August 30, 2025	Alteration in the Clause V of Memorandum of Association pursuant to increase in Authorised Share Capital from ₹16,00,00,000 divided into 1,60,00,000 Equity Shares of ₹10 each to ₹18,00,00,000 divided into 1,80,00,000 Equity Shares of ₹10 each.

### Corporate profile of our Company

For details regarding the description of our Company's activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key products or services, entry in new geographies or exit from existing markets, major suppliers, distributors and customers, segment, capacity/facility creation, capacity built-up, marketing and competition, please refer to the chapters titled "Our Business", "Our Management" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 149, 188 and 216 respectively, of this Red Herring Prospectus.

### Major Events and Milestones

The table below sets forth some of the key events, milestones in our history since its incorporation.

Year	Events
1988	Incorporation of Private Limited Company in the name of M/s. Merritronix Private Limited.
1993	Merritronix shifted its focus to the telecom industry, supplying telecommunication cable jointing kits for India's landline network expansion.
2006	Merritronix expanded into the defence and aerospace sectors.
2007 - 2008	Merritronix transitioned towards turnkey manufacturing, offering end-to-end solutions from component sourcing to final product assembly, testing, and logistics.  Merritronix expanded exports to European markets, securing contracts by meeting stringent quality standards and cost expectations.
2009	Merritronix became an approved supplier for Bharat Electronics Limited.
2012	Merritronix has undertaken a strategic diversification into turnkey electronics solutions, wherein the Company undertakes responsibility for the procurement of components, assembly, integration, and final testing of electronic products.  The Company has also qualified as an approved supplier to Hindustan Aeronautics Limited (HAL).  Further, Merritronix is engaged in the production and supply of mission-critical electronic systems and components intended for defence applications, in accordance with applicable regulatory and quality standards.
2017	Gained recognition for handling intricate, highdensity PCB assemblies.
2020	Despite pandemic disruptions, Merritronix continued operations by delivering critical electronics to Honeywell Aerospace, strengthening relationships with defence and avionics clients, and initiating discussions for NADCAP Certification for aerospace projects.
2022	Merritronix further expanded into: <ul style="list-style-type: none"> <li>• Electronics Component Supply &amp; Obsolescence Management.</li> <li>• Becoming a registered vendor for CERN through TIFR.</li> </ul> The company also began developing custom semiconductor solutions for defence applications, including drop-in replacements for obsolete Xilinx CPLDs and Airflow Sensors.
2025	Change in name from "Merritronix Private Limited" to "Merritronix LTD." pursuant to conversion of our Company from Private Limited to Public Limited Company.

Year	Events
	The Company obtained membership with the Global Electronics Association, reflecting its commitment to global standards and collaboration in the electronics industry.

### **Awards and Accreditations**

Our company has received awards and accreditations since incorporation as per below:

Year	Events
1998-99	The Company's promoter Sri. D. Amarnath, received award from Government of Andhra Pradesh, Department of Industry & Commerce as State Awards to Small Scale Entrepreneurs – Special S.C. Prize.
2001	Company's promoter Sri. D. Amarnath, received award from Government of India, Ministry of Small-Scale Industries for Small Scale Entrepreneur Special Award – SC/ST Entrepreneurs.
2002	The Company received award from MD(A), HAL Hyderabad for HAL Appreciation Trophy (Commemorating successful completion of IFF MKXII Transponder development & handing over of first IFFT Production Unit to first aircraft of Boeing PB I
2026	The Company received award from U.S. India SME Council @ Indosoft 26 <sup>th</sup> Edition (International ICT Exhibition & Conferences) for the Excellence in Electronics Manufacturing.

### **Capacity/ facility creation or location of offices**

For the details of capacity/facility creation and location of our offices, to the extent applicable, see “*Our Business - Properties*” beginning on page 149.

### **Launch of key products or services, entry into new geographies or exit from existing markets**

For the details of key services launched by our Company, entry into new geographies or exit from existing markets to the extent applicable, see “*Our Business*” beginning on page 149.

### **Time and Cost Overrun**

Our Company has not experienced any significant time and cost overrun in setting up projects.

### **Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks**

As of date of this Red Herring Prospectus, there are no defaults or rescheduling of borrowings from financial institutions or banks or conversion of loans into equity in relation to our Company.

### **Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation**

As of date of this Red Herring Prospectus, our company has not made any business acquisition, merger and amalgamation or disinvestment of business in the last ten years.

### **Revaluation of assets**

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in the last ten years.

### **Holding Company**

As on the date of this Red Herring Prospectus, our Company does not have a holding company.

### **Subsidiaries of our Company**

As on the date of this Red Herring Prospectus, our Company does not have any subsidiaries.

### **Associate or Joint ventures of our Company**

As on the date of this Red Herring Prospectus, our Company does not have any joint ventures or associate companies.

### **Injunction or Restraining Order**

There are no injunctions/ restraining orders that have been passed against the Company.

### **Number of shareholders of our Company**

Our Company has 67 (Sixty-Seven) shareholders as on the date of this Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled “Capital Structure” beginning on page 71 of the Red Herring Prospectus.

### **Changes in the Management**

For details of change in Management, please see chapter titled “Our Management” on page 188 of the Red Herring Prospectus.

### **Strategic and Financial Partners**

As on date of this Red Herring Prospectus our Company does not have any strategic and financial partners.

### **Shareholders and Other Agreements**

Our company has entered into Share Subscription Agreement with one of our shareholder namely Founders Collective Fund pursuant to preferential allotment dated March 16, 2026. For list of allottees refer notes to capital of Capital Structure chapter begin with page no.71.

### **Agreements with key managerial personnel or Directors or Promoters or any other employee of the Company**

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or 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.

### **Guarantees given by Promoters offering its shares in the Offer for Sale**

Our Promoters have not given any guarantee to any third parties as on the date of this Red Herring Prospectus except in favour of Lending Bank as collateral security for the Borrowings of the Company.

### **Material Agreements**

Our Company has not entered into any material agreements with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business of our Company.

Our Company has not entered into any agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the issue document.

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## OUR MANAGEMENT

### Our Board of Directors

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be more than 15. As on date of this Red Herring Prospectus, we have Six (6) Directors on our Board, which includes One (1) Managing Director, Two (2) Executive Directors and Three (3) Non-Executive Independent Directors, out of which, one is a woman Director.

Set forth below, are details regarding our Board as on the date of this Red Herring Prospectus:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships/ Designated Partner
<p><b>Mr. Dovari Amarnath</b></p> <p><b>DIN:</b> 01265446</p> <p><b>Date of Birth:</b> March 10, 1972</p> <p><b>Designation:</b> Promoter and Managing Director</p> <p><b>Address:</b> LIG-281, Dr. AS Rao Nagar, Kapra, ECIL Post, Ranga Reddy District, Hyderabad, Telangana – 500062</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> A period of 5 years with effect from August 01, 2025</p> <p><b>Period of Directorship:</b> Director since January 26, 1994</p> <p><b>Nationality:</b> Indian</p>	54	<p><b>Indian Company</b></p> <p style="text-align: center;">Nil</p> <p><b>Foreign Companies</b></p> <p style="text-align: center;">Nil</p>
<p><b>Mr. Dovari Yesudas</b></p> <p><b>DIN:</b> 01794872</p> <p><b>Date of Birth:</b> February 10, 1949</p> <p><b>Designation:</b> Chairman and Executive Director</p> <p><b>Address:</b> LIG-281, Dr. AS Rao Nagar, Kapra, ECIL Post, Ranga Reddy District, Hyderabad, Telangana – 500062</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Period of Directorship:</b> Director since incorporation except for the period between October 03, 2022 to May 30, 2023</p> <p><b>Nationality:</b> Indian</p>	77	<p><b>Indian Company</b></p> <ol style="list-style-type: none"> <li>1. Merrito Polymers (India) Private Limited</li> <li>2. Merricro Products Private Limited</li> </ol> <p><b>Foreign Companies</b></p> <p style="text-align: center;">Nil</p>
<p><b>Mr. Darsy Kethan Chandra</b></p> <p><b>DIN:</b> 09753724</p> <p><b>Date of Birth:</b> February 02, 1996</p> <p><b>Designation:</b> Executive Director</p> <p><b>Address:</b> LIGB-327, Dr. AS Rao Nagar, Kapra, Secunderabad, Kushaiguda, Hyderabad, Telangana – 500062</p> <p><b>Occupation:</b> Business</p>	30	<p><b>Indian Company</b></p> <p style="text-align: center;">Nil</p> <p><b>Foreign Companies</b></p> <p style="text-align: center;">Nil</p>

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships/ Designated Partner
<p><b>Term:</b> Liable to retire by rotation</p> <p><b>Period of Directorship:</b> Since October 03, 2022</p> <p><b>Nationality:</b> Indian</p>		
<p><b>Mr. Maj Ravi Bandreddi</b></p> <p><b>DIN:</b> 07406992</p> <p><b>Date of Birth:</b> September 10, 1971</p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Address:</b> 1-6-14/1, Radhika Theater Lane, Secunderabad, PO: Kushaiguda, DIST: Hyderabad, Telangana – 500062</p> <p><b>Occupation:</b> Professional</p> <p><b>Term:</b> For a period of 5 years from August 01, 2025</p> <p><b>Period of Directorship:</b> Since, August 01, 2025</p> <p><b>Nationality:</b> Indian</p>	54	<p><b>Indian Company</b></p> <p>Nil</p> <p><b>Foreign Companies</b></p> <p>Nil</p>
<p><b>Ms. Sridevi Madati</b></p> <p><b>DIN:</b> 02446610</p> <p><b>Date of Birth:</b> January 10, 1977</p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Address:</b> House Number 20-3/2/A, Goutham Nagar, VTC: Malkajgiri, PO: Malkaigi, Sub District: Malkajgiri, K.v. Rangareddy, Telangana, 500047</p> <p><b>Occupation:</b> Professional</p> <p><b>Term:</b> For a period of 5 years from August 01, 2025</p> <p><b>Period of Directorship:</b> Director since August 01, 2025</p> <p><b>Nationality:</b> Indian</p>	49	<p><b>Indian Company</b></p> <ol style="list-style-type: none"> <li>1. TGV SRAAC Limited</li> <li>2. Sigachi Laboratories Limited</li> <li>3. Danlaw Technologies India Limited</li> <li>4. Ushakiran Finance Limited</li> </ol> <p><b>Foreign Companies</b></p> <p>Nil</p>
<p><b>Mr. Ramalakshmana Rao Pavuluri</b></p> <p><b>DIN:</b> 01852484</p> <p><b>Date of Birth:</b> April 08, 1959</p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Address:</b> 2-2-15/1/501, Gem Garden, D D colony, near water tank, Bagh Amberpet, Hyderabad, Telangana, 500007</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> For a period of 5 years from August 01, 2025</p> <p><b>Period of Directorship:</b> Director since August 01, 2025</p>	67	<p><b>Indian Company</b></p> <ol style="list-style-type: none"> <li>1. Kakatiya Energy Systems Private Limited</li> </ol> <p><b>Foreign Companies</b></p> <p>Nil</p>

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships/ Designated Partner
Nationality: Indian		

### Brief Biographies of our Directors

**Mr. Dovari Amarnath**, aged 54 years, is the Promoter and Managing Director of our company. He has completed his Bachelor's degree in Computer Science from IIT Madras. He is a business leader with over three decades of experience in electronics manufacturing, embedded systems, and strategic business development. He has been instrumental in driving its vision and growth. He is responsible for overall leadership, technology strategy, operational excellence, and long-term business development, ensuring sustainable growth of the organization.

**Mr. Dovari Yesudas**, aged 77 years, is the Chairperson and Executive Director of our company. He has completed his matriculation from Osmania University and has also undergone Institutional training from the Industrial Training Institute (ITI), Eluru. He is an experienced professional with over three decades of hands-on experience in the field of electronics manufacturing, power supply systems, and industrial fabrication. Prior to joining the Company, he was the Proprietor of Amar Electronics, specializing in the manufacture of high-quality DC power supplies and precision-engineered electronics cabinets. Since joining the Company, he has been actively involved in overseeing day-to-day operations, manufacturing processes, quality control, and supply chain management. He plays a key role in execution of business strategies, process optimization, and ensuring operational efficiency, contributing significantly to the Company's growth and technical excellence.

**Mr. Darsy Kethan Chandra**, aged 30 years, is the Executive Director and the Chief Financial Officer of our company. He has completed his Bachelor of Technology in Electronics and Communication Engineering from Jawaharlal Nehru Technological University, Hyderabad, and thereafter obtained a Master of Science (M.Sc.) in Business with International Management from the University of Northumbria at Newcastle. Leveraging this multidisciplinary background, he has gained over 3 years of experience in accounting operations of the Company, covering areas such as tax compliance, financial reporting, administration, and overall management. He is actively involved in the Company's strategic planning, business development initiatives, and operational oversight. He plays a key role in driving growth strategies, strengthening global business relationships, and supporting management in execution of long-term objectives, contributing to the Company's expansion and governance framework.

**Mr. Maj Ravi Bandreddi**, aged 54 years, is the Non-Executive Independent Director of our company. He has completed his Bachelor of Commerce (B.Com.) and holds several professional certifications, including Orbiter O Level and 3B certifications, and is qualified to operate the 900 HFE platform. He has also successfully completed the INA Internal Pilot Course. He brings with him diverse experience and an independent perspective, contributing to the Company's governance, risk management, and strategic oversight. His background and certifications add strength to the Board's decision-making processes and compliance framework.

**Ms. Sridevi Madati**, aged 49 years, is the Non-Executive Independent Director of our Company. She has been a Company Secretary in Practice since 2013 and is a Fellow Member of the Institute of Company Secretaries of India (ICSI). She is also registered as a Resolution Professional with the Insolvency and Bankruptcy Board of India (IBBI), New Delhi. She has completed an MDBA (Masters Diploma in Business Administration) from Symbiosis Institute of Management Studies, Pune, with dual specialization in International Marketing and Finance. She has also completed her LL.B. from Osmania University, Hyderabad and has been issued a provisional certificate in this regard. Further, she has completed the academic requirements for the Bachelor of Commerce programme from Kasturba Gandhi Degree College for Women, affiliated to Osmania University, Hyderabad. She brings strong expertise in corporate law, secretarial compliance, insolvency and restructuring, governance, and strategic advisory, and contributes to the Company through independent oversight, regulatory guidance, and governance best practices. She also serves as a director on the boards of TGV SRAAC Limited, Sigachi Laboratories Limited, Danlaw Technologies India Limited, and Ushakiran Finance Limited, contributing her expertise in governance and strategic oversight.

**Mr. Ramalakshmana Rao Pavuluri**, aged 67 years, is a Chartered Accountant and a member of the Institute of Chartered Accountants of India (ICAI). He has completed the academic requirements for the Bachelor of Commerce programme from Nagarjuna University and has been issued a provisional certificate in respect thereof. He brings expertise in financial management, accounting, auditing, taxation, and regulatory compliance, and contributes to the Company through his strong professional acumen and financial oversight.

### As on the date of the Red Herring Prospectus

- None of the above-mentioned Directors are on the RBI List of willful defaulters or Fraudulent Borrowers.
- Neither Promoters nor persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) during his/her tenure.
- E. None of Promoters or Directors of our Company are a fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

#### Relationship between our Directors

Name of the Directors	Designation	Relation
Mr. Dovari Amarnath	Managing Director	Son of Dovari Yesudas Uncle of Darsy Kethan Chandra
Mr. Dovari Yesudas	Executive Director	Father of Dovari Amarnath Grandfather of Darsy Kethan Chandra
Mr. Darsy Kethan Chandra	Executive Director	Nephew of Dovari Amarnath Grandson of Dovari Yesudas

#### Arrangements and Understanding with Major Shareholders

None of our Key Managerial Personnel, Senior Management or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which any of the directors was selected as a director or member of senior management.

#### Payment or Benefit to officers of our Company

Except as stated otherwise in this Red Herring Prospectus and any statutory payments made by our Company, no non-salary amounts or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

#### Service Contracts

Other than the statutory benefits that the KMPs are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

#### Borrowing Powers of our Board

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Our Company has, pursuant to an -special resolution passed at the Extra ordinary General Meeting held on July 31, 2025, resolved that in accordance with the provisions of the Companies Act, 2013, our Board is authorised to borrow, from time to time, such sum or sums of moneys as the Board which together with the moneys already borrowed by our Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed at any time the aggregate of the paid-up capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys borrowed by the Board of Directors and outstanding at one time shall not exceed ₹ 7,000 Lakhs.

#### Terms of appointment and remuneration of our Managing Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on **July 30, 2025** and approved by the Shareholders of our Company at the EGM held on **July 31, 2025**, **Mr. Dovari Amarnath** was appointed as the Managing Director of our Company for a period of Five (s) years with effect from August 01, 2025 along with the terms of remuneration, in accordance with Sections 197 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

<b>Remuneration</b>	₹ 24,00,000 p.a.
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#### Remuneration details of our directors

##### (i) Remuneration of our Executive Directors

The aggregate value of the remuneration paid to the Executive Directors in Fiscal 2026 is as follows:

S. No.	Name of the Director	Remuneration (₹ in Lacs)
1.	Mr. Dovari Amarnath	13.20
2.	Mr. Dovari Yesudas	15.50
3.	Mr. Darsy Kethan Chandra	08.40

Our Executive Directors were not paid sitting fee in Fiscal 2026 for attending meetings of the Board of Directors and its committees.

Our Board of Directors in their meeting held on July 30, 2025 have fixed ₹ 25,000/- as sitting fee for Independent Directors and Non-Executive Directors, for attending meetings of the Board of Directors and ₹ 10,000/- for its committees.

#### Payment or benefit to Directors of our Company

Except as disclosed in this Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our directors.

#### Remuneration paid to our Directors by our Subsidiaries

As on the date of this Red Herring Prospectus, we do not have any subsidiaries or associates.

#### Loans to Directors

There are no loans that have been availed by the Directors from our Company that are outstanding as on the date of this Red Herring Prospectus.

#### Shareholding of Directors in our Company

Except as stated below, none of our directors holds any Equity Shares of our Company as on the date of filing of this Red Herring Prospectus:

Sr. No.	Name of Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1)	Mr. Dovari Amarnath	34,71,450	27.15
2)	Mr. Dovari Yesudas	19,73,025	15.43
3)	Mr. Darsy Kethan Chandra	14,15,700	11.07

#### Interest of our Directors

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our directors see “*Terms of appointment and remuneration of our Executive Directors*” above.

Mr. Dovari Amarnath, Mr. Dovari Yesudas and Mr. Darsy Kethan Chandra are the Promoters of our Company and may be deemed to be interested in the promotion of our Company to the extent he has promoted our Company. Except as stated above, our directors have no interest in the promotion of our Company other than in the ordinary course of business. Our directors may also be regarded as interested to the extent of Equity Shares held by them in our Company, if any, details of which have been disclosed above under the heading “*Shareholding of Directors in our Company*”. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Our directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or kartas or coparceners or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue. Except as disclosed in “*Financial Information*” and “*Our Promoters and Promoter Group*” beginning on Page Nos. 209 and 200, respectively of this Red Herring Prospectus, our directors are not interested in any other company, entity or firm.

Our Executive Directors namely Mr. Dovari Yesudas is interested as Amar Electronics is the owner of the Factory Premise which is sole proprietorship concern of Mr. Dovari Yesu Das. For further detail, please refer to the chapter ‘*Our Business*’ under heading ‘*Immovable Property*’ on page 149 of this Red Herring Prospectus.

Except as stated in “*Restated Financial Information in Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page No. 209 of this Red Herring Prospectus, our directors do not have any other interest in the business of our Company.

## Interest as to property

Except as mentioned in “*Our Business - Land and Property*” and “*Restated Financial Information*” from the chapter titled “*Restated Financial Information*” on Page Nos. 149 and 209 of this Red Herring Prospectus our directors do not have any interest in any property acquired or proposed to be acquired by our Company.

## Bonus or Profit-Sharing Plan for our Directors

None of our Directors are a party to any bonus or profit-sharing plan.

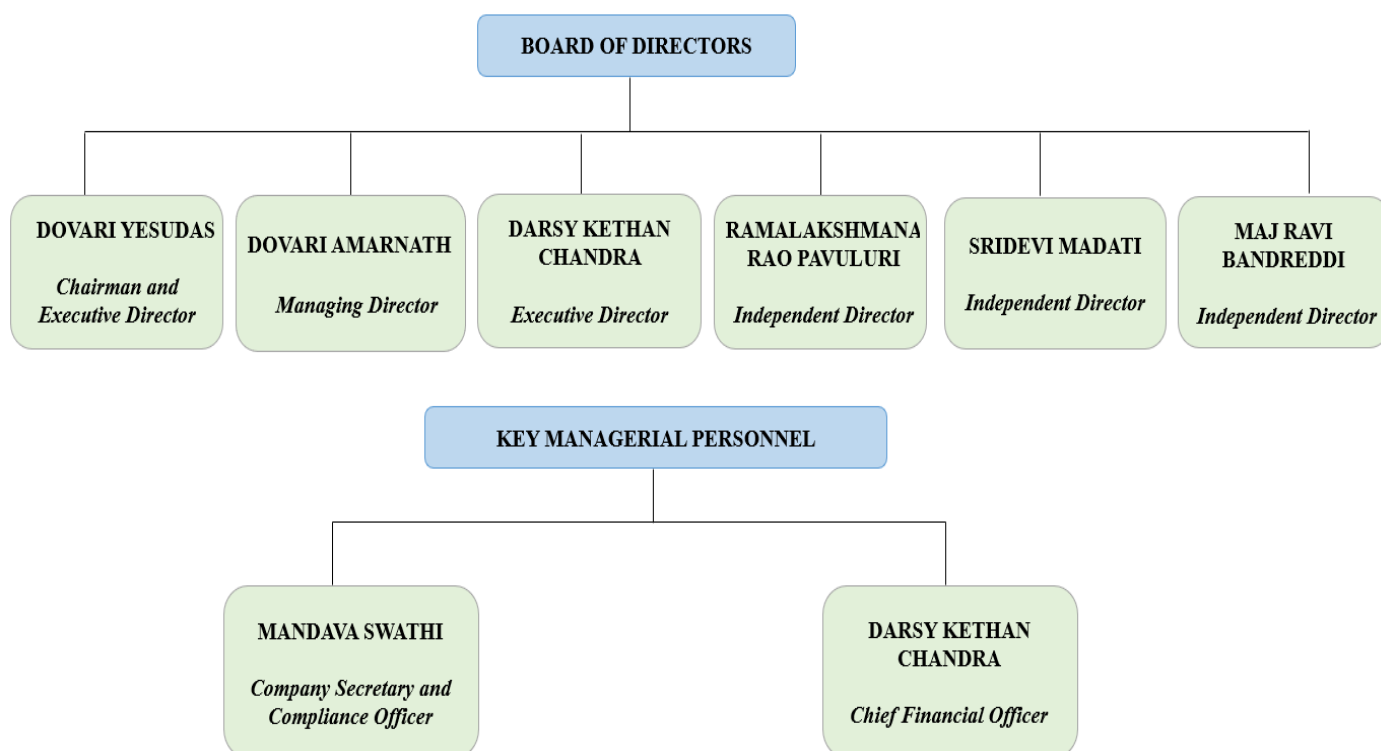
## Changes in our Board during the Last Three Years

Except as disclosed below, there have been no changes in our Board during the last three years.

Name of Director	Date of Appointment	Date of Cessation	Reasons for Change/ Appointment
Darsy Kethan Chandra	October 03, 2022	September 29, 2023	Appointed as Additional Director
Dovari Yesudas	May 31, 2023	-	Appointed as Executive Director
Dovari Yesudas	August 01, 2025	-	Appointed as Chairman
Dovari Amarnath	August 01, 2025	-	Change in Designation from Director to Managing Director
Ramalakshmana Rao Pavuluri	August 01, 2025	-	Appointed as Independent Director
Sridevi Madati	August 01, 2025	-	Appointed as Independent Director
Maj Ravi Bandreddi	August 01, 2025	-	Appointed as Independent Director

## Management Organization Structure

Set forth is the management organization structure of our Company:



## Corporate Governance

As our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, as on date of this Red Herring Prospectus, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 are not applicable to our Company. In additions to the applicable provisions of the Companies Act, 2013 will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. However, our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent

directors including woman director on our Board, constitution of Committees. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### Committees of our Board

Our Board has constituted following Mandatory committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Stakeholders' Relationship Committee;
- c) Nomination and Remuneration Committee; and
- d) Corporate Social Responsibility Committee.

Details of each of these committees are as follows:

#### a) Audit Committee

Name of Director	Position in the Committee	Designation
Mr. Ramalakshmana Rao Pavuluri	Chairperson	Non-Executive Independent Director
Ms. Sridevi Madati	Member	Non-Executive Independent Director
Mr. Dovari Amarnath	Member	Managing Director & Executive Director

#### *Terms of Reference for the Audit Committee:*

The Audit Committee shall be responsible for, among other things, as may be required under the regulatory framework as applicable from time to time, the following:

##### **A. Powers of Audit Committee:**

The committee be and is hereby vested with the following roles and responsibilities as per Section 177(4) of the Companies Act, 2013:

- i. the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- ii. review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iii. examination of the financial statement and the auditors' report thereon;
- iv. approval or any subsequent modification of transactions of the company with related parties;
- v. scrutiny of inter-corporate loans and investments;
- vi. valuation of undertakings or assets of the company, wherever it is necessary;
- vii. evaluation of internal financial controls and risk management systems;
- viii. monitoring the end use of funds raised through public offers and related matters;
- ix. any other responsibility as may be assigned by the board from time to time.

The committee be and is hereby vested with the following roles and responsibilities as per Regulation 18(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Part C of Schedule II:

- i. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- iii. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. reviewing, with the management, the annual financial statements and auditor's 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;
  - g. modified opinion(s) in the draft audit report;
- v. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  - vi. 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
  - vii. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  - viii. approval or any subsequent modification of transactions of the listed entity with related parties;
  - ix. scrutiny of inter-corporate loans and investments;
  - x. valuation of undertakings or assets of the listed entity, wherever it is necessary;
  - xi. Appointment of Registered valuer under section 247 of the Companies Act, 2013
  - xii. evaluation of internal financial controls and risk management systems;
  - xiii. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - xiv. 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;
  - xv. discussion with internal auditors of any significant findings and follow up there on;
  - xvi. 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;
  - xvii. 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;
  - xviii. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - xix. to review the functioning of the whistle blower mechanism;
  - xx. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  - xxi. Reviewing the utilization of loans and/or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
  - xxii. Formulating reviewing and making recommendations to the board to amend the Terms of Reference of Audit Committee from time to time;
  - xxiii. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
  - xxiv. To consider and comment on rationale. Cost-benefits and impact of schemes involving merger, demerger, amalgamation etc, on the company and its shareholders;
  - xxv. Reviewing:

1. Any show cause, demand, prosecution and penalty notices against the company or its Directors which are materially important including any correspondence with regulators or government agencies and any published reports which raise issues regarding the company's financial statements or accounting policies;
2. Any material default in financial obligations by the company;
3. Any significant or important matters affecting the business of the company; and

xxvi. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

The Audit Committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

#### **Stakeholders' Relationship Committee:**

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Ms. Sridevi Madati	Chairperson	Non-Executive Independent Director
Mr. Dovari Amarnath	Member	Executive Director
Mr. Darsy Kethan Chandra	Member	Executive Director

#### ***Terms of Reference for the Stakeholders' Relationship Committee:***

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

- i) 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.
- ii) Review of measures taken for effective exercise of voting rights by shareholders.
- iii) 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.
- iv) 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;
- v) Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants.
- vi) Carrying out any other function as prescribed under the SEBI Listing Regulations as and when amended from time to time.

#### **Nomination and Remuneration Committee:**

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Ms. Sridevi Madati	Chairperson	Non-Executive Independent Director
Mr. Ramalakshmana Rao Pavuluri	Member	Non-Executive Independent Director
Mr. Maj Ravi Bandreddi	Member	Non-Executive Independent Director

#### ***Terms of Reference for the Nomination and Remuneration Committee:***

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. The Nomination and Remuneration committee shall, while formulating the above policy ensure that –
  - a. The level and composition is reasonable and sufficient to attract, retain and motivate directors of quality required to run the company successfully.
  - b. Relationship of remuneration of performance is clear and meets appropriate [performance benchmarks, and
  - c. Remuneration of the director, KMP and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performances objectives and appropriate to the working of the company and its goal:
3. 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 an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) consider the time commitments of the candidates.
4. formulation of criteria for evaluation of performance of independent directors and the board of directors;
5. devising a policy on diversity of board of directors;
6. 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 of directors their appointment and removal;
7. 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;
8. recommend to the board, all remuneration, in whatever form, payable to senior management;
9. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
  - the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;

**Corporate Social Responsibility Committee:**

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Mr. Dovari Yesudas	Chairperson	Executive Director
Mr. Maj Ravi Bandreddi	Member	Non-Executive Independent Director
Mr. Dovari Amarnath	Member	Executive Director

The terms of reference of CSR Committee shall, inter-alia, include the following:

- a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013 and rules made there under, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the board;
- b. To identify CSR policy partners and CSR policy programmes;
- c. To review and recommend the amount of expenditure to be incurred on the activities referred to in Clause (a) and the distribution of the same to various CSR programs undertaken by the company;

- d. To delegate responsibilities to CSR team and supervise proper execution of all delegated responsibilities;
- e. To review and monitor the implementation of CSR programmes and issuing necessary directions as required for proper implementation and timely completion of CSR programme;
- f. To do such other acts, deeds and things as may be required to comply with the applicable laws;
- g. To take note of the compliances made by the implementing agency (if any) appointed for the CSR of the company; and
- h. To perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or statutorily prescribed under any law or by any other regulatory authority and performing such other functions as may be necessary for the performance of its duties.

### Compliance with SME Listing Regulations

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of BSE Limited.

### Our Key Managerial Personnel

In addition to our Managing Director, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Red Herring Prospectus:

**Mr. Darsy Kethan Chandra**, aged 30 years, is the Promoter, Executive Director and Chief Financial Officer (CFO) of the Company. He holds a Bachelor of Technology degree in Electronics and Communication Engineering from Jawaharlal Nehru Technological University, Hyderabad, and has further obtained a Master of Science (M.Sc.) in Business with International Management from the University of Northumbria at Newcastle. With a strong academic foundation combining engineering and international business management, he brings a strategic and analytical approach to financial leadership. He has gained over 3 years of experience in accounting operations of the Company, covering areas such as tax compliance, financial reporting, administration, and overall management. As the Chief Financial Officer, he is responsible for ensuring financial discipline and regulatory compliance. His role also includes supporting management in strategic decision-making and strengthening the Company's overall financial governance framework.

**Ms. Mandava Swathi**, aged 41 years, is the Company Secretary and Compliance Officer of our Company. She holds a Bachelor of Arts degree and a Bachelor of Laws (LL.B.) degree from Osmania University. She is also an Associate Member of the Institute of Company Secretaries of India (ICSI) and has been holding Membership No. ACS 49113 since January 20, 2017. She gained extensive professional experience across various organizations. She worked as a Senior Manager with Inco Group from October 2017 to April 2019, following which she served as Company Secretary at Colorchips New Media Limited from June 2019 to October 2020. Subsequently, she was associated with Sree Godavari Kraft Papers Limited from December 2020 to May 2023 and later with HBT Engineering Private Limited from June 2023 until January 2025. She is serving as the Company Secretary and Compliance Officer of our Company from January 2025. Ms. Swathi has over 8 years of professional experience in secretarial, legal, and compliance functions. Over the course of her career, she has developed significant expertise in corporate law compliances under the Companies Act, 2013, and in handling regulatory filings with stock exchanges, including quarterly, half-yearly, and annual compliances with BSE and NSE. She also possesses strong experience in compliance with SEBI regulations. With her strong academic background in law and extensive professional experience, Ms. Swathi plays a key role in ensuring compliance with applicable corporate laws and regulatory requirements, managing the Company's secretarial functions, and overseeing its legal and regulatory affairs, while upholding high standards of corporate governance.

All our Key Managerial Personnel are permanent employees of our Company.

### Relationship of Key Managerial Personnel with our Directors, Promoters and / or other Key Managerial Personnel

Except as disclosed under the heading "*Relationship between our Directors*" herein above, none of the key managerial personnel are related to each other or to our Promoters or to any of our directors.

### Shareholding of the Key Managerial Personnel

Except as stated below, none of our Key Managerial Personnel holds any Equity Shares of our Company as on the date of filing of this Red Herring Prospectus:

Sr. No.	Name of Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1.	Mr. Darsy Kethan Chandra	14,15,700	11.07

### **Bonus or Profit-Sharing Plan for our Key Managerial Personnel**

None of our Key Managerial Personnel is a party to any bonus or profit-sharing plan.

### **Payment or benefit to Key Managerial Personnel of our Company**

Except as disclosed in this Red Herring Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel.

### **Interest of Key Managerial Personnel**

Except as disclosed in this Red Herring Prospectus, none of our Key Managerial Personnel have any interest in our Company other than to the extent of the remuneration, equity shares held by them, or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel have been appointed.

### **Changes in Key Managerial Personnel in the Last Three Years**

In addition to the changes specified under “- *Changes in our Board during the Last Three Years*”, set forth below, are the changes in our Key Managerial Personnel in the last three years immediately preceding the date of filing of this Red Herring Prospectus:

<b>Name</b>	<b>Designation</b>	<b>Date of change</b>	<b>Reason</b>
Mr. Darsy Kethan Chandra	Chief Financial Officer (CFO)	January 20, 2025	Appointment
Ms. Mandava Swathi	Company Secretary and Compliance Officer	January 20, 2025	Appointment

### **Attrition of Key Managerial Personnel**

The attrition among Key Management Personnel has remained in line with industry standards.

### **Employees' Stock Option Plan**

As on date of this Red Herring Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

### **Loans taken by Directors / Key Management Personnel**




Our Company has not granted any loans to the Directors and/or Key Management Personnel as on the date of this Red Herring Prospectus.



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## OUR PROMOTER AND PROMOTER GROUP

As on the date of this Red Herring Prospectus, our Promoter holds **1,08,89,400** Equity Shares, constituting **85.17%** of our pre – Issue issued, subscribed and paid-up equity share capital of our Company. For details of the build-up of our Promoter’s shareholding in our Company, please refer chapter titled “*Capital Structure*” beginning on Page No. 71 of this Red Herring Prospectus.

### Details of our Promoters

	<p><b>Mr. Dovari Amarnath</b> <b>(DIN Number: 01265446)</b></p> <p>Mr. Dovari Amarnath, aged 54 years, is the Promoter and Managing Director of our Company.</p> <p>For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled “<i>Our Management</i>” beginning on Page No. 188 of this Red Herring Prospectus.</p> <p><b>Date of Birth:</b> March 10, 1972</p> <p><b>Permanent account number:</b> ABKPD5674L</p> <p><b>Address:</b> LIG-281, Dr. AS Rao Nagar, Kapra, ECIL Post, Ranga Reddy District, Hyderabad, Telangana – 500062</p>
	<p><b>Mr. Dovari Yesudas</b> <b>(DIN Number: 01794872)</b></p> <p>Mr. Dovari Yesudas, aged 77 years, is the Promoter, Executive Director and Chairman of our Company.</p> <p>For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled “<i>Our Management</i>” beginning on Page No. 188 of this Red Herring Prospectus.</p> <p><b>Date of Birth:</b> February 10, 1949</p> <p><b>Permanent account number:</b> AAZPD4222E</p> <p><b>Address:</b> LIG-281, Dr. AS Rao Nagar, Kapra, Secunderabad, Hyderabad, Telangana – 500062</p>
	<p><b>Mr. Darsy Kethan Chandra</b> <b>(DIN Number: 09753724)</b></p> <p>Mr. Darsy Kethan Chandra, aged 30 years, is the Promoter, Executive Director of our Company.</p> <p>For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled “<i>Our Management</i>” beginning on Page No. 188 of this Red Herring Prospectus.</p> <p><b>Date of Birth:</b> February 02, 1996</p> <p><b>Permanent account number:</b> EDYPD8356K</p> <p><b>Address:</b> LIGB-327, Dr. AS Rao Nagar, Kapra, Secunderabad, Kusaiguda, Hyderabad, Telangana – 500062</p>

	<p><b>Mr. Dovari Thaman</b></p> <p>Mr. Dovari Thaman, aged 25 years, is the Promoter of our Company.</p> <p>For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, please refer the <i>Brief Profile of the Promoters (Other than Directors / KMP) as mentioned below</i> in this chapter</p> <p><b>Date of Birth:</b> October 24, 2000</p> <p><b>Permanent account number:</b> FDUPD3022B</p> <p><b>Address:</b> LIG-281, Dr. AS Rao Nagar, Kapra, ECIL Post, Ranga Reddy District, Hyderabad, Telangana – 500062</p>
	<p><b>Ms. Vanaja. D</b></p> <p>Ms. Vanaja. D, aged 52 years, is the Promoter of our Company.</p> <p>For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, Please refer the <i>Brief Profile of the Promoters (Other than Directors / KMP) as mentioned below</i> in this Chapter.</p> <p><b>Date of Birth:</b> September 19, 1973</p> <p><b>Permanent account number:</b> ADGPV6094E</p> <p><b>Address:</b> LIG-327, Dr. AS Rao Nagar, near HMTV, Kapra, Secunderabad, Hyderabad, Telangana – 500062</p>

Our Company confirms that the permanent account number, bank account number, passport number, Aadhar number and driving license number of our Promoters is submitted to the Stock Exchange.

#### **Brief Profile of the Promoters (Other than Directors / KMP)**

**Mr. Dovari Thaman**, aged 25 years, is the Promoter of our company and is actively involved in the business operations of our company. He has completed his Bachelor's in Electrical and Electronics Engineering from Jawaharlal Nehru Technological University, Hyderabad, and has also successfully completed a Post Graduate Program in User Experience Design: UI/UX for Data-driven Business Applications from the McCombs School of Business, The University of Texas at Austin, in October 2024. Prior to joining Merritronix LTD., he worked as a Business Analyst, where he developed expertise in analytical frameworks, process design, and technology-driven product development. Since joining the Company, Mr. Thaman has been actively involved in its day-to-day operations, contributing across sales and business development, manufacturing operations management, procurement strategy, customer engagement, and enterprise-wide strategic initiatives. During his association with the Company, he has been closely involved in the execution of its capacity expansion programme, including the commissioning of new SMT manufacturing infrastructure, and is actively leading the implementation of an enterprise resource planning system to integrate the Company's production, procurement, inventory, and financial operations. His involvement supports the Company's operational continuity and growth initiatives.

**Ms. Vanaja D.**, aged 52 years, is the Promoter of our Company. She holds a Bachelor's Degree in Home Science from Andhra Pradesh Agriculture University and Bachelor of Law (LL.B.), Master of Business Administration (MBA), provisional certificate on Master of Laws (LL.M.) from Osmania University, Hyderabad. Further she has completed her Doctor of Philosophy (Ph.D.) from Nalsar University of law, Hyderabad and her Ph.D. was awarded for her thesis titled "*Exploring Decent Work for Women in India.*" She is also an Advocate and a life member of the Telangana High Court Advocates' Association. She was previously appointed as a Director of the Company and served in such capacity until her resignation in the year 2022. During her tenure as a director, she played an important role in guiding the Company's strategic direction, governance practices, and business policies. As a Promoter, she continues to provide strategic guidance and support to the Company and contributes to its long-term vision, compliance orientation, and sustainable growth.

## Other Ventures of our Promoters

The ventures in which our Promoters are involved in are as follows:

### Mr. Dovari Yesudas

Name of the Venture	Nature of Interest
Merrito Polymers (India) Pvt Ltd	Director and Shareholder
Merrictro Products Private Limited	Director and Shareholder
Amar Electronics	Proprietor

### Mr. Dovari Amarnath

Name of the Venture	Nature of Interest
Merrito Polymers (India) Pvt Ltd	Shareholder
Sunrise Telecom	Proprietor

### Ms. Vanaja D.

Name of the Venture	Nature of Interest
Merrictro Products Private Limited	Director and Shareholder

Our Company confirms that the permanent account number, bank account number and passport number, Aadhaar card number and driving license number of our Promoter shall be submitted to BSE at the time of filing this Red Herring Prospectus.

## Change in Control of our Company

Except mentioned below, there has been no change in the control of our Company during the last 5 years as on the date of this Red Herring Prospectus.

Details of Change in Control of the Company:

Name of the Promoter	Date of change	Nature of Acquisition	Shareholding as on date
Mr. Darsy Kethan Chandra	October 03, 2022	Acquisition of Control by way of Directorship from October 03, 2022 and Shareholding from November 20, 2023	14,15,700
Mr. Dovari Thaman	November 20, 2023	Acquisition of control by way of Shareholding	14,15,700

## Experience of our Promoter in the business of our Company

Our Company is promoted by a group of Promoters with diverse and complementary experience in the business of the Company. Two of our Promoters have more than 30 years of experience in the industry and have played a pivotal role in establishing and scaling the business, formulating business strategies, and overseeing key managerial and operational functions. For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the section "*Brief profile of our Promoters (Other than Directors and KMPs)*" on page 188 under this chapter and see the chapter titled "*Our Management*" beginning on Page No. 188 of this Red Herring Prospectus

## Interest of our Promoters

### *Interest in promotion of our Company*

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of their shareholding in our Company or the shareholding of his relatives in our Company. For details of the shareholding and directorships of our Promoter in our Company, please refer to the chapter titled "*Capital Structure*", "*Our Management*" and "*Restated Financial Information - Related Party Transactions*" beginning on Page Nos. 71, 188 and 209, respectively of this Red Herring Prospectus.

### *Interest of Promoters in our Company other than as a Promoter*

Our Promoters, Mr. Dovari Amarnath, Mr. Dovari Yesudas and Mr. Darsy Kethan Chandra are the directors and KMPs of our Company therefore, may be deemed to be considered interested to the extent of any remuneration which shall be payable to them in such capacity. Except as stated in this section and the section titled "*Our Management*", and "*Restated Financial Information -*

*Related Party Transactions*” beginning on Page No 188, and 209 respectively, our Promoters holds no other interest in our Company beyond his role as a Promoter.

No sum has been paid or agreed to be paid to our Promoters or to the firms or companies in which our Promoter is interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoters or by such firms or companies in connection with the promotion or formation of our Company.

### ***Interest in the properties of our Company***

Except as disclosed in the section “*Our Business- Land and Property*” and “*Financial Information*” and the chapter titled “*Restated Financial Information - Related Party Transaction*” beginning on Page No. 149 and 209, our Promoters are not interested in the properties acquired by our Company in the three years preceding the date of filing of this Red Herring Prospectus with SEBI or proposed to be acquired by our Company, or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery.

### **Other Interest and Disclosures**

Except as stated in this section and the chapters titled “*Our Management*”, “*Our Business*”, and “*Restated Financial Information - Related Party Transactions*” beginning on Page No 188, 149 and 209, our Promoter holds no other interest in our Company beyond his role as a Promoter.

Our Promoters along with the members of Promoter Group have extended personal guarantees to secure the loans availed by our Company, which remain outstanding as of the date of this Red Herring Prospectus. For details of our borrowings please refer, “*Financial Indebtedness*” and “*Restated Financial Information*” beginning on pages 213 and 209 of this Red Herring Prospectus.

Our Promoter is not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

### **Payment or benefits to our Promoter and Promoter Group during the last One year**

Mr. Dovari Amarnath, Mr. Dovari Yesudas and Mr. Darsy Kethan Chandra have received remuneration in their capacities as Directors of our Company. For further details, please see the chapter titled “*Restated Financial Information - Related Party Transactions*” on page 209 of this Red Herring Prospectus.

Except as stated in this chapter and in the chapter titled “*Restated Financial Information - Related Party Transactions*” there has been no payment of any number of benefits to our Promoter or the members of our Promoter Group during the last two years from the date of this Red Herring Prospectus. nor is there any intention to pay or give any benefit to our Promoter or Promoter group as on the date of this Red Herring Prospectus. For further details, please refer to the chapter titled “*Restated Financial Information - Related Party Transactions*” beginning on Page No. 209 of this Red Herring Prospectus.

### **Litigations involving our Promoter**

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters, please refer to the section titled “*Outstanding Litigations and Material Developments*” beginning on page 230 of this Red Herring Prospectus.

### **Material Guarantees**

Our Promoters does not extend any material guarantee against the Equity Shares held by him to the third parties in respect of our Company and the Equity Shares that are outstanding as on the date of filing of this Red Herring Prospectus.

### **Details of Companies / Firms from which our Promoter has disassociated in the last three years**

Except as stated below our Promoters has not disassociated themselves from any company or firm during the three years preceding the date of filing of the Red Herring Prospectus.

<b>Sr. No.</b>	<b>Disassociated Entity</b>	<b>Date of Disassociation</b>	<b>Reason and circumstances leading to disassociation</b>
<b>Mr. Dovari Amarnath</b>			
1.	Merrictro Products Private Limited	October 03, 2022	Due to Pre-occupation
2.	Merrito polymers (India) Private Limited	October 13, 2022	Due to Pre-occupation
<b>Ms. Vanaja D.</b>			
1.	Merritronix LTD.	October 03, 2022	Due to Pre-occupation

Sr. No.	Disassociated Entity	Date of Disassociation	Reason and circumstances leading to disassociation
2.	Merritto Polymers (India) Private Limited	October 13, 2022	Due to Pre-occupation
<b>Mr. Darsy Kethan Chandra</b>			
1.	Merritto Products Private Limited	October 03, 2022	Due to Pre-occupation

## OUR PROMOTER GROUP

In addition to our Promoter, the following individuals and entities form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations:

### *Individuals forming part of the Promoter Group:*

#### **Mr. Dovari Amarnath**

Name of the member of Promoter Group	Relationship with the Promoter
Dovari Yesudas	Father
Late Dovari Mary	Mother
Jayaprada Doovari	
Dovari Pavitra	Spouse
Vanaja D.	Sister
NA	Brother
Dovari Mourya	Daughter
Dovari Thaman	Son
Dovari Sireen	
Jeeva Raj Kakaravada	Spouse's Father
Sarojini Gunturu	Spouse's Mother
NA	Spouse's Sister
Raja Praveen Kakarla	Spouse's Brother
Raja Pratap Kakarawada	

#### **Mr. Davori Yesudas**

Name of the member of Promoter Group	Relationship with the Promoter
Late Dovari Potharaju	Father
Late Dovari Satyamma	Mother
Late Dovari Chakraiah	Brother
Late Dovari Nageswara Rao	
Late Ganji Katamma	Sisters
Late Anagani Kamala	
Dasi Nancharamma	
Late Gunji Saraswathi	
Chatragadda Nancharamma	
Late Dovari Mary	Spouse
Jayaprada Doovari	Son
Dovari Amarnath	
Vanaja D.	Daughter
Late Dasi Chittaiiah	Spouse's Father
Late Nagendla David	
Late Dasi Agnesamma	Spouse's Mother
Late Nagendla Lakshmi	

#### **Mr. Darsy Kethan Chandra**

Name of the member of Promoter Group	Relationship with the Promoter
Darsy Suresh Kumar	Father
Vanaja. D	Mother
Darsy Ranadheer	Brother

#### **Mr. Dovari Thaman**

Name of the member of Promoter Group	Relationship with the Promoter
Dovari Amarnath	Father
Dovari Pavitra	Mother
Dovari Sireen	Brother
Dovari Mourya	Sister

**Ms. Vanaja. D**

Name of the member of Promoter Group	Relationship with the Promoter
Dovari Yesudas	Father
Jayaprada Doovari	Mother
Darsy Suresh Kumar	Spouse
Dovari Amarnath	Brother
Darsy Kethan Chandra	Son
Darsy Ranadheer	
Late Darsy George	Spouse's Father
Late Darsy Neelamma	Spouse's Mother

**Entities forming part of the Promoter Group:**

Except as stated below, no other company, firm or HUF are forming part of the promoter group:

Sr. No.	Name of the entity
1.	Merrito Polymers (India) Pvt Ltd
2.	Merrictro Products Private Limited
3.	Pavitra Global Fab

**Other Confirmations**

Neither our Promoters nor members of the Promoter Group have been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Our Promoters has not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

Neither Promoter nor entities forming part of our Promoter Group have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of this Red Herring Prospectus against our Promoters.

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, pursuant to a resolution of our Board dated March 16, 2026 and the applicable accounting standards (Accounting Standard 18), for the purpose of identification of “group companies” in relation to the disclosure in Issue Documents, our company has considered the companies with which there have been related party transactions in the last three years, as disclosed in the section titled “*Financial Information*” on page 209 of this Red Herring Prospectus.

Accordingly, pursuant to the said resolution passed by our Board of Directors and the materiality policy adopted, for determining our Group Companies, the following companies has been identified and considered as the Group Company of our Company. Further, companies which are no longer associated with our company have not been disclosed as Group Companies.

Sr. No.	Name of Group Company	Registered Office
1.	Merritro Products Private Limited	Plot No. 153 APIIC Industrial Park, Auto Nagar, Krishna, Nuzvid, Andhra Pradesh, India, 521201
2.	Merrito Polymers (India) Private Limited	Plot No. 136 to 144, APIIC Industrial Park, Auto Nagar, Krishna, Nuzvid, Andhra Pradesh, India, 521201

The Group Companies listed above do not have websites. Accordingly, details of financial 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 in relation to the Group Companies for the previous three financial years as prescribed under the SEBI ICDR Regulations for Merritro Products Private Limited and Merrito Polymers (India) Private Limited will be made available on the website of the Company, as indicated below (“Group Company Financial Information”).

### Details of our Group Company:

In accordance with the SEBI ICDR Regulations, information with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, of the Group Companies determined on the basis of their annual turnover, based on their respective audited financial statements for the preceding three years shall be hosted on the websites as indicated below:

Sr. No.	Name of Group Company	Website
1.	Merritro Products Private Limited	<a href="https://www.merritronix.com/investors">https://www.merritronix.com/investors</a>
2.	Merrito Polymers (India) Private Limited	<a href="https://www.merritronix.com/investors">https://www.merritronix.com/investors</a>

Our Company has provided links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. The information provided on the websites given above should not be relied upon or used as a basis for any investment decision.

### Nature and extent of interest of our Group Companies:

#### *a. In the promotion of our Company*

None of our Group Companies, have any interest in the promotion of our Company.

#### *b. In the properties acquired by us in the preceding three years before filing this Red Herring Prospectus or proposed to be acquired by our Company*

Our Group Companies are not interested in the properties acquired by us in the three years preceding the filing of this Red Herring Prospectus or proposed to be acquired by us as on the date of this Red Herring Prospectus.

#### *c. In transactions for acquisition of land, construction of building and supply of machinery*

Except as disclosed in this Red Herring Prospectus, our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery. For further details, please see section titled “*Restated Financial Information – Annexure - X – Related Party Transactions*” on page 209.

### Common Pursuits between our Group Companies and our Company

None of our Group Companies are engaged in a line of business similar to that of our Company as on the date of this Red Herring Prospectus.

### Related Business Transactions with the Group Companies and significance on the financial performance of our Company

Other than the transactions disclosed in the section titled “*Restated Financial Information – Annexure - X – Related Party Transactions*” on page 209, there are no other related business transactions with our Group Companies.

**Business interest of our Group Companies in our Company**

Other than the transactions disclosed in the section titled “*Restated Financial Information – Annexure - X – Related Party Transactions*” on page 209, our Group Companies have no business interest in our Company.

**Litigation**

Except mentioned in the outstanding litigation and material developments chapter on page no. 230 our Group Companies are not party to any pending litigations which will have a material impact on our Company.

**Other Confirmations**

The equity or debt securities of our Group Companies are not listed on any stock exchange in India or abroad and none of our Group Companies have made any public, rights or composite issue in the last three years from the date of this Red Herring Prospectus. Further, none of our Group Companies have failed to list on any stock exchange in any recognised stock exchange in India or abroad.

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## DIVIDEND POLICY

The dividend distribution policy of our Company was approved and adopted by our Board on August 01, 2025 (“**Dividend Policy**”). In terms of the Dividend Policy, the declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable laws including the Companies Act, read with the rules notified thereunder, each as amended.

Any future determination as to quantum of dividend, if any, will be at the discretion of the Board and will depend on a number of internal and external factors. Some of the internal factors on the basis of which our Company may declare dividend include but are not limited to Operating cash flow of the Company, Profit earned during the year, Profit available for distribution, Earnings Per Share (EPS), Working capital requirements, Capital expenditure requirement, Business expansion and growth, Likelihood of crystallization of contingent liabilities, if any, investment in subsidiaries and associates of the company, Up gradation of technology and physical infrastructure, Creation of contingency fund, Acquisition of brands and business, Cost of Borrowing and Past dividend pay-out ratio / trends. The external factors on the basis of which our Company may declare the dividend include are but not limited to Economic Environment, Dividend pay-out ratios across Industries, Statutory provisions and guidelines, Capital Markets, Inflation rate, Industry outlook for future years Taxation.

Additionally, we may retain all our future earnings, if any, for any proposed or ongoing or planned business expansion or for any other purposes which may be considered by the Board subject to compliance with the provisions of the Companies Act.

For details in relation to risks involved in this regard, 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 22.

Our Company has not declared or paid dividends on the Equity Shares in any of the three Financial Years preceding the date of this Red Herring Prospectus and the period from April 01, 2026 until the date of this Red Herring Prospectus

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**SECTION V – FINANCIAL INFORMATION**

**RESTATED FINANCIAL INFORMATION**

<b>S. No.</b>	<b>Details</b>	<b>Page Number</b>
1.	Examination Report	F-1 to F-4
2.	Restated Financial Information	F-5 to F-44

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## **Independent Auditor's Report on Restated Financial Statements**

To,  
The Board of Directors  
Merritronix Ltd.  
(Formerly known as "Merritronix Pvt Ltd.")

1. We have examined the attached restated financial information of Merritronix Ltd. (Formerly known as "Merritronix Pvt Ltd.") (hereinafter referred to as "the Company") comprising the restated statement of assets and liabilities as at March 31, 2026, March 31, 2025 and 2024 restated statement of profit and loss and restated cash flow statement for the year Ended March 31, 2026, March 31, 2025 and 2024 and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the "restated financial information" or "Restated financial Statements") annexed to this report and initiated by us for identification purposes. These Restated financial Statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering on SME Platform ("IPO" or "SME IPO") of BSE Limited ("BSE") of the company.
2. These restated summary statements have been prepared in accordance with the requirements of:
  - (i) Section 26 of Part – I of Chapter III of Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI");
  - (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("Guidance Note")
3. The Company's Board of Directors is responsible for the preparation of the Restated financial Statements for inclusion in the Draft Red-Herring Prospectus ("Offer Document") to be filed with Securities and Exchange Board of India ("SEBI"), BSE and Registrar of Companies (Hyderabad) in connection with the proposed IPO. The Restated financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated financial Statements. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated financial Statements taking into consideration:
  - (i) The terms of reference and terms of our engagement letter requesting us to carry out the assignment, in connection with the proposed SME IPO;
  - (ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated financial Statements;
  - (iv) 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.

5. The Restated financial Statements of the Company have been compiled by the management from audited financial statements for the year ended March 31,2026 and the year ended on March 31, 2025 and 2024.
6. Audit for the financial year ended March 31,2026, March 31, 2025 and 2024 was audited by us vide our report dt. May 04, 2026, September 02, 2025 and September 02, 2024. respectively. There are no audit qualifications in the audit reports issued by us, which would require adjustments in the Restated Financial Statements of the Company.
7. Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated financial Statements:
  - a) Have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/ reclassifications retrospectively in the year ended March 31,2026, March 31, 2025 and 2024.
  - b) do not require any adjustment for modification as there is no modification in the underlying audit reports;
  - c) Have no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
  - d) Have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.
8. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:
  - (i) The “restated statement of asset and liabilities” of the Company as at March 31,2026, March 31, 2025 and 2024 examined by us, as set out in Annexure I to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - (ii) The “restated statement of profit and loss” of the Company for the year ended March 31,2026, March 31, 2025 and 2024 examined by us, as set out in Annexure II to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - (iii) The “restated statement of cash flows” of the Company for the year ended March 31,2026, March 31, 2025 and 2024 examined by us, as set out in Annexure III to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.
  - (iv) The Company had not complied with the provisions of Section 185 of the Companies Act, 2013 during the financial years ended March 31, 2024, as it had extended loans to related parties. The said loans have since been fully repaid, and accordingly, no such non-compliance exists as on date.
  - (v) We draw attention to the fact that during the financial years ended March 31, 2024, the Company had accepted certain unsecured loans from individuals who were not related parties. Such transactions were not in compliance with the applicable provisions of the Companies Act, 2013 relating to acceptance of deposits from persons other than members. However, these loans have been fully repaid and are no longer outstanding as on date. Accordingly, no such non-compliance exists as on date.
9. We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial year ended March 31,2026, March 31, 2025 and 2024 proposed to be included in the Offer Document.

Annexure to Restated financial Statements of the Company: -

- 1) Summary statement of assets and liabilities, as restated as appearing in ANNEXURE I;
- 2) Summary statement of profit and loss, as restated as appearing in ANNEXURE II;
- 3) Summary statement of cash flows, as restated as appearing in ANNEXURE III;
- 4) Corporate Information, Significant accounting policies as restated and Notes to reconciliation of restated profits and net worth as appearing in ANNEXURE IV;
- 5) Reconciliation of Restated Profit and Loss Account and Reconciliation of Restated Net Worth as appearing in ANNEXURE IV-A.
- 6) Details of share capital as restated as appearing in ANNEXURE I.1 to this report;
- 7) Details of reserves and surplus as restated as appearing in ANNEXURE I.2 to this report;
- 8) Details of long-term borrowings as restated as appearing in ANNEXURE I.3 to this report;
- 9) Details of deferred tax liabilities & Asset (net) as appearing in ANNEXURE I.4 to this report;
- 10) Details of Other long-term liabilities as appearing in ANNEXURE I.5 to this report;
- 11) Details of long-term provisions as appearing in ANNEXURE I.6 to this report;
- 12) Details of short-term borrowings as restated as appearing in ANNEXURE I.7 to this report;
- 13) Details of trade payables as restated as appearing in ANNEXURE I.8 to this report;
- 14) Details of other current liabilities as restated as appearing in ANNEXURE I.9 to this report;
- 15) Details of short-term provisions as restated as appearing in ANNEXURE I.10 to this report;
- 16) Details of property, plant & equipment and intangible assets as appearing in ANNEXURE I.11 to this report;
- 17) Details of long-term loans and advances as restated as appearing in ANNEXURE I.12 to this report;
- 18) Details of other non-current assets as restated as appearing in ANNEXURE I.13 to this report;
- 19) Details of inventories as restated as appearing in ANNEXURE I.14 to this report;
- 20) Details of trade receivables as restated as appearing in ANNEXURE I.15 to this report;
- 21) Details of cash and bank balances as restated as appearing in ANNEXURE I.16 to this report;
- 22) Details of short-term loans and advances as restated as appearing in ANNEXURE I.17 to this report;
- 23) Details of other current assets as restated as appearing in ANNEXURE I.18 to this report;
- 24) Details of terms of borrowings as restated as appearing in ANNEXURE V to this report;
- 25) Details of revenue from operations as restated as appearing in ANNEXURE II.1 to this report;
- 26) Details of other income as restated as appearing in ANNEXURE II.2 to this report;
- 27) Details of cost of material consumed as restated as appearing in ANNEXURE II.3 to this report;
- 28) Details of Purchase of Stock-in Trade as restated as appearing in ANNEXURE II.4 to this report;
- 29) Details of Changes in Inventories of Work- In- Progress & Finished Goods as restated as appearing in ANNEXURE II.5 to this report;
- 30) Details of employee benefit expense as restated as appearing in ANNEXURE II.6 to this report;
- 31) Details of finance cost as restated as appearing in ANNEXURE II.7 to this report;
- 32) Details of depreciation and amortization expense as restated as appearing in ANNEXURE I.10 to this report;
- 33) Details of other expenses as restated as appearing in ANNEXURE II.8 to this report;
- 34) Statement of other accounting ratios, as per Companies Act, 2013 as restated as appearing in ANNEXURE VI to this report;
- 35) Statement of accounting & other ratios, as per SEBI ICDR as restated as appearing in ANNEXURE VII to this report;
- 36) Statement of Tax Shelter as restated as appearing in ANNEXURE VIII to this report;
- 37) Ageing of trade payables and trade receivables as restated as appearing in ANNEXURE IX to this report;
- 38) Details of related party transactions as restated as appearing in ANNEXURE X to this report;
- 39) Details of contingent liabilities & commitment as restated as appearing in ANNEXURE XI to this report;
- 40) Details of restated value of imports calculated on C.I.F. basis by the company during the financial year as appearing in ANNEXURE XII to this report;
- 41) Details of value (including incidental expenses) of imported and indigenous raw materials consumed as appearing in ANNEXURE XIII to this report.
- 42) Details of expenditure in foreign currency during the financial year as restated as appearing in ANNEXURE XIV to this report;
- 43) Details of earnings in foreign exchange as restated as appearing in ANNEXURE XV to this report;

- 44) Details of dues of small enterprises and micro enterprises as restated as appearing in ANNEXURE XVI to this report;
  - 45) Additional Regulatory Information as per Para Y of Schedule III to Companies Act, 2013 as restated as appearing in ANNEXURE XVII to this report;
  - 46) Details of Corporate Social Responsibility (CSR) as restated as appearing in ANNEXURE XVIII to this report;
  - 47) Capitalisation Statement as at March 31, 2026 as restated as appearing in ANNEXURE XIX to this report;
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
  11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  12. Our report is intended solely for use of the board of directors for inclusion in the offer document to be filed with SEBI, BSE and Registrar of Companies (Hyderabad) in connection with the proposed SME 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 M/S. Dagliya & Co.  
Chartered Accountants  
FRN – 00671S

Sd/-  
Mayank Jain  
Partner  
M No. 225914  
UDIN - 26225914FUNYGK5776

Place: Hyderabad  
Date: 11.05.2026

**MERRITRONIX LTD.**  
(formerly known as MERRITRONIX PVT LTD.)  
(CIN:- U32100TG1988PLC155611)

**ANNEXURE - I**  
**STATEMENT OF ASSETS & LIABILITIES AS RESTATED**

Particulars	Note No.	As at (Rs. in lakhs)		
		31/03/2026	31/03/2025	31/03/2024
<b>I. EQUITY &amp; LIABILITIES</b>				
<b>(1) Shareholders Fund</b>				
a) Share capital	I.1	1,278.49	145.20	145.20
b) Reserves and surplus	I.2	4,034.47	1,538.95	673.00
<b>Total Shareholder's Fund</b>		<b>5,312.96</b>	<b>1,684.15</b>	<b>818.20</b>
<b>(2) Non-Current Liabilities</b>				
a) Long-Term Borrowings	I.3	529.56	481.07	590.47
b) Deferred Tax Liabilities (Net)	I.4	18.86	17.34	22.70
c) Other long term liabilities	I.5	-	13.00	-
d) Long Term provisions	I.6	48.14	37.93	33.77
<b>Total Non Current Liabilities</b>		<b>596.56</b>	<b>549.34</b>	<b>646.94</b>
<b>(3) Current Liabilities</b>				
a) Short Term Borrowings	I.7	3,790.18	1,375.51	991.31
b) Trade Payables				
- total outstanding dues of Micro and small enterprises; and	I.8	426.21	1,221.79	3,145.38
- total outstanding dues of creditors other than Micro and small enterprises		2,000.83	243.04	783.72
c) Other Current Liabilities	I.9	2,627.85	1,973.71	354.55
d) Short Term Provisions	I.10	685.48	370.51	104.21
<b>Total Current Liabilities</b>		<b>9,530.55</b>	<b>5,184.56</b>	<b>5,379.17</b>
<b>Total Equity &amp; Liability</b>		<b>15,440.07</b>	<b>7,418.05</b>	<b>6,844.31</b>
<b>II. ASSETS</b>				
<b>(1) Non-Current Assets</b>				
a) Property, Plant and Equipments & Intangible assets	I.11			
(i) Property, Plant and Equipments		585.99	373.76	409.24
(ii) Intangible Assets		6.46	0.07	0.07
<b>Total</b>		<b>592.45</b>	<b>373.83</b>	<b>409.31</b>
b) Deferred Tax Asset (Net)	I.4	-	-	-
c) Long Term Loans and Advances	I.12	-	-	425.00
d) Other Non- current Assets	I.13	4.75	34.31	35.73
<b>Total Non Current Assets</b>		<b>597.20</b>	<b>408.14</b>	<b>870.04</b>
<b>(2) Current assets</b>				
a) Inventories	I.14	7,130.76	3,968.62	3,349.77
b) Trade Receivables	I.15	3,654.65	2,035.91	1,118.73
c) Cash and Bank Balances	I.16	2,569.62	242.06	390.56
d) Short Term Loans and advances	I.17	1,480.62	758.34	1,115.17
e) Other Current Assets	I.18	7.22	4.98	0.04
<b>Total Current Assets</b>		<b>14,842.87</b>	<b>7,009.91</b>	<b>5,974.27</b>
<b>Total Assets</b>		<b>15,440.07</b>	<b>7,418.05</b>	<b>6,844.31</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

For Dagliya & Co.  
Chartered Accountants  
FRN: 00671S

sd/-  
Mayank Jain  
Partner  
Membership No: - 225914  
Place: - Hyderabad  
Date: - 11-05-2026  
UDIN No: - 26225914FUNYGK5776

For and on behalf of Board of  
MERRITRONIX LTD.

sd/-  
Dovari Amarnath  
(Managing Director)  
DIN No: - 01265446

sd/-  
Dovari Yesudasa  
(Director)  
DIN No: - 01794872

sd/-  
Kethan Chandra Darsy  
(Chief Financial Officer & Director)  
DIN No: - 09753724

sd/-  
Swathi Mandava  
(Company Secretary)  
(Membership No: A49113)

**MERRITRONIX LTD.**  
(formerly known as MERRITRONIX PVT LTD.)  
(CIN:- U32100TG1988PLC155611)

**ANNEXURE - II**  
**STATEMENT OF PROFIT & LOSS AS RESTATED**

Particulars	Note No.	For the year ended (Rs. in lakhs)		
		31/03/2026	31/03/2025	31/03/2024
<b>Income</b>				
Revenue from Operations	II.1	15,589.56	11,356.38	8,569.91
Other Income	II.2	35.27	47.62	31.42
<b>Total Income (A)</b>		<b>15,624.83</b>	<b>11,404.00</b>	<b>8,601.33</b>
<b>Expenditure</b>				
Cost of Material Consumed	II.3	13,178.21	9,121.53	8,659.26
Purchase of Stock-in-Trade	II.4	101.38	757.62	582.94
Changes in inventories of finished goods, work in progress and stock in trade	II.5	(1,021.82)	(610.86)	(1,750.81)
Employee Benefit Expenses	II.6	234.47	170.51	172.08
Finance Cost	II.7	408.15	282.63	218.28
Depreciation & Amortisation Expenses	I.10	47.18	39.37	40.67
Other Expenses	II.8	375.27	403.55	249.69
<b>Total Expenses (B)</b>		<b>13,322.84</b>	<b>10,164.35</b>	<b>8,172.11</b>
<b>Profit before Tax C = (A - B)</b>		<b>2,301.99</b>	<b>1,239.65</b>	<b>429.22</b>
Current tax expense	VIII	690.17	379.06	122.60
Deferred tax expense / (Income)		1.52	(5.36)	1.59
<b>Total (D)</b>		<b>691.69</b>	<b>373.70</b>	<b>124.19</b>
<b>Net Profit After Tax E = (C - D)</b>		<b>1,610.30</b>	<b>865.95</b>	<b>305.03</b>
<b>Earnings per equity share (Rs.) (Post bonus &amp; Spilt) :</b>	<b>VII</b>			
- Basic		<b>13.92</b>	<b>7.95</b>	<b>2.80</b>
- Diluted		<b>13.92</b>	<b>7.95</b>	<b>2.80</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

For Dagliya & Co.  
Chartered Accountants  
FRN: 00671S

For and on behalf of Board of  
MERRITRONIX LTD.

sd/-  
**Mayank Jain**  
Partner  
Membership No: - 225914  
Place: - Hyderabad  
Date: - 11-05-2026  
UDIN No: - 26225914FUNYGGK5776

sd/-  
**Dovari Amarnath**  
(Managing Director)  
DIN No: - 01265446

sd/-  
**Dovari Yesudas**  
(Director)  
DIN No: - 01794872

sd/-  
**Kethan Chandra Darsy**  
(Chief Financial Officer & Director)  
DIN No: - 09753724

sd/-  
**Swathi Mandava**  
(Company Secretary)  
(Membership No: A49113)

**MERRITRONIX LTD.**  
(formerly known as MERRITRONIX PVT LTD.)  
(CIN:- U32100TG1988PLC155611)

**ANNEXURE - III**  
**STATEMENT OF CASH FLOW AS RESTATED**

PARTICULARS	For the year ended (Rs. in lakhs)		
	31/03/2026	31/03/2025	31/03/2024
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Profit before Tax as per Profit &amp; Loss A/c</b>	<b>2,301.99</b>	<b>1,239.65</b>	<b>429.22</b>
<b>Adjusted for :</b>			
a. Depreciation	47.18	39.37	40.67
b. Interest expense	356.73	211.42	162.42
c. Discount on chit fund scheme	15.78	27.67	40.33
d. Dividend income	(4.76)	(7.51)	(17.06)
e. Interest income	(10.84)	(28.96)	(8.30)
f. Gratuity	10.23	5.94	12.29
g. Unrealised forex gain / loss	(6.27)	(0.04)	(0.37)
h. Unpaid bonus write back	-	(2.23)	-
i. Sundry balance written back	(1.42)	(0.94)	-
<b>Operating profit before working capital changes</b>	<b>2,708.62</b>	<b>1,484.37</b>	<b>659.20</b>
<b>Adjusted for :</b>			
a. Decrease / (Increase) in Inventories	(3,162.14)	(618.85)	(2,366.61)
b. Decrease / ( Increase ) in trade receivable	(1,612.47)	(917.14)	1,190.64
c. ( Increase ) / Decrease in loans and advances	(738.07)	354.41	(884.14)
d. ( Increase ) / Decrease in Other Assets ( Including other bank balances)	(778.68)	4.87	26.08
e. Increase / ( Decrease ) in Trade Payables	963.63	(2,463.33)	1,861.88
f. Increase / ( Decrease ) in other current liabilities	656.12	1,605.88	5.52
g. Increase / (Decrease) in provisions	(0.72)	(2.22)	(3.76)
<b>Cash generated from operations</b>	<b>(1,963.71)</b>	<b>(552.01)</b>	<b>488.81</b>
Net Income Tax (Paid)/Refund	(374.50)	(112.32)	(35.57)
<b>Net Cash Generated/(Used) From Operating Activities (A)</b>	<b>(2,338.21)</b>	<b>(664.33)</b>	<b>453.24</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
a. Purchase of Property, Plant and Equipments (Including Capital advances)	(265.80)	(3.89)	(225.35)
b. Refund of Capital Advance	-	425.00	-
c. Interest income received	7.26	26.83	2.26
<b>Net Cash Generated/(Used) From Investing Activities (B)</b>	<b>(258.54)</b>	<b>447.94</b>	<b>(223.09)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
a. Interest expense paid	(348.71)	(208.91)	(160.06)
b. Proceeds from share issued including Premium ( Net of issue expense)	2,018.51	-	-
c. Proceeds from borrowings (including net proceeds from chit fund scheme)	3,236.90	2,011.94	454.44
d. Repayments of borrowings (including net repayment towards chit fund scheme)	(791.97)	(1,728.88)	(266.90)
<b>Net Cash Generated/(Used) From Financing Activities (C)</b>	<b>4,114.73</b>	<b>74.15</b>	<b>27.48</b>
<b>Net Increase / ( Decrease ) in cash and cash equivalents ( A+B+C)</b>	<b>1,517.98</b>	<b>(142.24)</b>	<b>257.63</b>
<b>Cash &amp; Cash Equivalents As At Beginning of the Year</b>	<b>145.13</b>	<b>287.37</b>	<b>29.74</b>
<b>Cash &amp; Cash Equivalents As At End of the Year</b>	<b>1,663.11</b>	<b>145.13</b>	<b>287.37</b>
<b>Component of Cash and Cash Equivalent consists of:</b>			
Cash In Hand	11.96	5.15	12.43
Balance With Bank (in Current Accounts)	1,651.15	139.98	274.94

**Note:**

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'. Previous year's figures have been regrouped / rearranged / recasted wherever necessary to make them comparable with those of current year

For Dagliya & Co.  
Chartered Accountants  
FRN: 00671S

For and on behalf of Board of  
MERRITRONIX LTD.

sd/-  
Mayank Jain  
Partner  
Membership No: - 225914  
Place: - Hyderabad  
Date: - 11-05-2026  
UDIN No: - 26225914FUNYGK5776

sd/-  
Dovari Amarnath  
(Managing Director)  
DIN No: - 01265446

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DIN No: - 09753724

sd/-  
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(Director)  
DIN No: - 01794872

sd/-  
Swathi Mandava  
(Company Secretary)  
(Membership No: A49113)

**MERRITRONIX LTD.**  
**(formerly known as MERRITRONIX PVT LTD.)**  
**(CIN:- U32100TG1988PLC155611)**

**ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

**1. CORPORATE INFORMATION**

MERRITRONIX LTD. is a company incorporated on October 14, 1988 as "Merritronix India Pvt Ltd.". The corporate identification number of the company is U32100TG1988PLC155611.

The company converted from Private Limited Company to Public Limited Company on February 07, 2025.

The company is engaged in the business of manufacturing and assembly of electronic components, including engineering design and development services. Our specific focus is in turnkey electronics manufacturing and obsolescence engineering management. Our offerings primarily cater to customers in the defence, aerospace, industrial electronics, and scientific research sectors. Our business is driven by a combination of product supply and project-based engineering services and support, enabling us to serve complex and high-reliability applications.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**2.01 BASIS OF ACCOUNTING AND PREPARATION OF RESTATED FINANCIAL STATEMENTS**

The restated summary statement of assets and liabilities of the Company as year ended March 31, 2026, March 31, 2025 and March 31, 2024 and the related restated summary statement of profits and loss and cash flows for the year ended March 31, 2026, March 31, 2025 and March 31, 2024 (herein collectively referred to as ("Restated Summary Statements") have been compiled by the management from the audited Financial Statements of the Company for the year ended March 31, 2026, March 31, 2025 and March 31, 2024 approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") issued by SEBI and Guidance note on Reports in Companies Prospectuses (Revised 2019) ("Guidance Note"). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the BSE in connection with its proposed SME IPO. The Company's management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles in India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

**2.02 USE OF ESTIMATES**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**2.03 CURRENT & NON-CURRENT CLASSIFICATION**

All assets and liabilities are classified into current and non-current.

**Assets:**

An asset is classified as current when it satisfies any of the following criteria:

- a) It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is expected to be realised within 12 months after the reporting date; or
- d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

**MERRITRONIX LTD.**  
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**(CIN:- U32100TG1988PLC155611)**

**ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

**Liabilities:**

A liability is classified as current when it satisfies any of the following criteria:

- a) It is expected to be settled in the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is due to be settled within 12 months after the reporting date; or
- d) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

**2.04 OPERATING CYCLE**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act. Based on the nature of services and the time between the acquisition of assets for providing of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current & non-current classification of assets and liabilities.

**2.05 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS**

**(i) Property, Plant & Equipment**

All Property, Plant & Equipment are recorded at cost including taxes, duties, freight and other incidental expenses incurred in relation to their acquisition and bringing the asset to its intended use.

**(ii) Intangible Assets**

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

**2.06 DEPRECIATION / AMORTISATION**

Depreciation on property, plant and equipment is calculated on a Straight line method using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013.

Intangible assets are amortized on straight line method basis over 5 years in pursuance of provisions of AS-26.

**2.07 INVENTORIES**

Inventories comprises of Raw Material, Work-in-Progress, Finished goods and stock-in-trade. Raw materials are measured at the lower of cost and net realisable value. The cost of raw materials is based on the first-in-first-out method principle. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. For the purpose of Work-in-progress and Finished Goods, cost of inventory includes raw material cost (net of recoverable taxes), direct cost of conversion and proportionate allocation of indirect costs incurred in bringing the inventories to their present location and condition.

**2.08 IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

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**ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

**2.09 GOVERNMENT GRANT AND SUBSIDIES**

Grants and subsidies from the government are recognised when there is reasonable assurance that:

- i. The Company will comply with the conditions attached to them, and
- ii. The grant / subsidy will be received.

The company is entitled to Capital Subsidy on the basis of Industrial Development Policy (IDP) 2010-2015, by the Government of Andhra Pradesh. Such Government grants is in the nature of promoters' contribution, which are given with reference to the total investment in the undertaking or by way of contribution towards its total capital outlay and for which no repayment is ordinarily expected, are treated as capital receipts in accordance with Accounting Standard 12 on "Accounting for Government Grants". Such grants are credited to Capital Reserve under "Reserves and Surplus" in the Balance Sheet. These grants are neither recognised in the Statement of Profit and Loss nor deducted from the carrying amount of the related assets.

**2.10 CHIT FUND DEPOSITS**

The Company participates in chit fund schemes operated by registered chit fund companies. Subscriptions paid towards such schemes are recognized as Chit Fund Deposits under Loans and Advances. On successful bidding of the chit, the difference between the chit value and the amount received (discount foregone) is treated as finance cost and amortized over the remaining tenure of the chit scheme. Dividends or discounts distributed by the chit fund are recognized as income in the Statement of Profit and Loss on accrual basis. Future subscriptions payable after the chit is prized are recognized as liability towards chit fund subscriptions and settled over the remaining tenure of the scheme. The carrying value of chit fund deposits is reviewed at each reporting date for impairment, if any.

**2.11 FOREIGN CURRENCY TRANSLATIONS**

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Any income or expense on account of exchange difference either on settlement or on translation at the balance sheet date is recognized in Profit & Loss Account in the year in which it arises.

**2.12 BORROWING COSTS**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

**2.13 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

**2.14 REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Sales are recognized on transfer of significant risk and ownership which generally coincide with the dispatch of the goods.

Revenue from services is recognised proportionately by reference to the performance of each act. Revenue is only recognized when it can be reasonably measurable and at the time of rendering of the services it would not be unreasonable to expect ultimate collection.

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**ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

**2.15 OTHER INCOME**

Interest Income on fixed deposit is recognized on time proportion basis. Other Income is accounted for when right to receive such income is established.

**2.16 TAXES ON INCOME**

Income taxes are accounted for in accordance with Accounting Standard (AS-22) – “Accounting for taxes on income”, notified under Companies (Accounting Standard) Rules, 2021. Income tax comprises of both current and deferred tax.

Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.

Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization.

**2.17 CASH AND BANK BALANCES**

Cash and cash equivalents comprises Cash-in-hand, Current Accounts, Fixed Deposits with banks. 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. Other Bank Balances are short-term balance ( with original maturity is more than three months but less than twelve months).

**2.18 EARNINGS PER SHARE**

Basic earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity share outstanding during the year. Diluted earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**2.19 EMPLOYEE BENEFITS**

**Defined Contribution Plan:**

Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss.

**Defined Benefit Plan:**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service without any monetary limit. Vesting occurs upon completion of five years of service. Provision for gratuity has been made in the books as per actuarial valuation done as at the end of the year/ period.

**2.20 SEGMENT REPORTING**

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.

**MERRITRONIX LTD.**  
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**ANNEXURE IV - A**

**A. Reconciliation of Restated Profit and Loss Account:**

Particulars	Year ended (Rs. In lakhs)		
	31/03/2026	31/03/2025	31/03/2024
<b>Profit After Tax as per Books of Accounts</b>	<b>1,548.49</b>	<b>843.28</b>	<b>316.56</b>
Reversal Prior Period Items	68.99	5.03	-
Depreciation expense	-	(2.44)	(28.43)
Gratuity expense	-	(4.37)	2.77
Dividend income on chit funds	-	7.51	17.06
Lease Rent	-	-	(0.68)
MSME Interest	-	-	(2.36)
Interest on late payment of taxes	-	(30.32)	(6.06)
Interest cost on chit funds	-	(27.66)	(40.33)
Bad Debts reversed	-	1.04	-
Sundry balance written back	-	21.46	-
Chit fund Loss	-	(0.68)	-
Forex Gain / (Loss)	-	2.47	(2.43)
Bid charges on chit funds	-	-	(0.84)
Interest on fixed deposit	-	2.13	6.04
Deferred Tax income / (expense)	(17.45)	8.33	7.96
Current tax expense	10.27	40.17	35.77
<b>Profit After Tax as per Restated</b>	<b>1,610.30</b>	<b>865.95</b>	<b>305.03</b>

**Explanatory notes to the above restatements to profits made in the audited Financial Statements of the Company for the respective years:**

**1. Reversal of prior period items:** During the preparation of the Restated Financial Statements, certain income and expense items relating to prior periods, which were earlier

disclosed separately as "Prior Period Items," have been reversed and appropriately regrouped with the respective heads of income and expenditure to which they pertain.

**2. Depreciation expense:** During the preparation of the Restated Financial Statements, it was observed that depreciation expense in earlier periods was not computed correctly. Accordingly, the depreciation expense has been recomputed based on the prescribed useful lives and methods as required under Schedule II of the Companies Act, 2013 and the applicable accounting framework.

**3. Gratuity expense:** During the preparation of the Restated Financial Statements, it was observed that gratuity expense had not been accounted for in accordance with the requirements of AS 15 "Employee Benefits", as applicable. Accordingly, the Company has obtained an independent actuarial valuation for the respective reporting periods and has recognised gratuity expense and corresponding liability based on the actuarial valuation method prescribed under the applicable accounting framework.

**4. Dividend Income on chit funds :** During the preparation of the Restated Financial Statements, it was observed that Dividend income earned on Chit fund schemes had not been recognised in the audited financial statements. Accordingly, the Such income has been recognised in the respective periods to which it pertains, in accordance with the applicable accounting framework

**5. Lease Rent:** During the preparation of the Restated Financial Statements, it was observed that lease rent expense relating to certain operating lease arrangements had not been recognised in the earlier financial periods. Accordingly, the lease rent expense has now been recognised in the respective periods to which it pertains, in accordance with the applicable accounting framework.

**6. MSME Interest:** During the preparation of the Restated Financial Statements, it was observed that interest payable on delayed payments to suppliers registered under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") had not been recognised in the earlier financial periods. As per the provisions of the MSMED Act, interest is payable on delayed payments beyond the stipulated credit period. Accordingly, the Company has computed interest on outstanding dues to eligible MSME vendors for the respective reporting periods and has recognised the same in the Restated Financial Statements.

**7. Interest on late payment of taxes:** During the preparation of the Restated Financial Statements, it was observed that interest payable under Sections 234A, 234B, and 234C of the Income Tax Act, 1961, relating to delayed payment of taxes in earlier periods, had been included within the "Current Tax Expense" in the audited financial statements. For clarity, transparency, and compliance with applicable accounting standards, such interest is now separately disclosed as a Prior Period Item / Interest on Taxes to distinguish statutory interest from the actual current tax liability.

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**ANNEXURE IV - A**

**8. Interest on Chit fund expense :** During the preparation of the Restated Financial Statements, it was observed interest cost over chit fund not been recognised in the audited

financial statements. Accordingly, it has been recognised in the respective periods to which it pertains, in accordance with the applicable accounting framework

**9. Bad debts reversed:** During the preparation of the Restated Financial Statements, it was observed that certain trade receivables had been written off as bad debts in earlier financial periods without adequate evaluation of their recoverability and/or were subsequently recovered. Upon review, the Company reassessed the recoverability of such receivables and determined that the write-off was not warranted to the extent previously recognised. Accordingly, the bad debts previously written off have been reversed in the respective periods in the Restated Financial Statements.

**10. Sundry balances written back:** During the preparation of the Restated Financial Statements, the Company carried out a reconciliation and review of payable balances. Based on management's assessment, certain balances were identified as no longer payable and accordingly written back. The write-back of such balances has been recognised in the respective financial years in the Restated Financial Statements to which they pertain.

**11 Chit fund loss:** During the preparation of the Restated Financial Statements, it was observed that losses arising from chit fund operations in certain prior periods had not been accounted for. Accordingly, such losses have been recognised in the respective periods to which they pertain, in accordance with the applicable accounting framework and prudential accounting practices.

**12. Forex gain / (loss):** During the preparation of the Restated Financial Statements, it was observed that foreign exchange gains and losses arising from translation or settlement of foreign currency transactions in earlier periods were either not recorded or incorrectly computed. The Company has recomputed such gains and losses in accordance with the requirements of AS 11 "The Effects of Changes in Foreign Exchange Rates", as applicable, and recognised them in the respective periods.

**13. Bid charges on Chit fund expense :** During the preparation of the Restated Financial Statements, it was observed that Bid charges over chit fund not been recognised in the

audited financial statements. Accordingly, it has been recognised in the respective periods to which it pertains, in accordance with the applicable accounting framework

**14. Interest on fixed deposits:** During the preparation of the Restated Financial Statements, it was observed that interest income earned on certain fixed deposits in earlier financial periods had not been recognised in the audited financial statements. Accordingly, the interest income has been recognised in the respective periods to which it pertains, in accordance with the applicable accounting framework

**15. Deferred Tax income / (expense):** During the preparation of the Restated Financial Statements, it was observed that deferred tax assets and/or deferred tax liabilities had not been recognised in earlier periods in accordance with the requirements of AS 22 "Accounting for Taxes on Income", as applicable. Accordingly, deferred tax has been computed on all material timing differences between the carrying amounts of assets and liabilities and their respective tax bases, using the applicable enacted tax rates for the respective reporting periods along with deferred tax impact over restated adjustment provided in the above mentioned periods.

**16. Current tax expense:** During the preparation of the Restated Financial Statements, the Company has recomputed the current tax expense for the respective periods to reflect the correct tax impact of material adjustments made during restatement. The differences between the current tax expense as previously reported in the audited financial statements and the recomputed amount in the Restated Financial Statements arise primarily due to the allowances and disallowances under the Income Tax Act, 1961 that were incorrectly computed or not considered in the earlier financial statements along with the tax expense over on restated adjustment provided in the above mentioned periods.

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ANNEXURE IV - A

**B. Reconciliation of Restated Net Worth:**

Particulars	As on (Rs. In lakhs)		
	31/03/2026	31/03/2025	31/03/2024
<b>Net Worth as per audited financial statement</b>	<b>5,258.53</b>	<b>1,691.53</b>	<b>848.25</b>
<b>Opening Balance Adjustment</b>	<b>(7.38)</b>	<b>(30.05)</b>	
Changes in Profit & Loss Account	61.81	22.67	(11.53)
<b>Opening Adjustment Breakup:</b>			
Depreciation	-	-	(13.91)
Gratuity	-	-	(9.91)
Bid Charges on Chit Funds	-	-	(0.68)
Interest Expense	-	-	(5.41)
Sundry Balance written off	-	-	(0.80)
Lease rent	-	-	(1.72)
MSME Interest	-	-	(1.32)
Dividend Income on Chit Funds	-	-	13.52
Foreign Exchange Gain / Loss	-	-	(9.29)
Interest on Fixed Deposit	-	-	4.91
Deferred Tax	-	-	8.09
Income tax	-	-	(2.00)
<b>Net worth as per restated</b>	<b>5,312.96</b>	<b>1,684.15</b>	<b>818.20</b>

**Explanatory notes to the above restatements to Networth made in the audited Financial Statements**

**1. Changes in Profit & Loss Account:** The reason for changes in Profit and Loss Account are duly disclosed at Point A - Reconciliation of Restated Profit & Loss above.

**2. Depreciation expense:** Depreciation for earlier periods was incorrectly computed due to errors in useful life or method applied. Depreciation has been recomputed based on Schedule II of the Companies Act, 2013 and relevant accounting standards, with retrospective adjustment to prior periods.

**3. Gratuity expense:** Gratuity obligations were not correctly provided in prior periods. An actuarial valuation has now been performed, and gratuity expense has been recognised for the respective periods in accordance with AS 15.

**4. Bid Charges on Chit Fund Expense:** During the preparation of the Restated Financial Statements, it was observed that bid charges relating to chit fund transactions pertaining to periods prior to FY 2023-24 had not been recognised in the earlier financial statements. Accordingly, such expenses have been recognised in the respective periods and the cumulative opening impact has been adjusted through Reserves and Surplus.

**5. Interest on borrowings:** Interest on certain borrowings for earlier periods had not been recorded. To ensure the accuracy of the closing loan balances, the unrecorded interest for the prior periods has been recognised as a Prior Period Item in the Restated Financial Statements.

**6. Sundry balances written off:** Asset balance no longer recoverable written off.

**7. Lease rent expense:** Certain operating lease rent expenses were not recorded in earlier periods. Such expenses have been retrospectively recognised, in accordance with AS 19.

**8. MSME Interest:** During the preparation of the Restated Financial Statements, it was observed that interest payable on delayed payments to suppliers registered under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") pertaining to periods prior to FY 2023-24 had not been recognised earlier. Accordingly, the Company has computed such interest in accordance with the MSMED Act and the cumulative opening impact has been adjusted through Reserves and Surplus in the respective periods.

**9. Dividend Income on Chit Funds:** During the preparation of the Restated Financial Statements, it was observed that dividend income earned on chit fund schemes pertaining to periods prior to FY 2023-24 had not been recognised in the earlier financial statements. Accordingly, such income has been recognised in the respective periods and the cumulative opening impact has been adjusted through Reserves and Surplus.

**10. Forex Gain / (Loss):** During the preparation of the Restated Financial Statements, it was observed that foreign exchange gains and losses pertaining to periods prior to FY 2023-24 were either not recorded or incorrectly computed in the earlier financial statements. Accordingly, the Company has recomputed and recognised the same in accordance with AS 11 "The Effects of Changes in Foreign Exchange Rates", and the cumulative opening impact has been adjusted through Reserves and Surplus.

**11. Interest on Fixed Deposits:** During the preparation of the Restated Financial Statements, it was observed that interest income earned on certain fixed deposits pertaining to periods prior to FY 2023-24 had not been recognised in the earlier financial statements. Accordingly, such income has been recognised in the respective periods and the cumulative opening impact has been adjusted through Reserves and Surplus.

**12. Deferred Tax income / (expense):** Deferred tax on timing differences arising from prior period adjustments (depreciation, gratuity, lease rent, etc.) was either not recognised or miscomputed. Deferred tax has been recalculated in accordance with AS 22.

**13. Income tax:** During the preparation of the Restated Financial Statements, it was observed that change in income tax due to restated adjustment arised prior to FY 23-24 were adjusted throug opening impact has been adjusted through Reserves and Surplus.

**C. Material Regrouping:**

Appropriate regroupings have been made in the Restated Summary Statements, 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 groupings as per the audited Financial Statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

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**Restated Statement of Share Capital**

**Annexure – I.1**

Particulars	As on (Rs. in lakhs)		
	31/03/2026	31/03/2025	31/03/2024
<b>Authorised Capital</b>			
<b>Equity shares of ₹10/- each</b>			
(As at March 31, 2026 1,80,00,000 shares, As at March 31, 2025 1,50,00,000 shares)	1,800.00	1,500.00	-
<b>Equity shares of ₹100/- each</b>			
(As at March 31, 2024 1,50,000 shares, As at March 31, 2023 1,50,000 shares)	-	-	150.00
<b>Issued, Subscribed &amp; Fully Paid-up</b>			
<b>Equity shares of ₹10/- each fully paid</b>			
(As at March 31, 2026 1,27,84,854 shares, As at March 31, 2025 14,52,030 shares)	1,278.49	145.20	-
<b>Equity shares of ₹100/- each fully paid</b>			
(As at March 31, 2024 1,45,203 shares, As at March 31, 2023 1,45,203 shares)	-	-	145.20
<b>TOTAL</b>	<b>1,278.49</b>	<b>145.20</b>	<b>145.20</b>

**Rights, Preferences and Restrictions attached to Shares:**

The company has only one class of equity shares having a par value of Rs 10/- per share. Each holder of equity share is entitled to one vote per share held and is entitled to dividend, if declared at the Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Reconciliation of No. of Shares Outstanding at the end of the year**

*(No. of Equity Shares)*

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
Shares outstanding at the beginning of the year	14,52,030	1,45,203	1,45,203
Shares split from Face Value of Rs. 100/- to Rs. 10/-	-	13,06,827	-
Shares issued during the year	18,94,629	-	-
Bonus issued during the year	94,38,195	-	-
<b>Share outstanding at the end of the year</b>	<b>1,27,84,854</b>	<b>14,52,030</b>	<b>1,45,203</b>

**Notes:**

**(a) Shares split details:**

Pursuant to the approval of the board in the board meeting held on 05th December 2024, each equity share of face value Rs.100 was subdivided into 10 equity shares of face value of Rs. 10 each with effect from 05th December 2024. Consequently, the number of issued, subscribed and paid-up equity shares increased from 15,00,000 equity shares of Rs. 100 each to 1,50,00,000 equity shares of Rs. 10 each . There was no change in the aggregate amount of the issued, subscribed and paid-up equity share capital of the Company as a result of the sub-division.

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**(b) Preferential allotment details:**

During the financial year ended 31st March 2026, the Company allotted 8,61,748 equity shares of ₹10 each at a price of ₹108 per share (including a premium of ₹98 per share) on a preferential basis. The allotment was approved by the shareholders at the Extra Ordinary General Meeting held on 31st July 2025, and the Board of Directors approved the allotment at its meeting held on 2nd September 2025.

Further, the Company allotted 4,55,763 equity shares of ₹10 each at a price of ₹108 per share (including a premium of ₹98 per share) on a preferential basis. The allotment was approved by the shareholders at the Extra Ordinary General Meeting held on 21st November 2025, and the Board of Directors approved the allotment at its meeting held on 1st December 2025.

Additionally, the Company allotted 5,77,118 equity shares of ₹10 each at a price of ₹108.40 per share (including a premium of ₹98.40 per share) on a preferential basis. The allotment was approved by the shareholders at the Extra Ordinary General Meeting held on 12th March 2026, and the Board of Directors approved the allotment at its meeting held on 16th March 2026.

**(c) Bonus allotment details:**

During the financial period ended 30th September 2025, pursuant to the approval of the Board of Directors at its meeting held on 23rd May 2025, the Company allotted 94,38,195 fully paid-up equity shares of ₹10 each as bonus shares in the ratio of 13:2, i.e., 13 bonus equity shares for every 2 existing equity shares held by the shareholders as on 22nd May 2025.

**Details of shareholders holding more than 5% of the aggregate shares in the company:**

*(No. of Equity Shares)*

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
<b>Yesudas Dovari</b>			
No. of Shares	19,73,025	2,63,070	29,044
% Holding	15.43%	18.12%	20.00%
% change during the period/year	(2.69%)	(1.88%)	(23.91%)
<b>Amarnath Dovari</b>			
No. of Shares	34,71,450	4,62,960	29,036
% Holding	27.15%	31.88%	20.00%
% change during the period/year	(4.73%)	11.88%	(10.06%)
<b>Vanaja Darsy</b>			
No. of Shares	26,13,525	3,48,470	27,587
% Holding	20.44%	24.00%	19.00%
% change during the period/year	(3.56%)	5.00%	(0.04%)
<b>Jayapradha Dovari</b>			
No. of Shares	-	-	7,263
% Holding	0.00%	0.00%	5.00%
% change during the period/year	-	(5.00%)	(1.98%)
<b>Sireen Dovari</b>			
No. of Shares	-	-	7,260
% Holding	0.00%	0.00%	5.00%
% change during the period/year	-	(5.00%)	5.00%
<b>Ranadheer Darsy</b>			
No. of Shares	-	-	7,260
% Holding	0.00%	0.00%	5.00%
% change during the period/year	-	(5.00%)	5.00%

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<b>Thaman Dovari</b>			
No. of Shares	14,15,700	1,88,760	18,876
% Holding	11.07%	13.00%	13.00%
% change during the period/year	(1.93%)	-	13.00%
<b>Kethan Chandra Darsy</b>			
No. of Shares	14,15,700	1,88,760	18,876
% Holding	11.07%	13.00%	13.00%
% change during the period/year	(1.93%)	-	13.00%

\* Face value (par value) of equity shares has been reduced from Rs. 100 to Rs. 10 per share resulting in increase in number of Authorized equity shares from 18,00,000 to 1,80,00,000 and Issued, subscribed & fully paid equity shares from 1,45,203 to 14,52,030 equity shares in terms of EGM resolution dated 05-12-2024.

**Details of promoters and promoter group / shareholders holding the aggregate shares in the company: (No. of Equity Shares)**

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
<b>Yesudas Dovari</b>			
No. of Shares	19,73,025	2,63,070	29,044
% Holding	15.43%	18.12%	20.00%
% change during the period/year	(2.69%)	(1.88%)	(23.91%)
<b>Amarnath Dovari</b>			
No. of Shares	34,71,450	4,62,960	29,036
% Holding	27.15%	31.88%	20.00%
% change during the period/year	(4.73%)	11.88%	(10.06%)
<b>Vanaja Darsy</b>			
No. of Shares	26,13,525	3,48,470	27,587
% Holding	20.44%	24.00%	19.00%
% change during the period/year	(3.56%)	5.00%	(0.04%)
<b>Thaman Dovari</b>			
No. of Shares	14,15,700	1,88,760	18,876
% Holding	11.07%	13.00%	13.00%
% change during the period/year	(1.93%)	-	13.00%
<b>Kethan Chandra Darsy</b>			
No. of Shares	14,15,700	1,88,760	18,876
% Holding	11.07%	13.00%	13.00%
% change during the period/year	(1.93%)	-	13.00%

**Details of Aggregated no. of shares issued for consideration other than cash during the last 5 years:**

Particulars	No. of Shares
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received as cash	-
Aggregate number and class of shares allotted as fully paid up by way of bonus shares	94,38,195
Aggregate number and class of shares brought back	-

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**Restated Statement of Reserve & Surplus** **Annexure – I.2** *(Rs. In lakhs)*

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
<b>Statement of Profit &amp; Loss</b>			
Opening Balance	1,439.56	573.61	287.10
Less : Opening restated adjustments*	-	-	(18.52)
Add: Profit for the year	1,610.30	865.95	305.03
<b>Total</b>	<b>3,049.86</b>	<b>1,439.56</b>	<b>573.61</b>
Less: Utilised for Bonus Issue	(943.82)	-	-
<b>Balance as at the end of the year for Profit &amp; Loss (a)</b>	<b>2,106.04</b>	<b>1,439.56</b>	<b>573.61</b>
<b>Security Premium Reserve</b>			
Opening Balance	38.71	38.71	38.71
Add: Shares issued at premium during the year	1,859.04	-	-
Less : Shares issue expense	(30.00)		
Less: Utilised for Bonus Issue	-	-	-
<b>Balance as at the end of the year for Security Premium (b)</b>	<b>1,867.75</b>	<b>38.71</b>	<b>38.71</b>
<b>Capital reserve</b>			
Opening Balance	60.68	60.68	60.68
Add: Received during the year	-	-	-
<b>Balance as at the end of the year for Capital reserve (c)</b>	<b>60.68</b>	<b>60.68</b>	<b>60.68</b>
<b>Total Reserve &amp; Surplus (a + b + c )</b>	<b>4,034.47</b>	<b>1,538.95</b>	<b>673.00</b>

**\*Details of opening restatement adjustments**

Particulars	<i>(Rs. In lakhs)</i>
Lease rent	(1.72)
Depreciation	(13.91)
Sundry Balance written off	(0.80)
Interest Expense	(5.41)
Gratuity	(9.91)
Deferred Tax	8.09
Income tax	(2.00)
Foreign Exchange Gain / Loss	(9.29)
Interest on Fixed Deposit	4.91
MSME Interest	(1.32)
Bid Charges on Chit Funds	(0.68)
Dividend Income on Chit Funds	13.52
<b>Total</b>	<b>(18.52)</b>

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**Restated Statement of Long Term Borrowings**

Annexure – I.3

(Rs. In lakhs)

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
<b>Secured</b>			
<b>a) Term loan</b>			
- Bank	173.62	206.67	-
- Others	369.10	221.38	278.14
<b>b) Vehicle loan</b>			
- Others	-	4.93	11.45
Less : Current maturities to long term borrowings	(101.05)	(83.28)	(57.35)
<b>Unsecured</b>			
<b>a) Term loan</b>			
- Bank	-	-	226.78
- Others	136.31	183.49	172.35
Less : Current maturities to long term borrowings	(48.42)	(52.12)	(40.90)
<b>Total</b>	<b>529.56</b>	<b>481.07</b>	<b>590.47</b>

(Refer further details mentioned in loan Annexure - V)

**Restated Statement of Deferred Tax Liabilities/Assets**

Annexure – I.4

(Rs. In lakhs)

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
<b>a) Deferred Tax Liabilities :</b>			
Difference in WDV as per Companies Act,2013 and Income Tax Act,1961	47.00	37.98	35.58
<b>b) Deferred tax asset :</b>			
Expenses disallowed under Income Tax Act, 1961	(28.14)	(20.64)	(12.88)
<b>Total ( a + b)</b>	<b>18.86</b>	<b>17.34</b>	<b>22.70</b>

**Restated Statement of Other Long Term Liabilities**

Annexure – I.5

(Rs. In lakhs)

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
Chit fund payable	-	13.00	-
<b>Total</b>	<b>-</b>	<b>13.00</b>	<b>-</b>

**Restated Statement of Long Term Provisions**

Annexure – I.6

(Rs. In lakhs)

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
Gratuity	48.14	37.93	33.77
<b>Total</b>	<b>48.14</b>	<b>37.93</b>	<b>33.77</b>

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**Restated Statement of Short Term Borrowings**

Annexure – I.7

(Rs. In lakhs)

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
<b>Secured</b>			
<b>a) Cash credit facility</b>			
- Bank	1,522.95	1,120.80	635.64
- Others	-	-	197.42
<b>b) Working capital term loan</b>			
- Others	2,000.00	-	-
<b>c) Current maturities to long term borrowings</b>	101.05	83.28	57.35
<b>Unsecured</b>			
<b>a) Purchase financing facility</b>			
- Others	75.00	59.83	-
<b>b) Overdraft facility</b>			
- Others	30.93	35.29	-
<b>c) Loan from related party</b>			
- Directors	11.83	24.19	-
<b>d) Loan from Individuals &amp; Others</b>	-	-	60.00
<b>e) Current maturities to long term borrowings</b>	48.42	52.12	40.90
<b>Total</b>	<b>3,790.18</b>	<b>1,375.51</b>	<b>991.31</b>

**Restated Statement of Trade Payables**

Annexure – I.8

(Rs. In lakhs)

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
<b>Trade Payables*</b>			
Total outstanding dues of micro enterprises and small enterprises	426.21	1,221.79	3,145.38
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,000.83	243.04	783.72
<b>Total</b>	<b>2,427.04</b>	<b>1,464.83</b>	<b>3,929.10</b>

\* (Refer Trade Payable Ageing Annexure - X)

**MERRITRONIX LTD.**  
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**Restated Statement of Other Current Liabilities** **Annexure – I.9** (Rs. In lakhs)

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
Advance from customers	2,488.03	1,884.23	255.38
Statutory Dues	39.98	18.89	19.85
Expenses payable	56.73	12.42	5.08
Lease rent payable	-	3.02	2.41
Employee Benefits Payable	15.90	12.96	8.15
Interest payable to MSME	8.78	6.19	3.68
Chit fund payable	13.00	36.00	60.00
Interest payable to Bank	5.43	-	-
<b>Total</b>	<b>2,627.85</b>	<b>1,973.71</b>	<b>354.55</b>

**Restated Statement of Short Term Provision** **Annexure – I.10** (Rs. In lakhs)

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
Provision for gratuity	1.24	2.44	4.38
Income tax provision (net of advance tax, TDS and TCS)	682.24	366.57	99.83
Audit Fees provision	2.00	1.50	-
<b>Total</b>	<b>685.48</b>	<b>370.51</b>	<b>104.21</b>

**Restated Statement of Long Term Loans & Advances** **Annexure – I.12** (Rs. In lakhs)

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
Capital Advances*	-	-	425.00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>425.00</b>

\* Capital advance of ₹ 425.00 Lakhs pertains to acquisition of purchase of property.

**Restated Statement of Other Non-current Assets** **Annexure – I.13** (Rs. In lakhs)

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
Electricity Deposit	1.77	1.52	1.52
Security Deposit	0.10	0.10	1.14
Fixed Deposit in Bank (Having remaining maturity of more than 12 months)	2.58	32.39	32.77
Lease Rent Deposit	0.30	0.30	0.30
<b>Total</b>	<b>4.75</b>	<b>34.31</b>	<b>35.73</b>

**Restated Statement of Inventories** **Annexure – I.14** (Rs. In lakhs)

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
Raw Materials*	3,335.39	1,195.07	1,187.08
Work-In-Progress	2,213.85	1,569.73	1,274.79
Finished Goods	1,511.58	1,035.41	841.15
Trading Goods	69.94	168.41	46.75
<b>Total</b>	<b>7,130.76</b>	<b>3,968.62</b>	<b>3,349.77</b>

(\*includes goods in transit amounting to Rs. 328.10 lakhs for the year ended 31.03.2024)

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**Restated Statement of Trade Receivables** **Annexure – I.15** *(Rs. In lakhs)*

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
Undisputed Trade receivables – considered good	3,626.48	2,007.74	1,090.56
Undisputed Trade receivables – considered doubtful	-	-	-
Disputed Trade receivables – considered good	28.17	28.17	28.17
Disputed Trade receivables – considered doubtful	-	-	-
<b>Total</b>	<b>3,654.65</b>	<b>2,035.91</b>	<b>1,118.73</b>

\* (Refer Trade receivable ageing Annexure - X)

**Restated Statement of Cash and Bank Balances** **Annexure – I.16** *(Rs. In lakhs)*

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
<b>Cash and cash equivalents</b>			
Cash In Hand	11.96	5.15	12.43
Balance With Bank (in Current Accounts)	1,651.15	139.98	274.94
<b>Other Bank Balances</b>			
Fixed Deposit in Bank (with original maturity of more than 3 months and remaining maturity of less than 12 months)	906.51	96.93	103.19
<b>Total</b>	<b>2,569.62</b>	<b>242.06</b>	<b>390.56</b>

**Restated Statement of Short Term Loans and Advances** **Annexure – I.17** *(Rs. In lakhs)*

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
<b>Loan to Related party-unsecured and considered good</b>			
- Directors	-	-	104.53
- Others	-	-	-
Advance to suppliers	1,035.39	604.07	679.53
Staff advance	1.82	1.16	6.69
Balances with government authorities	336.42	104.03	296.01
Prepaid Chit fund discount	9.46	25.25	27.67
Prepaid Expenses (including IPO Expenses & CSR Expenditure)	97.53	23.83	0.74
<b>Total</b>	<b>1,480.62</b>	<b>758.34</b>	<b>1,115.17</b>

**Restated Statement of Other Current Assets** **Annexure – I.18** *(Rs. In lakhs)*

Particulars	As at		
	31/03/2026	31/03/2025	31/03/2024
TDS Paid - Recoverable	7.22	4.98	0.04
<b>Total</b>	<b>7.22</b>	<b>4.98</b>	<b>0.04</b>

**Details of Property, Plant and Equipment and Intangible Assets as Restated**

Particulars	Gross Block				Depreciation / Amortization				Net Block	
	Addition during the year		Ded/Adj during the year		For the year ended		Ded/Adj during the year		As at March 31, 2026	As at March 31, 2025
	As at April 1, 2025		As at March 31, 2026	Upto March 31, 2025						
<b>Property, Plant and Equipment (A)</b>										
Buildings	148.41	-	148.41	90.36	4.00	-	94.36	54.05	58.05	
Plant And Machinery	606.76	240.33	847.09	323.18	36.64	-	359.82	487.27	283.58	
Furniture And Fittings	16.34	-	16.34	14.77	0.14	-	14.91	1.43	1.57	
Motor Vehicles	70.42	-	70.42	46.23	2.72	-	48.95	21.47	24.19	
Office Equipment	28.46	12.52	40.98	25.33	1.58	-	26.91	14.07	3.13	
Computers And Data Processing Units	22.75	6.11	28.86	20.32	1.65	-	21.97	6.89	2.43	
Laboratory Equipment	9.24	-	9.24	8.78	-	-	8.78	0.46	0.46	
Electrical Installations And Equipment	6.90	-	6.90	6.55	-	-	6.55	0.35	0.35	
<b>Total</b>	<b>909.28</b>	<b>258.96</b>	<b>1,168.24</b>	<b>535.52</b>	<b>46.73</b>	<b>-</b>	<b>582.25</b>	<b>585.99</b>	<b>373.76</b>	
<b>Intangible Asset (B)</b>										
Software	1.29	6.84	8.13	1.22	0.45	-	1.67	6.46	0.07	
<b>Total</b>	<b>1.29</b>	<b>6.84</b>	<b>8.13</b>	<b>1.22</b>	<b>0.45</b>	<b>-</b>	<b>1.67</b>	<b>6.46</b>	<b>0.07</b>	
<b>Total : A+B</b>	<b>910.57</b>	<b>265.80</b>	<b>1,176.37</b>	<b>536.74</b>	<b>47.18</b>	<b>-</b>	<b>583.92</b>	<b>592.45</b>	<b>373.83</b>	
<b>Previous Year Total</b>	<b>906.68</b>	<b>3.89</b>	<b>910.57</b>	<b>497.37</b>	<b>39.37</b>	<b>-</b>	<b>536.74</b>	<b>592.45</b>	<b>373.83</b>	

**Details of Property, Plant and Equipment and Intangible Assets as Restated**

Particulars	Gross Block				Depreciation / Amortization				Net Block	
	Addition during the year		Ded/Adj during the year		For the year		Ded/Adj during the year		As at March 31, 2025	As at March 31, 2024
	As at April 1, 2024		As at March 31, 2025	Upto March 31, 2024						
<b>Property, Plant and Equipment (A)</b>										
Buildings	148.41	-	148.41	86.36	4.00	-	90.36	58.05	62.05	
Plant And Machinery	606.76	-	606.76	291.26	31.92	-	323.18	283.58	315.50	
Furniture And Fittings	16.34	-	16.34	14.63	0.14	-	14.77	1.57	1.71	
Motor Vehicles	69.48	0.94	70.42	43.50	2.73	-	46.23	24.19	25.98	
Office Equipment	26.84	1.62	28.46	25.00	0.33	-	25.33	3.13	1.84	
Computers And Data Processing Units	21.42	1.33	22.75	20.07	0.25	-	20.32	2.43	1.35	
Laboratory Equipment	9.24	-	9.24	8.78	-	-	8.78	0.46	0.46	
Electrical Installations And Equipment	6.90	-	6.90	6.55	-	-	6.55	0.35	0.35	
<b>Total</b>	<b>905.29</b>	<b>3.89</b>	<b>909.28</b>	<b>496.15</b>	<b>39.37</b>	<b>-</b>	<b>535.52</b>	<b>373.76</b>	<b>409.24</b>	
<b>Intangible Asset (B)</b>										
Software	1.29	-	1.29	1.22	-	-	1.22	0.07	0.07	
<b>Total</b>	<b>1.29</b>	<b>-</b>	<b>1.29</b>	<b>1.22</b>	<b>-</b>	<b>-</b>	<b>1.22</b>	<b>0.07</b>	<b>0.07</b>	
<b>Total : A+B</b>	<b>906.68</b>	<b>3.89</b>	<b>910.57</b>	<b>497.37</b>	<b>39.37</b>	<b>-</b>	<b>536.74</b>	<b>373.83</b>	<b>409.31</b>	
<b>Previous Year Total</b>	<b>906.33</b>	<b>0.35</b>	<b>906.68</b>	<b>456.70</b>	<b>40.67</b>	<b>-</b>	<b>497.37</b>	<b>373.83</b>	<b>409.31</b>	

**MERRITRONIX LTD.**  
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(CIN:- U32100TG1988PLC155611)

**Details of Property, Plant and Equipment and Intangible Assets as Restated**

Particulars	Gross Block				Depreciation / Amortization			Net Block		<i>Rs. (in Lakhs)</i>
	As at April 1, 2023	Addition during the year	Ded/Adj during the year	As at March 31, 2024	Upto March 31, 2023	For the year	Ded/Adj during the year	As at March 31, 2024	As at March 31, 2023	
<b>Property, Plant and Equipment (A)</b>										
Buildings	148.41	-	-	148.41	82.36	4.00	-	86.36	62.05	66.05
Plant And Machinery	606.76	-	-	606.76	258.82	32.44	-	291.26	315.50	347.94
Furniture And Fittings	16.34	-	-	16.34	14.49	0.14	-	14.63	1.71	1.85
Motor Vehicles	69.48	-	-	69.48	40.08	3.42	-	43.50	25.98	29.40
Office Equipment	26.49	0.35	-	26.84	24.78	0.22	-	25.00	1.84	1.71
Computers And Data Processing Units	21.42	-	-	21.42	19.62	0.45	-	20.07	1.35	1.80
Laboratory Equipment	9.24	-	-	9.24	8.78	-	-	8.78	0.46	0.46
Electrical Installations And Equipment	6.90	-	-	6.90	6.55	-	-	6.55	0.35	0.35
<b>Total</b>	<b>905.04</b>	<b>0.35</b>	-	<b>905.39</b>	<b>455.48</b>	<b>40.67</b>	-	<b>496.15</b>	<b>409.24</b>	<b>449.56</b>
<b>Intangible Asset (B)</b>										
Software	1.29	-	-	1.29	1.22	-	-	1.22	0.07	0.07
<b>Total</b>	<b>1.29</b>	-	-	<b>1.29</b>	<b>1.22</b>	-	-	<b>1.22</b>	<b>0.07</b>	<b>0.07</b>
<b>Total : A+B</b>	<b>906.33</b>	<b>0.35</b>	-	<b>906.68</b>	<b>456.70</b>	<b>40.67</b>	-	<b>497.37</b>	<b>409.31</b>	<b>449.63</b>
<b>Previous Year Total</b>	<b>62.421</b>	<b>282.12</b>	-	<b>906.33</b>	<b>428.76</b>	<b>27.94</b>	-	<b>456.70</b>	-	-

**MERRITRONIX LTD.**  
(formerly known as MERRITRONIX PVT LTD.)  
CIN:- U32100TG9889PLC15611

**ANNEXURE V FOR TERMS OF BORROWINGS AS RESTATED:**

S.No	Name of Lender	Nature of Security	Repayment Terms	Sanction (₹ In Lakhs)	Rate of Interest (p.a)	Tenure (Months)	No of O/S Instalments	Instalment (₹)	Outstanding as on March 31, 2026 (₹ In Lakhs)	Outstanding as on March 31, 2025 (₹ In Lakhs)	Outstanding as on March 31, 2024 (₹ In lakhs)
1	Axis Bank Limited	<p><b>Immovable property hypothecated as follows :-</b></p> <p>1) Amarnath Dovat:- Plot no C-22, Sy No. 324/1, Electronic Complex, Kushiagaud Hyderabad, Hyderabad, Telangana, India, 500062.</p> <p>3) D. Yesudas-1) Plot no. 281, Avumiram Colony, Sy. No. 461 to 469 Dr. A.S. Rao Nagar, Kapra, Hyderabad - Malkajgiri, Telangana, 500062.</p> <p>ii) Plot no. 202 in SNO.61/1.62/1.59.54.58.55.56 parts situated in Timmapally village, Keesara, Mandal, Rangareddy District, Telangana.</p> <p>2) Amarnath Dovat:- All their piece and parcel of land of Building No. 17-A, of area adms. 6153 Sq Ft situated at Sy No. 321/1/A Part, Electronics</p> <p>4) D. Jayapradha:- Plot no. 202 in SNO.61/1.62/1.59.54.58.55.56 parts situated in Timmapally village, Keesara, Mandal, Rangareddy District, Telangana.</p> <p><b>and Personal guarantee of D. Jayapradha, Amarnath Dovat, D. Yesudas, Ketan Chandra, D Vanaja</b></p> <p><b>Primary Security</b>— Hypothecation on P&amp;M and MFA of the firm both present &amp; future.</p> <p><b>Collateral Security:-</b></p> <p>(ii) <b>Equitable mortgage of immovable properties of Directors and relatives;</b></p> <p>1. Mr. yesudas Dovat : Commercial Plot no. C-22, Survey no. 224/1, Electronic Complex Industrial Estate, APPC Limited, Kushiagauda, Kapra Mandal &amp; Under GHMC Circle and Mandal, Medchal, Malkajgiri District, Telangana State-500062</p> <p>2. Mr. yesudas Dovat : Plot no. 281, Survey nos. 461 &amp; 469, Kapra village &amp; Under GHMC &amp; Mandal, Medchal, Malkajgiri District, Telangana State</p> <p>3. Mrs. Dovat Jayapradha &amp; Mr. yesudas Dovat : Open Plot no. 202, Sy nos. 59.54.5E.55.55, 61J &amp; 6217, Thimmapally Millage, Keesara Mandal, Medchal, Malkajgiri District, Telangana State</p> <p>(iii) Hypothecation of all the unencumbered movable fixed assets (except vehicles and those financed by other Banks/Fis) Present and future.</p> <p><b>Personal Guarantee of Directors and Shareholders</b></p> <p><b>Primary Security</b>:-First Charge by way of hypothecation of all the movables of the borrower including plant, equipment, machinery, machinery spares, tools, accessories, furniture, fixtures, computers etc. both present and future acquired / yet to be acquired under the scheme.</p> <p><b>Collateral Security</b>:-The borrower shall deposit with SIDBI the duty discharged term deposit receipts [TDRs] for an amount of Rs. 78.59 lakhs and mark lien in favour of SIDBI. The interest on the TDRs shall not be payable periodically and the principal amount together with interest accrued thereon shall be payable on date of maturity of TDR's. The maturity period of TDRs shall be at least 5 years or till the currency of the loan, whichever ever is later.</p> <p><b>and Personal guarantee of D. Jayapradha, Amarnath Dovat, D. Yesudas, D Vanaja</b></p>	<p>1 Equated Monthly Instalment of Rs1,69,400 as on March 2022.</p> <p>173 Equated Monthly Instalment of Rs152,200 from April 2022 onwards.</p>	265.00	Repo rate + 3.75%	175	-	-	226.78	-	-
2	CSB Bank Limited	<p>(ii) <b>Equitable mortgage of immovable properties of Directors and relatives;</b></p> <p>1. Mr. yesudas Dovat : Commercial Plot no. C-22, Survey no. 224/1, Electronic Complex Industrial Estate, APPC Limited, Kushiagauda, Kapra Mandal &amp; Under GHMC Circle and Mandal, Medchal, Malkajgiri District, Telangana State-500062</p> <p>2. Mr. yesudas Dovat : Plot no. 281, Survey nos. 461 &amp; 469, Kapra village &amp; Under GHMC &amp; Mandal, Medchal, Malkajgiri District, Telangana State</p> <p>3. Mrs. Dovat Jayapradha &amp; Mr. yesudas Dovat : Open Plot no. 202, Sy nos. 59.54.5E.55.55, 61J &amp; 6217, Thimmapally Millage, Keesara Mandal, Medchal, Malkajgiri District, Telangana State</p> <p>(iii) Hypothecation of all the unencumbered movable fixed assets (except vehicles and those financed by other Banks/Fis) Present and future.</p> <p><b>Personal Guarantee of Directors and Shareholders</b></p> <p><b>Primary Security</b>:-First Charge by way of hypothecation of all the movables of the borrower including plant, equipment, machinery, machinery spares, tools, accessories, furniture, fixtures, computers etc. both present and future acquired / yet to be acquired under the scheme.</p> <p><b>Collateral Security</b>:-The borrower shall deposit with SIDBI the duty discharged term deposit receipts [TDRs] for an amount of Rs. 78.59 lakhs and mark lien in favour of SIDBI. The interest on the TDRs shall not be payable periodically and the principal amount together with interest accrued thereon shall be payable on date of maturity of TDR's. The maturity period of TDRs shall be at least 5 years or till the currency of the loan, which ever is later.</p> <p><b>and Personal guarantee of D. Jayapradha, Amarnath Dovat, D. Yesudas, D Vanaja</b></p>	<p>Repayable within 84 Equal Monthly Instalment of Rs 2,58,334/-</p>	217.00	10.00%	84	68	2,58,334	173.62	206.67	-
3	Small Industries Development Bank of India (SIDBI)	<p><b>Primary Security</b>:-First Charge by way of hypothecation of all the movables of the borrower including plant, equipment, machinery, machinery spares, tools, accessories, furniture, fixtures, computers etc. both present and future acquired / yet to be acquired under the scheme.</p> <p><b>Collateral Security</b>:-The borrower shall deposit with SIDBI the duty discharged term deposit receipts [TDRs] for an amount of Rs. 78.59 lakhs and mark lien in favour of SIDBI. The interest on the TDRs shall not be payable periodically and the principal amount together with interest accrued thereon shall be payable on date of maturity of TDR's. The maturity period of TDRs shall be at least 5 years or till the currency of the loan, which ever is later.</p> <p><b>and Personal guarantee of D. Jayapradha, Amarnath Dovat, D. Yesudas, D Vanaja</b></p>	<p>Repayable within 53 Equal Monthly Instalment of Rs.88000/- and 54th Instalment as Rs.80728/-</p>	Sanction amount of Rs. 157.00 Lakhs but disbursed amount of Rs. 47.45 Lakhs	9.6% p.a.	54	-	53 Equal Monthly Instalment of Rs.88000/- and 54th Instalment as Rs.80728/-	-	6.08	16.64

**MERRITRONIX LTD.**  
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CIN:- U32100TG9889PLC155611

**ANNEXURE V FOR TERMS OF BORROWINGS AS RESTATED:**

S.No	Name of Lender	Nature of Security	Repayment Terms	Sanction (₹ In Lakhs)	Rate of Interest (p.a)	Tenure (Months)	No of O/S Instalments	Instalment (₹)	Outstanding as on March 31, 2026 (₹ In Lakhs)	Outstanding as on March 31, 2025 (₹ In Lakhs)	Outstanding as on March 31, 2024 (₹ In Lakhs)
4	Small Industries Development Bank of India (SIDBI)	<p><b>Primary Security</b>--First charge by way of hypothecation in favour of SIDBI of the plant, machinery, equipment, tools, spares, accessories and all other assets of the Borrower which have been or proposed to be acquired under the project/scheme</p> <p><b>Collateral Security</b>--</p> <p>(1) Extension of Pledge / lien on Fixed Deposit Receipts having face value of Rs. 24.98 lakh placed by the Borrower with SIDBI under its Fixed Deposit Scheme already charged to SIDBI as security. For earlier financial assistance sanctioned to the Borrower by SIDBI</p> <p>2.) The Borrower shall deposit with SIDBI the duly discharged Fixed deposit receipts (FDRs) issued by SIDBI for an amount of Rs. 90.00 lakh (Rupees Ninety Lakh Only). The FDR should be taken in auto renewal mode and shall continue till the tenure of the loan. No premature withdrawal is permitted.</p> <p>3.) Extension of first charge by way of hypothecation in favour of SIDBI of all the Borrower's movables, including the movables, plant, machinery, machinery spares, tools &amp; accessories, office Equipments, computers, furniture's and fixtures, both present and future, already hypothecated in favour of SIDBI as security for the financial assistance sanctioned by SIDBI to the Borrower.</p> <p><b>and Personal guarantee of D. Jayapradha , Amarnath Dovat , D. Yesudas , D Vanaja , Kctan Chandra Darsy.</b></p>	<p>Repayable within 77 Equal Monthly Instalment of Rs 3,85,000/- and 78th Equal monthly Instalment of Rs. 355000.</p>	300.00	Repo rate + 3.10% p.a	78	44	77 Equal Monthly Instalment of Rs 3,85,000/- and 78th Equal monthly Instalment of Rs. 355000.	169.10	215.30	261.50
5	Small Industries Development Bank of India (SIDBI)	<p>I. (i) Primary Security:</p> <p>1.) First charge by way of hypothecation in favour of SIDBI of the plant, machinery, equipment, tools, spares, accessories and all other assets which have been or proposed to be acquired under the project/scheme</p> <p>(ii) Collateral Security:</p> <p>1.) The Borrower shall extend the pledge in favour of SIDBI over the duly discharged of Fixed deposit receipts (FDRs) issued by SIDBI having total face value amount of Rs 109.24 lakh and Rs. 140 lakh. The FDR should be taken in auto renewal mode and shall continue till the tenure of the loan. No premature withdrawal is permitted. The interest accrued on the FDRs shall not be payable periodically and the principal amount together with interest accrued thereon shall be payable on complete repayment of loan and all other monies payable under the Agreement for Term Loan cum Hypothecation.</p> <p>2.) Extension of first charge by way of hypothecation in favour of SIDBI of the plant, machinery, equipment, tools, spares, accessories and all other assets which have been or proposed to be acquired under the project/scheme.</p> <p>3.) Extension of first charge by way of hypothecation in favour of SIDBI of all the current assets, of the Borrower, including but not limiting to, all stocks of raw materials, work in progress, semi-finished goods, finished goods, packing material stores etc., to be acquired under the financial assistance of CASH DEFENCE. Borrower shall make out a good and marketable title to its properties/above properties to the satisfaction of SIDBI and comply with all such formalities, at its costs and expenses, as may be necessary or required for the said purpose.</p> <p>(4.) Guarantee :</p> <p>The borrower shall procure and furnish irrevocable and unconditional guarantee of Shri Dovatari Yesudas, Shri D Vanaja, Shri Dovatari Amarnath, Shri Darsy Keltan Chandra , Shri Dovatari Thaman, Smt Dovatari Jayapradha.</p>	<p>Repayable within 53 Equal Monthly Instalment of Rs 3,70,000/- and 54th Equal monthly Instalment of Rs. 390000.</p>	200.00	MCLR + 0.70%	60	60	53 Equal Monthly Instalment of Rs 3,70,000/- and 54th Equal monthly Instalment of Rs. 390000.	200.00	-	-

**MERRITRONIX LTD.**  
(formerly known as MERRITRONIX PVT LTD.)  
CIN:- U32100TG9889PLC15611

**ANNEXURE V FOR TERMS OF BORROWINGS AS RESTATED**

S.No	Name of Lender	Nature of Security	Repayment Terms	Sanction (₹ In Lakhs)	Rate of Interest (p.a)	Tenure (Months)	No of O/S Instalments	Instalment (₹)	Outstanding as on March 31, 2026 (₹ In Lakhs)	Outstanding as on March 31, 2025 (₹ In Lakhs)	Outstanding as on March 31, 2024 (₹ In Lakhs)
6	Small Industries Development Bank of India (SIDBI)	(i) First charge by way of hypothecation in favour of SIDBI of all the current assets of the Borrower, created out of SIDBI's assistance, including but not limited to, all stocks of raw materials, work in progress, semi-finished goods, finished goods, packing material stores etc., both present and future. (ii) First charge by way of hypothecation in favour of SIDBI of all the present and future book debts and other actionable claims due to the borrower created out of SIDBI's assistance and arising out of genuine trade transactions of the borrower. (iii) Extension of first charge by way of hypothecation in favour of SIDBI, on the movable assets of the borrower, including the movable plant, machinery, spares, tools accessories, miscellaneous fixed assets etc. (save and except stock and book debts), both present and future acquired through the earlier assistances by SIDBI. (iv) First charge by way of duly discharged Fixed deposit receipts (FDRs) / e-FDA issued by SIDBI for an amount of ₹580 lakh (Rupees Five Hundred Eighty Lakh Only). The FDR should be taken in auto renewal mode and shall continue till the tenure of the loan. No premature withdrawal is permitted. The interest accrued on the FDRs shall not be payable periodically and the principal amount together with interest accrued thereon shall be payable on complete repayment of loan and all other monies payable under the Agreement for Term Loan Limit-eum-Hypothecation. (v) Extension of First charge by way of item on duly discharged Fixed deposit receipts (FDRs) issued by SIDBI having current face value of Rs 109.24 lakh and Rs 140 lakh. The FDR should be taken in auto renewal mode and shall continue till the tenure of the loan. No premature withdrawal is permitted. The interest accrued on the FDRs shall not be payable periodically and the principal amount together with interest accrued thereon shall be payable on complete repayment of loan and all other monies payable under the Agreement for Term Loan Limit-eum-Hypothecation. (vi) Guarantee (S): The borrower shall procure and furnish irrevocable and unconditional guarantee of Shri D Yanaja, Shri Dvarji Anamath, Shri Darsy Kethan Chandra, Shri Dvarji Thaman, Shri Dvarji Jayapradha.	Repayable in 2 Equal Monthly Installment of Rs.483.00 Lakhs each and last installment of Rs.484.00Lakhs	1,450.00	8.15%	3	3	2 Equal Monthly Installment of Rs.483.00 Lakhs each and last installment of Rs.484.00Lakhs	1,450.00	-	-
7	Small Industries Development Bank of India (SIDBI)	(i) First charge by way of hypothecation in favour of SIDBI of all the current assets of the Borrower, created out of SIDBI's assistance, including but not limited to, all stocks of raw materials, work in progress, semi-finished goods, finished goods, packing material stores etc., both present and future. (ii) First charge by way of hypothecation in favour of SIDBI of all the present and future book debts and other actionable claims due to the borrower created out of SIDBI's assistance and arising out of genuine trade transactions of the borrower. (iii) Extension of first charge by way of hypothecation in favour of SIDBI, on the movable assets of the borrower, including the movable plant, machinery, spares, tools accessories, miscellaneous fixed assets etc. (save and except stock and book debts), both present and future acquired through the earlier assistances by SIDBI. (iv) First charge by way of duly discharged Fixed deposit receipts (FDRs) / e-FDA issued by SIDBI for an amount of ₹580 lakh (Rupees Five Hundred Eighty Lakh Only). The FDR should be taken in auto renewal mode and shall continue till the tenure of the loan. No premature withdrawal is permitted. The interest accrued on the FDRs shall not be payable periodically and the principal amount together with interest accrued thereon shall be payable on complete repayment of loan and all other monies payable under the Agreement for Term Loan Limit-eum-Hypothecation. (v) Extension of First charge by way of item on duly discharged Fixed deposit receipts (FDRs) issued by SIDBI having current face value of Rs 109.24 lakh and Rs 140 lakh. The FDR should be taken in auto renewal mode and shall continue till the tenure of the loan. No premature withdrawal is permitted. The interest accrued on the FDRs shall not be payable periodically and the principal amount together with interest accrued thereon shall be payable on complete repayment of loan and all other monies payable under the Agreement for Term Loan Limit-eum-Hypothecation. (vi) Guarantee (S): The borrower shall procure and furnish irrevocable and unconditional guarantee of Shri D Yanaja, Shri Dvarji Anamath, Shri Darsy Kethan Chandra, Shri Dvarji Thaman, Shri Dvarji Jayapradha.	Repayable in 8 Equal Monthly Installment of Rs.60.00 Lakhs and last installment of Rs.70.00Lakhs	550.00	8.15%	9	9	8 Equal Monthly Installment of Rs.60.00 Lakhs and last installment of Rs.70.00Lakhs	550.00	-	-
8	SMFG India Credit Company Limited (Fullerton India Credit Company Limited)	<b>Unsecured</b>	Repayable within 37 Equated Monthly Installment of Rs 1,41,618/-	40.00	16.50%	37	8	1,41,618	10.66	24.62	36.46
9	SMFG India Credit Company Limited (Fullerton India Credit Company Limited)	<b>Unsecured</b>	Repayable within 87 Equated Monthly Installment of Rs 2,42,378/-	146.00	10.50%	87	47	2,42,378	94.57	112.74	128.98
10	India Infoline Finance Limited (IIFL)	<b>Unsecured</b>	Repayable within 36 Equated Monthly Installment of Rs 1,77,998/-	50.63	18.87%	36	20	1,77,998	31.07	46.12	-

**MERRITRONIX LTD.**  
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**ANNEXURE V FOR TERMS OF BORROWINGS AS RESTATED:**

S.No	Name of Lender	Nature of Security	Repayment Terms	Sanction (₹ In Lakhs)	Rate of Interest (p.a)	Tenure (Months)	No of O/S Instalments	Instalment (₹)	Outstanding as on March 31, 2026 (₹ In Lakhs)	Outstanding as on March 31, 2025 (₹ In Lakhs)	Outstanding as on March 31, 2024 (₹ In Lakhs)	
11	Tata capital Limited	Unsecured	Dropline Overdraft Loan with 5 repayment cycle	35.35	16.00%	36	5	N.A	30.93	35.29	-	
12	CSB Bank Limited	<b>Primary Security:-</b> (i) Hypothecation of stock/receivables/entire current assets of the firm, both present and future (ii) <b>Equitable mortgage of immovable properties of Directors and relatives :-</b> 1. Mr. Yesudas Dovat : Commercial Plot no. C-22, Survey no. 224/1, Electronic Complex Industrial Estate, APPIC Limited, Kushiaguda, Kapra Mandal & Under GHMC Circle and Mandal, Medchal, Malkajgiri District, Telangana State-500662 2.Mr. yesudas Dovat : Plot no. 281, Shivsy nos.-461 & 469, Kapra village & Under GHMC & Mandal, Medchal, Malkajgiri District, Telangana State 3.Mrs. Dovat Jayapradha & Mr. yesudas Dovat : Open Plot no. 202, Sy nos. 59,54,5E,55,55, 6UJ & 6217, Thimmampally Millage, Kessara Mandal, Medchal, Malkajgiri District, Telangana State (iii) Hypothecation of all the unencumbered movable fixed assets (except vehicles and those financed by other Banks/Fis)- Present and future. <b>Personal Guarantee of Directors and Shareholders</b>	Repayable on Demand	1,800.00	Repo rate+2.80% + risk premium 0.70%	12	N.A	N.A	1,522.95	1,120.80	-	
13	Mahindra & Mahindra Financial Services Limited*	Vehicle Loan	Repayable within 36 Equated Monthly Instalment of Rs.62,200/-	19.30	9.70%	36	-	62,200	-	4.93	11.45	
14	Neo Growth Credit Private Limited	Unsecured	Repayable within 36 Equated Monthly Instalment of Rs 1,47,778/-	40.00	19.57%	36	-	1,47,778	-	0.01	6.15	
15	Peonawalla Fincorp Limited (Formerly known as Magna Fincorp Limited)	Unsecured	Repayable within 48 Equated Monthly Instalment of Rs 1,5,653/-	4.58	14.00%	48	-	15,653	-	-	0.76	
16	Vank Finance Private Limited (Formerly known as Shield Finance private limited)	Unsecured	Repayable after 60 days of purchase finance	100.00	15.00%	N.A	N.A	N.A	75.00	59.83	-	
17	Axis Bank Limited	<b>Primary security :</b> Hypothecation of stock and book debts <b>Immovable property hypothecated as follows :-</b> 1). Amarnath Dovat:- Plot no C-22, Sy No. 324/1, Electronic Complex, Kushiagud Hyderabad, Hyderabad, Telangana, India, 500062. 3) D. Yesudas-1) Plot no. 281, Anupuram Colony, Sy. No. 461 to 469 Dr. A.S. Rao Nigar, Kapra, Hyderabad, Malkajgiri, Telangana. 500662. ii) Plot no. 202 in SNO.61/1,62/1,59,54,58,55,56 parts situated in Timmapally village, Kessara, Mandal, Rangareddy District, Telangana. 2). Amarnath Dovat : All that piece and parcel of land of Building No. 17-A, of area adms. 6153. Sq Ft sitted at Sy No. 321/1/A Part, Electronics 4) D. Jayapradha:- Plot no. 202 in SNO.61/1,62/1,59,54,58,55,56 parts situated in Timmapally village, Kessara, Mandal, Rangareddy District, Telangana. <b>and Personal guarantee of D. Jayapradha , Amarnath Dovat , D. Yesudas , Ketan Chandra , D Vanaja</b>	Repayable on Demand	700.00	Repo rate+3.00%	-	-	-	-	-	-	635.64
18	National Small Industries Corporation Limited. (NSIC)	Bank Guarantee equivalent to the value of limit sanctioned from any Nationalised Bank / Approved Bank of NSIC	Repayable within 180 days	235.00	9.00%	6	N.A	N.A	-	-	197.42	
19	<b>Loan from related party.</b> Dovat Amarnath	Unsecured	Repayable on Demand	20.36	N.A	N.A	N.A	N.A	11.62	20.36	-	
20	Dovat Yesudas	Unsecured	Repayable on Demand	1.07	N.A	N.A	N.A	N.A	0.13	1.07	-	
21	Kethan Chandra	Unsecured	Repayable on Demand	2.76	N.A	N.A	N.A	N.A	0.09	2.76	-	
22	<b>Loan to others</b> Chilakama Srinagan	Unsecured	Repayable on Demand	60.00	N.A	N.A	N.A	N.A	-	-	60.00	
<b>Aggregate amount of loan guaranteed by directors and others</b>									<b>4,065.67</b>	<b>1,548.85</b>	<b>1,140.56</b>	

\* Subject to Statement of Account / balance confirmation

**MERRITRONIX LTD.**  
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**Annexure –II.1**  
(Rs. in lakhs)

**Restated Statement of Revenue from operations**

Particulars	Year ended		
	31/03/2026	31/03/2025	31/03/2024
<b>Sale of Goods</b>			
- Domestic Sales	15,336.09	11,004.76	8,229.58
- Export Sales	44.60	127.02	109.58
<b>Sale of Services</b>			
- Domestic	196.13	224.60	230.75
- Export	12.74	-	-
<b>Total</b>	<b>15,589.56</b>	<b>11,356.38</b>	<b>8,569.91</b>

**Annexure –II.2**  
(Rs. in lakhs)

**Restated Statement of Revenue from Other Income**

Particulars	Year ended		
	31/03/2026	31/03/2025	31/03/2024
Other Income	35.27	47.62	31.42
Net Profit Before Tax as Restated	2,301.99	1,239.65	429.22
<b>Percentage</b>	<b>1.53%</b>	<b>3.84%</b>	<b>7.32%</b>

**Source of Income**

(Rs. in lakhs)

Particulars	Year ended		
	31/03/2026	31/03/2025	31/03/2024
<b>Recurring in nature and not related to business:</b>			
Interest Income on fixed deposit	10.84	10.37	8.30
Interest income on advances	-	18.59	-
<b>Non-recurring and not related to business:</b>			
Unpaid Bonus write back	-	2.23	-
Dividend on Chit funds	4.76	7.51	17.06
Miscellaneous Income	-	0.16	-
<b>Non-recurring and related to business:</b>			
Gain on Foreign Exchange Fluctuation	17.75	7.79	6.04
Sundry Balances written back	1.42	0.94	-
Discount/Round off	0.50	0.03	0.02
<b>Total</b>	<b>35.27</b>	<b>47.62</b>	<b>31.42</b>

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Annexure –II.3

**Restated Statement of Cost of Materials Consumed**

(Rs. in lakhs)

Particulars	Year ended		
	31/03/2026	31/03/2025	31/03/2024
<b>Opening Stock of Raw Material</b>	1,195.07	1,187.08	571.28
Add: Purchase during the Year	15,266.41	9,120.10	9,264.86
Less: Closing Stock	(3,335.39)	(1,195.07)	(1,187.08)
Packing, Stores and Consumables & Other Material	52.12	9.42	10.20
<b>Total</b>	<b>13,178.21</b>	<b>9,121.53</b>	<b>8,659.26</b>

Annexure –II.4

**Restated Statement of Purchase of Stock-In-Trade**

(Rs. in lakhs)

Particulars	Year ended		
	31/03/2026	31/03/2025	31/03/2024
Purchases	101.38	757.62	582.94
<b>Total</b>	<b>101.38</b>	<b>757.62</b>	<b>582.94</b>

Annexure –II.5

**Restated Statement of Changes in inventories of finished goods, work in progress and stock in trade**

(Rs. in lakhs)

Particulars	Year ended		
	31/03/2026	31/03/2025	31/03/2024
<b>Opening Balance:</b>			-
Work in Progress	1,569.73	1,274.79	77.78
Trading Goods	168.41	46.75	-
Finished Goods (including scrap)	1,035.41	841.15	334.10
<b>Total Opening Balance (a)</b>	<b>2,773.55</b>	<b>2,162.69</b>	<b>411.88</b>
<b>Closing Balance:</b>			
Work in Progress	2,213.85	1,569.73	1,274.79
Trading Goods	69.94	168.41	46.75
Finished Goods (including scrap)	1,511.58	1,035.41	841.15
<b>Total Closing Balance (b)</b>	<b>3,795.37</b>	<b>2,773.55</b>	<b>2,162.69</b>
<b>Net (Increase)/Decrease in Stocks (a) - (b)</b>	<b>(1,021.82)</b>	<b>(610.86)</b>	<b>(1,750.81)</b>

Annexure –II.6

**Restated Statement of Employees Benefit Expenses**

(Rs. in lakhs)

Particulars	Year ended		
	31/03/2026	31/03/2025	31/03/2024
Directors Remuneration	37.10	29.90	27.25
Salaries, Wages & Bonus	173.95	128.52	125.49
Employers contribution towards :			
- PF Contributions	5.21	3.40	3.67
- ESI Contributions	1.32	1.21	1.41
Gratuity	10.23	5.94	12.29
Staff Welfare & Stipend	6.66	1.54	1.97
<b>Total</b>	<b>234.47</b>	<b>170.51</b>	<b>172.08</b>

**MERRITRONIX LTD.**  
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**Disclosure under As -15 Restated**

**A. Defined Contribution Plan**

*(Rs. in lakhs)*

Particulars	Year ended		
	31/03/2026	31/03/2025	31/03/2024
Employers contribution to Provident Fund and ESIC	6.53	4.61	5.08

**B. Defined Benefit Obligation**

**Gratuity :**

The gratuity benefit payable to the employees of the company is as per the provision of Payment of Gratuity Act, 1972 as amended. Under the gratuity plan, every employee who has completed at least 5 years of service gets gratuity on separation or at the time of superannuation calculated for equivalent to 15 days salary for each completed year of service calculated on last drawn basic salary. The company does not have funded plan for gratuity.

**The following table sets out the status of the gratuity plan:**

The principal assumptions used in determining gratuity and post employment medical benefit obligations for the company's plans are shown below:

I. Assumptions	Year ended		
	31-03-2026	31/03/2025	31/03/2024
Discount rate	7.18%	6.73%	7.21%
Salary Escalation Rate	5.00%	5.00%	5.00%
Attrition Rate	10.00%	10.00%	10.00%
Mortality Table	Indian Assured Lives Mortality (2012-14) Ultimate		
Retirement Age	58 years	58 years	58 years

**Balance Sheet**

**Details of provision for Gratuity:**

II. Changes in the present value of the defined benefit obligation are as follows:	Year ended		
	31-03-2026	31/03/2025	31/03/2024
Opening Defined Benefit obligation	40.37	38.15	29.62
Interest Cost	2.67	2.62	2.08
Current Service Cost	3.20	2.26	2.20
Benefits Paid	(1.22)	(3.72)	(3.76)
Actuarial (gains)/ losses on obligation	4.36	1.06	8.01
<b>Closing defined benefit obligation</b>	<b>49.38</b>	<b>40.37</b>	<b>38.15</b>

III. Actuarial Gains/Losses	Year ended		
	31-03-2026	31/03/2025	31/03/2024
Actuarial (Gains)/Losses on obligation for the year	4.36	1.06	8.01
Actuarial (Gains)/Losses on asset for the year	-	-	-
Actuarial (Gains)/Losses charged to Statement of Profit and Loss	<b>4.36</b>	<b>1.06</b>	<b>8.01</b>

**MERRITRONIX LTD.**  
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IV. Profit & Loss Account	Year ended		
	31-03-2026	31/03/2025	31/03/2024
Current Service Cost	3.20	2.26	2.20
Interest Cost on benefit obligation	2.67	2.62	2.08
Expected return on plan assets	Nil	Nil	Nil
Net Actuarial (gain)/ loss recognized in the year	4.36	1.06	8.01
Past Services Cost	10.23	5.94	12.29
	-	-	-
<b>Expense charged to Statement of Profit and Loss</b>	<b>10.23</b>	<b>5.94</b>	<b>12.29</b>

V. Balance Sheet Reconciliation	Year ended		
	31-03-2026	31/03/2025	31/03/2024
Opening liability	40.37	38.15	29.62
Expenses recognized during the year	10.23	5.94	12.29
Benefits paid during the year	(1.22)	(3.72)	(3.76)
<b>Net liability recognized in balance sheet</b>	<b>49.38</b>	<b>40.37</b>	<b>38.15</b>

VI. Experience adjustment	Year ended		
	31-03-2026	31/03/2025	31/03/2024
On plan liability (Gain)/ losses	4.36	0.31	7.43

VII. The estimates of rate of salary increase considered in the actuarial valuation takes into account inflation, seniority, promotion and all other relevant factors including supply and demand in the employment market.

**Annexure –II.7**  
**(Rs. in lakhs)**

**Restated Statement of Finance Cost**

Particulars	Year ended		
	31/03/2026	31/03/2025	31/03/2024
Interest to bank and others	194.86	178.49	153.76
Bill discounting charges	119.68	-	-
MSME interest	2.59	2.51	2.36
Bank Charges (Including bid charges)	11.18	15.76	9.94
Loan Processing Charges	24.46	27.78	5.59
Discount on chit fund scheme	15.78	27.67	40.33
Interest on late payment of taxes	39.60	30.42	6.30
<b>Total</b>	<b>408.15</b>	<b>282.63</b>	<b>218.28</b>

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**Annexure –II.8**  
(Rs. in lakhs)

**Restated Statement of Other Expenses**

Particulars	Year ended		
	31/03/2026	31/03/2025	31/03/2024
<b>Direct Manufacturing Expenses</b>			
Testing & Inspection fees	1.32	4.08	3.26
Power & fuel	41.76	40.20	26.04
Labour Charges	81.96	68.65	59.63
Machinery repairs & maintenance	14.03	14.07	5.65
Job- Work	-	30.78	1.49
Freight & Cartage	13.82	6.53	8.36
Custom clearing charges	7.10	0.65	1.39
<b>Total of Direct Manufacturing Expenses (a)</b>	<b>159.99</b>	<b>164.96</b>	<b>105.82</b>
<b>Administrative &amp; Other Expenses</b>			
Auditor's Remuneration:		-	-
- Statutory Audit	1.25	1.00	0.75
- Tax Audit	0.75	0.50	0.25
Sales Promotion & Advertisement Expenditure	-	12.40	12.91
Travelling and Conveyance	18.97	15.06	60.50
Donations	0.20	-	0.25
CSR Expenditure	12.03	-	-
Freight Charges-Outward	13.20	9.08	6.39
Loss on Foreign Exchange Fluctuation	16.83	0.65	1.60
Insurance charges	7.13	2.80	2.73
Professional and Consultancy Charges	22.32	39.83	1.86
Miscellaneous expenses	6.87	2.43	3.35
Postage, Telephone & Communication	3.40	5.47	3.99
Printing & stationery	8.07	5.42	9.91
Late Delivery Charges	12.64	-	4.82
Lease Rent	0.74	0.71	0.68
Rates & Taxes	27.93	16.85	5.76
Repairs & maintenance	45.44	11.64	18.12
Sales Commission	-	101.58	-
Subscription & membership	3.34	2.50	0.30
Security expenses	14.17	10.67	9.70
<b>Total of Administrative &amp; Other Expenses (b)</b>	<b>215.28</b>	<b>238.59</b>	<b>143.87</b>
<b>Total Other Expenses (a) + (b)</b>	<b>375.27</b>	<b>403.55</b>	<b>249.69</b>

**MERRITRONIX LTD.**  
(formerly known as MERRITRONIX PVT LTD.)  
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ANNEXURE –VII

Statement of Accounting & Other Ratios, As per SEBI ICDR

(Rs. in lakhs, except per share data and ratios)

Particulars	Year ended		
	31/03/2026	31/03/2025	31/03/2024
<b>Net Profit After Tax</b>	<b>1,610.30</b>	<b>865.95</b>	<b>305.03</b>
Add: Depreciation and amortization expenses	47.18	39.37	40.67
Add: Interest expenses (including chit fund discount)	372.51	239.09	202.75
Add: Tax expenses	691.69	373.70	124.19
<b>EBITDA (B)</b>	<b>2,721.68</b>	<b>1,518.11</b>	<b>672.64</b>
<b>Net Worth as Restated (C)</b>	<b>5,252.28</b>	<b>1,623.47</b>	<b>757.52</b>
<b>Return on Net worth (in %) as Restated (A/C)</b>	<b>30.66%</b>	<b>53.34%</b>	<b>40.27%</b>
<b>Net Asset Value (D)</b>	<b>5,312.96</b>	<b>1,684.15</b>	<b>818.20</b>
<b>Equity Share at the end of year/period (in Nos.) (E)</b>			
- Pre-bonus and split	1,27,84,854	14,52,030	1,45,203
- Post bonus and split	1,27,84,854	1,08,90,225	1,08,90,225
<b>Weighted No. of Equity Shares (in Nos.) (F)</b>			
- Pre-bonus and split	1,15,64,773	14,52,030	1,45,203
- Post bonus and split	1,15,64,773	1,08,90,225	1,08,90,225
Current Asset (G)	14,842.87	7,009.91	5,974.27
Current liabilities (H)	9,530.55	5,184.56	5,379.17
<b>Current Ratio ( G/H) ( In times)</b>	<b>1.56</b>	<b>1.35</b>	<b>1.11</b>
<b>Basic &amp; Diluted Earnings per Equity Share (A/F)</b>			
- (As per end of Restated period)			
Pre-bonus and split (Rs. Per share)	13.92	59.64	210.07
Post bonus and split (Rs. Per share)	13.92	7.95	2.80
<b>Net Asset Value per Equity share as Restated (D/E)</b>			
- (As per end of Restated period)			
Pre-bonus and split (Rs. Per share)	41.56	115.99	563.49
Post bonus and split (Rs. Per share)	41.56	15.46	7.51

Note:-

**1. The ratios have been computed as below:**

- a) Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year
- b) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2021, as amended.
- c) Return on Net worth (%) = Restated Profit after taxation / Net worth x 100
- d) Net asset value/Book value per share (₹) = Net assets value/ No. of equity shares outstanding at the end of financial period/ year.
- e) Current ratio : Current asset / current liabilities
2. Company has issued 5,77,118 fresh equity shares via preferential allotment placement at Face value of 10 each at premium of Rs. 98.40 per share on March 16, 2026.
3. Company has issued 4,55,763 fresh equity shares via preferential allotment placement at Face value of 10 each at premium of Rs. 98 per share on December 01, 2025.
4. Company has issued 8,61,748 fresh equity shares via preferential allotment placement at Face value of 10 each at premium of Rs. 98 per share on September 02, 2025.
5. Pursuant to the EGM resolution dated 05 December, 2024, the equity shares of the Company were subdivided from face value of ₹100 each to ₹10 each, subscribed and fully paid-up equity shares increasing from 1,45,203 to 14,52,030 equity shares.
6. 94,38,195 Bonus shares were issued at the ratio of 13 shares for every 2 share held on May 23, 2025.
7. 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 restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation (Refer Regulation 2 of Chapter - I of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018). Hence, for the purpose of calculation of net worth, we have excluded capital reserve.
8. Net-assets value means the total of all the assets as reduced by total of all the liabilities of the company.

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ANNEXURE – VI

2) Statement of Other Accounting Ratios, as per Companies Act, 2013.

S N	Particulars	Numerator	Denominator	YEAR ENDED March 31, 2026	YEAR ENDED March 31, 2025	Variation	Reason for more than 25% Variance
1	Current Ratio	Current Assets	Current liabilities	1.56	1.35	15.56%	N.A.
2	Debt-Equity Ratio	Total debt	Shareholder's equity	0.81	1.10	(26.36%)	Decrease due to proportionately higher increase in equity compared to total debt. Equity increased due to higher profitability and premium on share issue
3	Debt Service Coverage Ratio	Earning before interest, taxes and depreciation and amortization+ other adjustments like loss on sale of fixed assets, etc	Debt service = Interest + Principal repayments of Borrowings	5.21	4.05	28.64%	Due to Increase in EBITDA, increased the Debt Service Coverage Ratio
4	Return on Equity Ratio	Net profits after taxes	Average Shareholder's Equity	46.03%	69.21%	(33.49%)	Decrease due to proportionately higher increase in equity compared to earnings. Equity increased due to higher profitability and premium on share issue
5	Trade Receivables turnover ratio (in times)	Revenue from Operations	Average trade receivable	5.48	7.20	(23.89%)	N.A.
6	Trade Payables turnover ratio (in times)	Credit Purchases	Average trade payables	8.04	3.52	128.41%	Increased due to increase in payment vendor for procurement of material
7	Net capital turnover ratio (in times)	Net sales	Average working capital	4.37	9.38	(53.41%)	Decrease due to substantial increase in average working capital compared to revenue growth.
8	Net profit ratio	Net profit	Net sales	10.33%	7.63%	35.39%	N.A.
9	Inventory Turnover Ratio	Cost of goods sold	Average Inventory	2.24	2.58	(13.18%)	N.A.
10	Return on Capital employed	Earnings before interest and taxes	Capital employed	45.26%	66.21%	(31.64%)	Decrease due to proportionately higher increase in equity compared to EBIT. Equity increased due to higher profitability and premium on share issue
11	Return on Investment	Return on investment	Investments	N.A.	N.A.	N.A.	N.A.

S N	Particulars	Numerator	Denominator	YEAR ENDED March 31, 2025	YEAR ENDED March 31, 2024	Variation	Reason for more than 25% Variance
1	Current Ratio	Current Assets	Current liabilities	1.35	1.11	21.62%	N/A
2	Debt-Equity Ratio	Total debt	Shareholder's equity	1.10	1.93	(43.01%)	Decrease due to proportionately higher increase in equity compared to total debt.
3	Debt Service Coverage Ratio	Earning before interest, taxes and depreciation and amortization+ other adjustments like loss on sale of fixed assets, etc	Debt service = Interest + Principal repayments of Borrowings	4.05	2.23	81.61%	Due to Increase in EBITDA, increased the Debt Service Coverage Ratio
4	Return on Equity Ratio	Net profits after taxes	Average Shareholder's Equity	69.21%	44.22%	56.51%	Increase due to higher growth in net profit compared to growth in shareholders' funds.
5	Trade Receivables turnover ratio (in times)	Revenue from Operations	Average trade receivable	7.20	5.00	44.00%	Increase due to higher growth in revenue compared to average receivables.
6	Trade Payables turnover ratio (in times)	Credit Purchases	Average trade payables	3.52	3.17	11.04%	N/A
7	Net capital turnover ratio (in times)	Net sales	Average working capital	9.38	15.14	(38.04%)	Decrease due to substantial increase in average working capital compared to revenue growth.
8	Net profit ratio	Net profit	Net sales	7.63%	3.56%	114.33%	Increase in revenue and gross margin has led to increase in profits thereby increasing the ratio
9	Inventory Turnover Ratio	Cost of goods sold	Average Inventory	2.58	3.51	(26.50%)	Due to increase in average inventory along with holding days i.e. from 104 days to 140 days approx. . Decrease due to increase in average inventory at a higher rate than growth in cost of goods sold.
10	Return on Capital employed	Earnings before interest and taxes	Capital employed	66.21%	43.13%	53.51%	Increase due to substantial improvement in operating profit relative to capital employed.
11	Return on Investment	Return on investment	Investments	N.A.	N.A.	N.A.	N.A.

**MERRITRONIX LTD.**  
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ANNEXURE – IX

Trade Payables ageing schedule

a) Ageing of Trade Payables outstanding as at 31.03.2026

(Rs. in lakhs)

Particulars	Outstanding for following periods from Due Date of Payment				Total
	Less Than 1 Year	1-2 years	2-3 years	More than 3 years	
<b>Trade payables</b>					
MSME	426.21	-	-	-	426.21
Others	2,000.07	0.08	-	0.68	2,000.83
Disputed Dues-MSME	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-
<b>Total</b>	<b>2,426.28</b>	<b>0.08</b>	<b>-</b>	<b>0.68</b>	<b>2,427.04</b>

b) Ageing of Trade Payables outstanding as at 31.03.2025

(Rs. in lakhs)

Particulars	Outstanding for following periods from Due Date of Payment				Total
	Less Than 1 Year	1-2 years	2-3 years	More than 3 years	
<b>Trade payables</b>					
MSME	1,217.11	4.68	-	-	1,221.79
Others	223.56	11.69	2.21	5.58	243.04
Disputed Dues-MSME	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-
<b>Total</b>	<b>1,440.67</b>	<b>16.37</b>	<b>2.21</b>	<b>5.58</b>	<b>1,464.83</b>

c) Ageing of Trade Payables outstanding as at 31.03.2024

(Rs. in lakhs)

Particulars	Outstanding for following periods from Due Date of Payment				Total
	Less Than 1 Year	1-2 years	2-3 years	More than 3 years	
<b>Trade payables</b>					
MSME	3,144.53	-	-	0.85	3,145.38
Others	762.10	7.04	5.45	9.13	783.72
Disputed Dues-MSME	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-
<b>Total</b>	<b>3,906.63</b>	<b>7.04</b>	<b>5.45</b>	<b>9.98</b>	<b>3,929.10</b>

Trade Receivables ageing schedule

a) Trade Receivables Ageing Schedule- Current Outstanding as at 31.03.2026

(Rs. in lakhs)

Particulars	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	3,179.76	108.52	320.20	10.88	7.12	3,626.48
(ii) Undisputed Trade Receivables considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables Considered Good	-	-	-	-	28.17	28.17
(iv) Disputed Trade Receivables Considered Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>3,179.76</b>	<b>108.52</b>	<b>320.20</b>	<b>10.88</b>	<b>35.29</b>	<b>3,654.65</b>

b) Trade Receivables Ageing Schedule- Current Outstanding as at 31.03.2025

(Rs. in lakhs)

Particulars	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	1,936.95	29.01	19.60	21.13	1.05	2,007.74
(ii) Undisputed Trade Receivables considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables Considered Good	-	-	-	-	28.17	28.17
(iv) Disputed Trade Receivables Considered Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>1,936.95</b>	<b>29.01</b>	<b>19.60</b>	<b>21.13</b>	<b>29.22</b>	<b>2,035.91</b>

c) Trade Receivables Ageing Schedule- Current Outstanding as at 31.03.2024

(Rs. in lakhs)

Particulars	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	933.41	17.26	31.37	43.65	64.87	1,090.56
(ii) Undisputed Trade Receivables considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables Considered Good	-	-	-	-	28.17	28.17
(iv) Disputed Trade Receivables Considered Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>933.41</b>	<b>17.26</b>	<b>31.37</b>	<b>43.65</b>	<b>93.04</b>	<b>1,118.73</b>

**MERRITRONIX LTD.**  
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**ANNEXURE –VIII**

**Statement of Tax Shelter, As Restated**

*Rs. (in Lakhs)*

Particulars	Year ended		
	31/03/2026	31/03/2025	31/03/2024
<b>Profit Before Tax as per books of accounts (A)</b>	<b>2,301.99</b>	<b>1,239.65</b>	<b>429.22</b>
-- Normal Tax rate*	29.12%	29.12%	27.82%
-- Minimum Alternative Tax rate	17.47%	17.47%	16.69%
<b>Permanent differences</b>			
ROC Penalty charges	5.00	-	-
MSME interest	2.59	2.51	2.36
Interest on late payment of taxes	39.60	30.42	6.30
Employee contribution - ESI/ PF late payment	-	-	0.30
Disallowances - TDS late payment	13.89	7.04	-
Donation and CSR expense	12.23	-	0.25
<b>Total (B)</b>	<b>73.31</b>	<b>39.97</b>	<b>9.21</b>
<b>Income considered separately</b>			
Interest income	(10.84)	(28.96)	(8.30)
<b>Total Income considered separately (C)</b>	<b>(10.84)</b>	<b>(28.96)</b>	<b>(8.30)</b>
<b>Timing Differences</b>			
Depreciation as per Companies Act,2013	47.18	39.37	40.67
Depreciation as per Income Tax Act, 1961	78.18	41.87	48.50
<b>Difference between tax depreciation and book depreciation - (i)</b>	<b>(31.00)</b>	<b>(2.50)</b>	<b>(7.83)</b>
<b>Disallowances</b>			
- Gratuity	10.23	5.94	12.29
- Bonus	11.04	6.76	5.50
- Professional tax	0.79	-	0.39
- Disallowed u/s 43 B(h)	13.47	22.30	-
- Disallowance u/s 40(a)(ia)	-	-	0.30
<b>Allowances</b>			
- Gratuity Benefits paid	(1.22)	(3.72)	(3.76)
- Bonus paid	(6.76)	(6.70)	(4.64)
- Professional tax paid	(1.77)	-	-
<b>Total Net disallowance - ii</b>	<b>25.78</b>	<b>24.58</b>	<b>10.08</b>
<b>Total (D) - ( i + ii)</b>	<b>(5.22)</b>	<b>22.08</b>	<b>2.25</b>
<b>Net Adjustments (E = B+C+D)</b>	<b>57.25</b>	<b>33.09</b>	<b>3.16</b>
<b>Tax expense / (saving) thereon</b>	<b>16.67</b>	<b>9.64</b>	<b>0.88</b>
<b>Income from other sources</b>			
Interest income	10.84	28.96	8.30
<b>Total Income from other sources (F)</b>	<b>10.84</b>	<b>28.96</b>	<b>8.30</b>
<b>Total Taxable Income (G = A+E+F)</b>	<b>2,370.08</b>	<b>1,301.70</b>	<b>440.68</b>
<b>Brought forward losses set off (Depreciation) - H</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Taxable Income/ (Loss) for the year/period (I = G+H)</b>	<b>2,370.08</b>	<b>1,301.70</b>	<b>440.68</b>
<b>Set-off from Brought Forward Losses for MAT - J</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Taxable Income/(Loss) as per MAT (A+J)</b>	<b>2,301.99</b>	<b>1,239.65</b>	<b>429.22</b>
<b>Tax expense recognised</b>	<b>690.17</b>	<b>379.06</b>	<b>122.60</b>
<b>Tax payable as per normal rates or MAT (whichever is higher)</b>	<b>Normal</b>	<b>Normal</b>	<b>Normal</b>

\*The Company has opt out from new scheme u/s 115BAA from AY 24-25 onwards, hence it follows Normal income tax rates as per Income Tax Act, 1961.

**MERRITRONIX LTD.**  
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ANNEXURE – X

**Statement of Related Parties & Transactions**

The company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

Name of the key managerial personnel/Entity	Relationship	Description of Relationship
Dovari Amarnath	Promotor & Managing Director	Key Management Personnel (KMP)
Darsy Kethan Chandra***	Chief Financial Officer & Director	Key Management Personnel (KMP)
Dovari Yesu Das* ^	Director	Key Management Personnel (KMP)
Sunrise Telecom	Proprietorship concern of director	Entities in which KMP have significant influence
Merrictro Products Private Limited	Common director	Entities in which KMP have significant influence
Merrito Polymers (India) Private Limited	Common director	Entities in which KMP have significant influence
Jayaprada*	Wife of Dovari Yesu Das (Director)	Relative of director
D Vanaja*	Daughter of Dovari Yesu Das (Director)	Relative of director
Swathi Mandava**	Company Secretary	Key Management Personnel (KMP)
Amar electronics	Proprietorship concern of director	Entities in which KMP have significant influence
Pavitra Global Fab	Proprietorship concern of Relative	Entities in which KMP have significant influence
Thaman dovari	Son of Dovari Amarnath (Director)	Relative of director

\* Directorship of Dovari Yesu Das, Jayaprada and D Vanaja ceased w.e.f October 03, 2022.

^ Dovari Yesu Das was re-appointed as the Director w.e.f May 31, 2023.

\*\* Swathi Mandava appointed as company secretary w.e.f January 20, 2025

\*\*\*Appointed as Chief financial officer w.e.f January 20, 2025

**Transactions with Related Parties during the year / period**

(Rs. In lakhs)

Particulars	Nature of relationship	year ended		
		31/03/2026	31/03/2025	31/03/2024
<b>Remuneration paid to Directors</b>				
- Dovari Yesu Das	Director	15.50	11.25	10.00
- Dovari Amarnath	Promotor & Managing Director	13.20	13.20	13.20
- Darsy Ketan Chandra	Chief Financial Officer & Director	8.40	5.45	4.05
<b>Total</b>		<b>37.10</b>	<b>29.90</b>	<b>27.25</b>
<b>Salary</b>				
- Swathi Mandava	Company secretary	10.20	1.00	-
- Thaman dovari	Relative of director	4.80	-	-
- Jayapradha	Relative of director	-	-	2.30
- D Vanaja	Relative of director	-	-	12.00
<b>Total</b>		<b>15.00</b>	<b>1.00</b>	<b>14.30</b>
<b>Lease Rent paid</b>				
- Amar Electronics	Proprietorship concern of director	0.74	0.71	0.68
<b>Total</b>		<b>0.74</b>	<b>0.71</b>	<b>0.68</b>
<b>Sales</b>				
- Merrictro Products Private Limited	Common director	-	-	68.31
- Merrito Polymers (India) Private Limited	Common director	-	31.40	261.19
- Sunrise Telecom	Proprietorship concern of director	-	-	-
<b>Total</b>		<b>-</b>	<b>31.40</b>	<b>329.50</b>
<b>Purchases</b>				
- Merrictro Products Private Limited	Common director	-	-	-
- Merrito Polymers (India) Private Limited	Common director	-	-	59.63
- Sunrise Telecom	Proprietorship concern of director	228.80	146.66	175.45
- Pavitra Global Fab	Proprietorship concern of Relative	36.78	-	-
<b>Total</b>		<b>265.58</b>	<b>146.66</b>	<b>235.08</b>

**MERRITRONIX LTD.**  
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**ANNEXURE – X**

<b>Short Term Loans &amp; Advances</b>				
<b>Advance given</b>				
- Dovari Amarnath	Promotor & Managing Director	-	554.77	480.62
- Dovari Yesu Das	Director	-	34.78	44.94
- D Vanaja	Relative of director	-	0.90	2.40
- Darsy Ketan Chandra	Chief Financial Officer & Director	-	44.52	-
- Merritro Products Private Limited	Common director	90.03	-	-
- Merrito Polymers (India) Private Limited	Common director	44.65	-	-
- Sunrise Telecom	Proprietorship concern of director	484.46	-	-
<b>Advance recovered</b>				
- Dovari Amarnath	Promotor & Managing Director	-	570.57	475.18
- Dovari Yesu Das	Director	-	127.18	38.80
- D Vanaja	Relative of director	-	13.33	-
- Darsy Ketan Chandra	Chief Financial Officer & Director	-	47.01	-
- Merritro Products Private Limited	Common director	90.00	-	37.88
- Merrito Polymers (India) Private Limited	Common director	44.65	-	-
- Sunrise Telecom	Proprietorship concern of director	-	-	-
<b>Interest Income</b>				
- Dovari Amarnath	Promotor & Managing Director	-	9.45	-
- Dovari Yesu Das	Director	-	6.65	-
- D Vanaja	Relative of director	-	-	-
- Darsy Ketan Chandra	Chief Financial Officer & Director	-	2.49	-
- Merritro Products Private Limited	Common director	-	-	-
<b>Transfer to Capital advance given</b>				
- Dovari Amarnath	Promotor & Managing Director	-	-	225.00
<b>Transfer to Capital recovered</b>				
- Dovari Amarnath	Promotor & Managing Director	-	425.00	-
<b>Long term Borrowings</b>				
<b>Loan taken</b>				
- Dovari Amarnath	Promotor & Managing Director	59.82	20.36	-
- Dovari Yesu Das	Director	3.16	1.07	-
- Darsy Kethan Chandra	Chief Financial Officer & Director	0.03	2.76	-
<b>Loan repaid</b>				
- Dovari Amarnath	Promotor & Managing Director	68.57	-	-
- Dovari Yesu Das	Director	4.10	-	-
- Darsy Kethan Chandra	Chief Financial Officer & Director	2.70	-	-

**MERRITRONIX LTD.**  
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ANNEXURE – X

<b>Balance outstanding :-</b>				
Particulars	Nature of relationship	As at		
		31/03/2026	31/03/2025	31/03/2024
<b>a) Short Term Loans &amp; Advances</b>				
- Dovari Amarnath	Promotor & Managing Director	-	-	6.35
- Dovari Yesu Das	Director	-	-	85.75
- D Vanaja	Relative of director	-	-	12.43
- Merritro Products Private Limited	Common director	0.03	-	-
- Sunrise Telecom	Proprietorship concern of director	484.46	-	-
<b>b) Long term Borrowings</b>				
- Dovari Amarnath	Promotor & Managing Director	11.61	20.36	-
- Dovari Yesu Das	Director	0.13	1.07	-
- Darsy Kethan Chandra	Chief Financial Officer & Director	0.09	2.76	-
	Common director			
<b>c) Trade payable</b>				
- Merrito Polymers (India) Private Limited	Common director	-	0.69	19.65
<b>d) Trade receivable</b>				
- Sunrise Telecom	Proprietorship concern of director	-	1.05	331.28
<b>e) Capital advance</b>				
- Dovari Amarnath	Promotor & Managing Director	-	-	425.00
<b>f) Salary / Remuneration payable</b>				
- Dovari Yesu Das	Director	2.00	1.00	1.00
- Dovari Amarnath	Promotor & Managing Director	1.10	1.10	1.10
- Darsy Ketan Chandra	Chief Financial Officer & Director	1.00	0.50	0.35
- Jayapradha	Relative of director	-	-	0.20
- D Vanaja	Relative of director	-	-	1.00
- Swathi Mandava	Company secretary	0.40	0.45	-
- Thaman dovari	Relative of director	0.40	-	-

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**DETAILS OF CONTINGENT LIABILITIES & COMMITMENTS AS RESTATED**

**ANNEXURE - XI**  
(₹ In Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
<b>I. Contingent Liabilities</b>			
(a) claims against the company not acknowledged as debt*;	71.85	75.73	12.04
(b) guarantees excluding financial guarantees; and	-	-	-
(c) other money for which the company is contingently liable	-	-	-
<b>II. Commitments</b>			
(a) estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-
(b) uncalled liability on shares and other investments partly paid	-	-	-
(c) other commitments	-	-	-
<b>* Note :</b>			
1. The GST Department has raised demand of Rs. 4.12 lakhs vide Order No. ZD360225092988Q and Rs. 0.01 lakhs vide order no. ZD3602250930499 issued u/s 74 of the Central Goods & Service Act, 2017 and Telangana Goods & Service Act, 2017 and Rs. 45.76 lakhs vide order no. ZD360225093074G and Rs. 13.80 lakhs vide order no. dated February 28, 2025 issued u/s 73 of the Central Goods & Service Act, 2017 and Telangana Goods & Service Act, 2017; against which the company has filed an appeal to the appellate authority dated November 26, 2024.			
2. Income tax demand u/s 154 of Income Tax Act, 1961 amounting to Rs. 12.04 lakhs was raised for assessment year 2019-20. The said demand of Rs. 12.04 lakhs has been paid during FY 2025-26. Interest on income tax amounting to Rs. 5.38 lakhs is outstanding as on 31.03.2026. Petition for rectification is pending with the income tax department.			
3. TDS demands amounting to Rs. 2.78 lakhs pertaining from FY 2007-08 to FY 2012-13 is outstanding as on 31.03.2026. Rectification petition is being filed with the income tax department.			

**RESTATED VALUE OF IMPORTS CALCULATED ON C.I.F BASIS BY THE COMPANY DURING THE FINANCIAL YEAR IN RESPECT OF:**

**ANNEXURE - XII**  
(₹ In Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	₹	₹	₹
(a) Raw Material	288.90	244.54	147.58
(b) Components and spare parts	-	-	-
(c) Capital goods	-	-	-

The Company has imported goods under both C.I.F. and F.O.B. contractual terms. The value of imports under C.I.F. contracts has been disclosed at invoice value. In respect of F.O.B. imports, due to practical difficulty in allocating freight and insurance costs shipment-wise, such imports have been disclosed on F.O.B. basis. Accordingly, the aggregate value of imports disclosed may not be strictly comparable on a uniform C.I.F. basis.

**DETAILS OF VALUE (INCLUDING INCIDENTAL EXPENSES) OF IMPORTED AND INDIGENOUS RAW MATERIALS CONSUMED**

**ANNEXURE - XIII**  
(₹ In Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	₹	₹	₹
(a) Raw Material - Imported	288.90	244.54	147.58
(b) Raw Material - Indigenous	12,889.31	8,876.99	8,511.68
<b>Total</b>	<b>13,178.21</b>	<b>9,121.53</b>	<b>8,659.26</b>

**Percentage to the total consumption :**

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(%)	(%)	(%)
Raw Material - Imported	2.19%	2.68%	1.70%
Raw Material - Indigenous	97.81%	97.32%	98.30%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**EXPENDITURE IN FOREIGN CURRENCY DURING THE FINANCIAL YEAR AS RESTATED :**

**ANNEXURE - XIV**  
(₹ In Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	₹	₹	₹
(a) Royalty	-	-	-
(b) Know-How	-	-	-
(c) Professional and consultation fees	-	-	-
(d) Interest	-	-	-
(e) Purchase of Components and spare parts	288.90	244.54	147.58
(f) Testing charges	4.90	-	-

**EARNINGS IN FOREIGN EXCHANGE AS RESTATED:**

**ANNEXURE - XV**  
(₹ In Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	₹	₹	₹
(a) Export of goods calculated on F.O.B. basis	44.60	127.02	109.58
(b) Royalty, know-how, professional and consultation fees	-	-	-
(c) Interest and dividend	-	-	-
(d) Other income	-	-	-

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**DUES OF SMALL ENTERPRISES AND MICRO ENTERPRISES AS RESTATED**

**ANNEXURE - XVI**  
(₹ In Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	₹		₹
(a) Dues remaining unpaid to any supplier at the end of each accounting year			
-Principal	426.21	1,221.79	3,145.38
-Interest on the above	7.46	4.87	2.36
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-		-
(c) 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)	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of accounting year; and	7.46	4.87	2.36
(e) 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	-	-	-
<b>Note :</b> During the period under consideration, the Company does not have a system in place to determine the bifurcation of the creditors as Micro, Small or Medium Enterprises. Based on the information available with the Company, there are dues to Small and Micro enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006. The information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company			

**ADDITIONAL REGULATORY INFORMATION AS PER PARA Y OF SCHEDULE III TO COMPANIES ACT, 2013:**

**ANNEXURE - XVII**

- i. The Company does not have any immovable property whose title deeds are not held in the name of the company
- ii. The Company has not revalued its Property, Plant and Equipment.
- iii. The Company has not granted loans or advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013.) either severally or jointly with any other person, that are:
  - (a) repayable on demand or
  - (b) without specifying any terms or period of repayment except as below given :

Type of borrower	As at March 31, 2026	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoters	-	0.00%
Directors	-	0.00%
KMPs	-	0.00%
Related party	-	0.00%

Type of borrower	As at March 31, 2025	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoters	-	0.00%
Directors	-	0.00%
KMPs	-	0.00%
Related party	-	0.00%

Type of borrower	As at March 31, 2024	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoters	104.53	93.98%
Directors	-	0.00%
KMPs	-	0.00%
Related party	-	0.00%

- iv. The Company does not have any capital work-in-progress.
- v. The Company does not have any intangible assets under development .
- vi. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

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vii The Company has borrowings from banks or financial institutions on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts except the following:

**For Year ended 31st March, 2026**

Quarter	Name of Bank	Particulars of Securities Provided	Amount as per Books of Account (₹ in Lakhs)	Amount as reported in the quarterly return/ statement (₹ in Lakhs)	Amount of difference (₹ in Lakhs)	Reason for material discrepancies
Q1	Catholic Syrian Bank Limited	Stock	3,289.40	3,289.40	-	NA
Q1	Catholic Syrian Bank Limited	Book debts	2,350.44	1,915.32	435.12	The grouping of book debts in books of accounts was not appropriate and the same has now been rectified, hence leading to a variation with stock statement submitted to bank.
Q2	Catholic Syrian Bank Limited	Stock	7,130.76	4,631.46	2,499.30	The recording of purchases was made in the books of accounts after submitting the stock statement to the bank, thereby leading to a variation.
Q2	Catholic Syrian Bank Limited	Book debts	3,654.65	1,506.51	2,148.14	The grouping of book debts in books of accounts was not appropriate and the same has now been rectified, hence leading to a variation with stock statement submitted to bank.
Q3	Catholic Syrian Bank Limited	Stock	3,818.81	3,818.81	-	-
Q3	Catholic Syrian Bank Limited	Book debts	3,331.73	3,331.73	-	-
Q4	Catholic Syrian Bank Limited	Stock	7,130.76	6,033.84	1,096.92	The recording of purchases was made in the books of accounts after submitting the stock statement to the bank, thereby leading to a variation.
Q4	Catholic Syrian Bank Limited	Book debts	3,654.65	3,658.15	(3.50)	The difference is due to TDS receivable entry was not passed earlier

**For Year ended 31st March , 2025**

Quarter	Name of Bank	Particulars of Securities Provided	Amount as per Books of Account (₹ in Lakhs)	Amount as reported in the quarterly return/ statement (₹ in Lakhs)	Amount of difference (₹ in Lakhs)	Reason for material discrepancies
Q1	Axis Bank Limited	Stock	4,631.46	4,631.46	-	NA
Q1	Axis Bank Limited	Book debts	877.86	933.21	(55.35)	The receipt from debtors had been booked in the books of accounts after submitting the stock statement to the bank.
Q2	Axis Bank Limited	Stock	3,289.40	3,289.40	-	NA
Q2	Axis Bank Limited	Book debts	1,052.81	1,125.28	(72.47)	The receipt from debtors had been booked in the books of accounts after submitting the stock statement to the bank.
Q3	Catholic Syrian Bank Limited	Stock	2,823.95	2,823.95	-	NA
Q3	Catholic Syrian Bank Limited	Book debts	1,368.64	1,042.46	326.18	The grouping of book debts in books of accounts was not appropriate and the same has now been rectified, hence leading to a variation with stock statement submitted to bank.
Q4	Catholic Syrian Bank Limited	Stock	3,968.62	3,306.50	662.12	The recording of purchases was made in the books of accounts after submitting the stock statement to the bank, thereby leading to a variation.
Q4	Catholic Syrian Bank Limited	Book debts	2,035.91	1,930.30	105.61	The grouping of book debts in books of accounts was not appropriate and the same has now been rectified, hence leading to a variation with stock statement submitted to bank.

**For Financial Year 2023-24**

Quarter	Name of Bank	Particulars of Securities Provided	Amount as per Books of Account (₹ in Lakhs)	Amount as reported in the quarterly return/ statement (₹ in Lakhs)	Amount of difference (₹ in Lakhs)	Reason for material discrepancies
Q3	Axis Bank Limited	Stock	1,156.25	1,156.25	-	NA
Q3	Axis Bank Limited	Book debts	1,470.43	1,280.05	190.38	The grouping of book debts in books of accounts was not appropriate and the same has now been rectified, hence leading to a variation with stock statement submitted to bank.
Q4	Axis Bank Limited	Stock	3,349.77	2,775.67	574.10	The recording of purchases was made in the books of accounts after submitting the stock statement to the bank, thereby leading to a variation.
Q4	Axis Bank Limited	Book debts	1,118.73	890.32	228.41	The grouping of book debts in books of accounts was not appropriate and the same has now been rectified, hence leading to a variation with stock statement submitted to bank.

viii. There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period except below

**2) Security Details :**

Bank/Financial Institution	Sanction (₹ in lakhs)	Whether Charge Satisfied	Charge to be satisfied by	Location of the Registrar	Reason for delay/ non-satisfaction
Small Industries Develop	Sanction amount of Rs. 157.00 Lakhs , but disbursed amount of Rs. 47.45 Lakhs	No	09-11-2025	ROC (Hyderabad)	Inadvertently missed to file the same

**Primary Security:-**First Charge by way of hypothecation of all the movables of the borrower including plant, equipment, machinery, machinery spares, tools, accessories, furniture, fixtures, computers etc.

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- ix. The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.  
x. The company is not declared as wilful defaulter by any bank or financial institution or other lender.  
xi. The company does not have any investments and reporting over number of layers prescribed under clause (87) of section 2 of the Act read with Companies  
xii. The Company does not have any scheme of arrangements which has been approved by the Competent Authority in terms of sections 230 to 237 of the Com  
xiii. The Company does not have undisclosed income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any c  
xiv. The Company has neither traded nor invested in Crypto currency or Virtual Currency during the financial year.  
xv. A. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Compar  
xvi. The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility (CSR) are not applicable to the Company for the fina

**DETAILS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) AS RESTATED**

**ANNEXURE -XVIII**  
(₹ in Lakhs)

Particulars	As at March 31, 2026
1. Amount required to be spent by the company	12.03
2. Amount of Expenditure incurred	33.00
3. (Excess) / Short Fall at the end of the period	(20.97)
4. Total of Previous year shortfall amounts	-
5. Reason of Shortfall	N.A
6. Nature of CSR activities	Refer Note 1
7. 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	NIL
8. 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	No
9. Excess amount spent as per the sec 135 (5) of the act ( Refer Note 2)	(20.97)
10. Payment during the period	33.00
11. Balance Liability/ carry forward	-

*Note 1: During the year, the Company contributed an amount of ₹12.00 Lakhs on 23rd February 2026 to "Sree Lakshmi Jabbireddy Charitable Trust", an organisation engaged in providing affordable healthcare facilities to the needy through mobile healthcare units and community health models. Further, the Company contributed an amount of ₹21.00 Lakhs on 20th March 2026 to "Satya Sadhana Foundation", an organisation engaged in setting up old age homes, day care centres and other facilities for senior citizens, and undertaking measures for reducing inequalities faced by socially and economically backward groups.*

**Note 2 : Movement of CSR Excess paid:**

(₹ in Lakhs)

Particulars	As at March 31, 2026
Opening balance for the year	-
Add: Amount required to be spent during the year	12.03
Less : Amount spent during the year	33.00
Excess closing balance for the year to be carried forward	(20.97)

**CAPITALISATION STATEMENT AS AT MARCH 31, 2026**

**ANNEXURE - XIX**

(₹ in Lakhs)

Particulars	Pre-Issue	Post Issue As adjusted with Proposed Issue
	As at March 31, 2026	
<b>Debt :</b>		
Short Term Debt	3,640.71	[●]
Long Term Debt (including current maturities)	679.03	[●]
<b>Total Debt</b>	<b>4,319.74</b>	-
<b>Shareholders Funds</b>		
Equity Share Capital	1,278.49	[●]
Reserves and Surplus	4,034.47	[●]
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>5,312.96</b>	[●]
<b>Long Term Debt/ Shareholders Funds</b>	<b>0.13</b>	[●]
<b>Total Debt/ Shareholders Funds</b>	<b>0.81</b>	[●]

For and on behalf of the Board of Directors of  
MERRITRONIX LTD.

sd/-

**Dovari Amarnath**  
(Managing Director)  
DIN No: - 01265446

sd/-

**Dovari Yesudas**  
(Director)  
DIN No: - 01794872

Place: - Hyderabad  
Date: - 11-05-2026

sd/-

**Kethan Chandra Darsy**  
(Chief Financial Officer & Director)  
DIN No: - 09753724

sd/-

**(Swathi Mandava)**  
(Company Secretary)  
(Membership No: A49113)

## OTHER FINANCIAL INFORMATION

The Restated Audited Financial Statements of our Company as at and for the financial year ended on March 31, 2026, March 31, 2025 and March 31, 2024 and their respective Audit reports thereon (Audited Financial Statements) are available at <https://www.merritronix.com/investors>

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of the Draft Red Herring Prospectus; or (ii) this Red Herring Prospectus; or (iii) prospectus, a statement in lieu of a prospectus, 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 Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world.

The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision.

Neither our Company, nor BRLM, nor any of their respective Employees, Directors, Affiliates, Agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI (ICDR) Regulations, based on our Restated Financial Statements, are given below:

*(Amount in ₹ Lakhs, except share data and ratios)*

Particulars	Year ended		
	31/03/2026	31/03/2025	31/03/2024
<b>Net Profit After Tax (A)</b>	<b>1,610.30</b>	<b>865.95</b>	<b>305.03</b>
Add: Depreciation and amortization expenses	47.18	39.37	40.67
Add: Interest expenses (including chit fund discount)	372.51	239.09	202.75
Add: Tax expenses	691.69	373.70	124.19
<b>EBITDA (B)</b>	<b>2,721.68</b>	<b>1,518.11</b>	<b>672.64</b>
<b>Net Worth as Restated (C)</b>	<b>5,252.28</b>	<b>1,623.47</b>	<b>757.52</b>
<b>Return on Net worth (in %) as Restated (A/C)</b>	30.66%	53.34%	40.27%
<b>Net Asset Value (D)</b>	<b>5,312.96</b>	<b>1,684.15</b>	<b>818.20</b>
<b>Equity Share at the end of year/period (in Nos.) (E)</b>			
- Pre-bonus and split	1,27,84,854	14,52,030	1,45,203
- Post bonus and split	1,27,84,854	1,08,90,225	1,08,90,225
<b>Weighted No. of Equity Shares (F)</b>			
- Pre-bonus and split	1,15,64,773	14,52,030	1,45,203
- Post bonus and split	1,15,64,773	1,08,90,225	1,08,90,225
<b>Basic &amp; Diluted Earnings per Equity Share (A/F)</b>			
- <i>(As per end of Restated period)</i>			
Pre-bonus and split (Rs. Per share)	13.92	59.64	210.07
Post bonus and split (Rs. Per share)	13.92	7.95	2.80
<b>Net Asset Value per Equity share as Restated (D/E)</b>			
- <i>(As per end of Restated period)</i>			
Pre-bonus and split (Rs. Per share)	41.56	115.99	563.49
Post bonus and split (Rs. Per share)	41.56	15.46	7.51

### 1. The ratios have been computed as below:

- Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year
- Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2021, as amended.
- Return on Net worth (%) = Restated Profit after taxation / Net worth x 100
- Net asset value/Book value per share (₹) = Net assets value/ No. of equity shares outstanding at the end of financial period/ year.
- Current ratio : Current asset / current liabilities

2. Company has issued 5,77,118 fresh equity shares via preferential allotment placement at Face value of 10 each at premium of Rs. 98.40 per share on March 16, 2026.

3. Company has issued 4,55,763 fresh equity shares via preferential allotment placement at Face value of 10 each at premium of Rs. 98 per share on December 01, 2025.
4. Company has issued 8,61,748 fresh equity shares via preferential allotment placement at Face value of 10 each at premium of Rs. 98 per share on September 02, 2025.
5. Pursuant to the EGM resolution dated 05 December, 2024, the equity shares of the Company were subdivided from face value of ₹100 each to ₹10 each, subscribed and fully paid-up equity shares increasing from 1,45,203 to 14,52,030 equity shares.
6. 94,38,195 Bonus shares were issued at the ratio of 13 shares for every 2 share held on May 23, 2025.
7. 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 restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation (Refer Regulation 2 of Chapter - I of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018). Hence, for the purpose of calculation of net worth, we have excluded capital reserve.
8. Net-assets value means the total of all the assets as reduced by total of all the liabilities of the company.

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## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at March 31, 2026 as derived from our Restated Financial Information and as adjusted for the Issue. This table should be read in conjunction with the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Financial Information – Restated Financial Information" and "Risk Factors" on pages 216, 209 and 22, respectively.

(₹ In Lakhs)

Particulars	Pre-Issue	Post Issue As adjusted with Proposed Issue*
	As at March 31, 2026	
<b>Debt :</b>		
Short Term Debt	3,640.71	[●]
Long Term Debt (including current maturities)	679.03	[●]
<b>Total Debt</b>	<b>4,319.74</b>	-
<b>Shareholders Funds</b>		
Equity Share Capital	1,278.49	[●]
Reserves and Surplus	4,034.47	[●]
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>5,312.96</b>	[●]
<i>Long Term Debt/ Shareholders Funds</i>	<b>0.13</b>	[●]
<i>Total Debt / Shareholders Funds</i>	<b>0.81</b>	[●]

\*Post-Issue capitalisation will be determined after finalization of Issue Price.

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## FINANCIAL INDEBTEDNESS

Our Company avails loans and facilities in the ordinary course of its business for meeting our working capital, capital expenditure and other business requirements. For details of the borrowing powers of our Board, please see “*Our Management – Borrowing Powers*” on page 188.

Our Company has obtained the necessary consents required under the relevant financing documentation for undertaking activities in relation to the Issue, including dilution of the current shareholding of our Promoters and members of the promoter group, expansion of business of our Company, effecting changes in our capital structure and shareholding pattern.

The aggregate outstanding borrowings (including fund based and non-fund-based borrowings) of our Company as on March 31, 2026, as certified by our Peer review Auditor, are as follows:

<i>(in ₹ lakhs)</i>		
Particulars	Sanction amount	Outstanding as at March 31, 2026
<b>(A)Secured</b>	<b>4,517.00</b>	<b>4,065.67</b>
Cash credit	1,800.00	1,522.95
Term loan	2,717.00	2,542.72
Letter of Credit (Sub-limit of CC)	300.00	-
Bank Guarantee (Sub-limit of CC)	300.00	-
<b>(B)Unsecured</b>	<b>396.17</b>	<b>254.07</b>
Related Party	24.19	11.84
Dropline Overdraft Facility	35.35	30.93
Purchase financing facility	100.00	75.00
Term loan	236.63	136.30
<b>Grand Total(A+B)</b>	<b>4,913.17</b>	<b>4,319.74</b>

*\*Sanctioned amount is assumed to be the closing amount of the outstanding loan balances.*

*(The remainder of this page is intentionally left blank)*

**Principal terms of the secured borrowings currently availed by our Company:**

The details provided below are indicative and there may be additional terms, conditions and requirements under the various financial documentation executed by us in relation to our indebtedness:

(₹ in Lakhs)

Name of Lender	Nature of Security	Repayment Terms	Sanction (Rs. In Lakhs)	Rate of Interest (%)	Tenure (Months)	Instalment (₹)	Outstanding As on March 31, 2026 (Rs. In Lakhs)
CSB Bank Limited	Secured	Repayable Within 84 Equitable Monthly Installment Of Rs 2,58,334/-	217	10.00%	84.00	258334.00	173.62
Small Industries Development Bank Of India (Sidbi)	Secured	Repayable within 77 Equal Monthly Installment of Rs 3,85,000/- and 78th Equal monthly Installment of Rs. 355000.	300	Repo Rate + 3.10%	78	77 Equal Monthly Installment of Rs 3,85,000/- and 78th Equal monthly Installment of Rs. 355000.	169.10
Small Industries Development Bank of India (SIDBI)	Secured	Repayable within 53 Equal Monthly Installment of Rs 3,70,000/- and 54th Equal monthly Installment of Rs. 390000.	200	MCLR + 0.70%	60	53 Equal Monthly Installment of Rs 3,70,000/- and 54th Equal monthly Installment of Rs. 390000.	200.00
Small Industries Development Bank of India (SIDBI)	Secured	Repayable in 2 Equal Monthly Installement of Rs.483.00 Lakhs each and last installment of Rs.484.00Lakhs	1450.00	8.15%	3	2 Equal Monthly Installement of Rs.483.00 Lakhs each and last installment of Rs.484.00Lakhs	1450.00
Small Industries Development Bank of India (SIDBI)	Secured	Repayable in 8 Equal Monthly Installement of Rs.60.00 Lakhs and last installment of Rs.70.00Lakhs	550.00	8.15%	9	8 Equal Monthly Installement of Rs.60.00 Lakhs and last installment of Rs.70.00Lakhs	550.00
SMFG India Credit Company Limited (Fullerton India Credit	Unsecured	Repayable Within 37 Equitable Monthly Installment Of Rs 1,41,618/-	40	16.50%	37.00	141618.00	10.66

Name of Lender	Nature of Security	Repayment Terms	Sanction (Rs. In Lakhs)	Rate of Interest (%)	Tenure (Months)	Instalment (₹)	Outstanding As on March 31, 2026 (Rs. In Lakhs)
Company Limited)							
SMFG India Credit Company Limited (Fullerton India Credit Company Limited)	Unseucured	Repayable Within 87 Equitable Monthly Installment Of Rs 2,42,378/-	146	10.50%	87.00	242378.00	94.57
India Infoline Finance Limited ( Iifl)	Unseucured	Repayable Within 36 Equitable Monthly Installment Of Rs 1,77,998/-	50.63	18.87%	36.00	177998.00	31.07
Tata Capital Limited	Unseucured	Dropline Overdraft Loan With 5 Repayment Cycle	35.35	16.00%	36.00	NA	30.93
CSB Bank Limited	Secured	Repayable On Demand	1,800.00	Repo Rate +2.80% + Risk Premium 0.70%	12.00	NA	1,522.95
Shield Finance Private Limited (vanik finance private limited)	Unseucured	Repayable On Demand	100	16.00%	NA	NA	75.00
Dovari Amarnath	Unseucured	Repayable On Demand	20.36	Na	Na	Na	11.62
Dovari Yesudas	Unseucured	Repayable On Demand	1.07	Na	Na	Na	0.13
Kethan Chandra	Unseucured	Repayable On Demand	2.76	Na	Na	Na	0.09

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## MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Red Herring Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factor.

### BUSINESS OVERVIEW

We operate in the Electronic Systems Design and Manufacturing (ESDM) sector and are primarily engaged in electronic manufacturing services, including PCB assembly, system integration, testing, box-build solutions and delivery of finished electronic products. Our operations also include component sourcing and supply chain management for electronic and electromechanical components. While manufacturing and system integration constitute the core of our operations, we also support our clients in product design and development activities, including circuit and PCB layout support.

This integrated manufacturing and design support capability enables us to serve industries that require reliable and performance-oriented electronic systems. A key part of our manufacturing process is Surface-Mount Technology (“SMT”), which involves assembling electronic components directly onto the surface of printed circuit boards (PCBs) using automated placement systems and controlled reflow processes. Our SMT capabilities include the assembly of advanced packaging technologies such as Ball Grid Array (BGA) and micro-BGA components, commonly used in high-performance and miniaturized electronic systems. Our manufacturing facility has an installed capacity of 7,65,000 boards per annum for SMT assembly, 6,00,000 boards per annum for Through-Hole Technology (THT) assembly, and 4,20,000 units per annum for product assembly/box build, aggregating to a total installed capacity of 17,85,000 production units per annum.

Our SMT capabilities support the use of advanced and miniaturized components required in defence, aerospace and industrial electronic systems. The largely automated nature of the SMT process — including solder paste printing, automated component placement and controlled reflow soldering — enables consistent quality and precision.

We have consistently grown in terms of our revenues over the past years our revenues from operation were ₹8,569.91 lakhs in F.Y.2023-24, ₹ 11,356.38 lakhs in the FY 2024-25 and ₹ 15,589.56 lakhs in FY 2025-26. Our Net Profit after tax for the above-mentioned periods are, ₹305.03 lakhs, ₹ 865.95 lakhs and 1,610.30 lakhs respectively.

### Justification for Increase in Revenue from Operations, Profit After Tax (PAT), and EBITDA margins

#### Revenue from Operations:

The Company’s Revenue from Operations has increased significantly from ₹5,317.38 lakhs in Fiscal 2023 to ₹11,356.38 lakhs in Fiscal 2025. This growth is primarily driven by a shift in revenue mix towards the Aerospace & Defence segment, whose contribution increased from 52.94% in Fiscal 2023 to 88.50% in Fiscal 2025, which is a higher-margin segment with better realizations. The increase is further supported by a rise in turnkey projects and complex defence assemblies, which command higher value addition compared to standalone component supply. Additionally, the Company has benefited from a strong base of repeat customers, contributing approximately 80% to 94% of total customers across the period, ensuring revenue visibility and business stability. The execution of larger and higher-value orders has also contributed to the overall increase in revenue.

#### EBITDA and Profit After Tax (PAT):

The improvement in EBITDA margins from 3.35% in Fiscal 2023 to 13.31% in Fiscal 2025, along with the increase in PAT from ₹41.91 lakhs in Fiscal 2023 to ₹865.95 lakhs in Fiscal 2025, is primarily attributable to operating leverage and improved cost efficiencies. The Company’s fixed and semi-fixed cost base, including employee benefits, finance costs, depreciation and administrative overheads, has remained relatively stable in absolute terms across the period, as detailed in Annexures II.6, II.7 and II.8 of the Restated Financial Statements. As revenues scaled up, these costs were absorbed over a larger base, resulting in margin expansion. Further, material costs as a percentage of revenue declined due to improved procurement efficiencies and a shift towards higher value-added turnkey projects and job work services, particularly in defence assemblies, which carry structurally higher margins. These factors collectively led to a significant improvement in EBITDA margins and consequently higher profitability.

### FINANCIAL KPIs OF THE COMPANY

(Amount in Lakhs, % and ratios)	
Particulars	Merritronix LTD.

	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from Operations (₹ in Lakhs) <sup>(1)</sup>	15,589.56	11,356.38	8,569.91
Growth in Revenue from Operations (%)	37.28%	32.51%	61.17%
Total income <sup>(2)</sup>	15,624.83	11,404.00	8,601.33
EBITDA (₹ in Lakhs) <sup>(3)</sup>	2,721.68	1,518.11	672.64
EBITDA Margin (%) <sup>(4)</sup>	17.42%	13.31%	7.82%
Profit After Tax (₹ in Lakhs) <sup>(5)</sup>	1,610.30	865.95	305.03
PAT Margin (%) <sup>(6)</sup>	10.33%	7.63%	3.56%
Net worth <sup>(7)</sup>	5,252.28	1,623.47	757.52
Return on Equity ("RoE") (%) <sup>(8)</sup>	46.03%	69.21%	44.22%
Return on Capital Employed ("RoCE") (%) <sup>(9)</sup>	45.26%	66.21%	43.13%
Net Asset Value Per Share (Post bonus and subdivision of shares) (₹) <sup>(10)</sup>	41.56	15.46	7.51
Debt- Equity Ratio <sup>(11)</sup>	0.81	1.10	1.93

**Notes:**

- <sup>(1)</sup> Revenue from operations represents the revenue from sale of service & product & other operating revenue of our Company as recognized in the Restated financial information.
- <sup>(2)</sup> Total income includes revenue from operations and other income.
- <sup>(3)</sup> EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back interest cost, depreciation, and amortization expense.
- <sup>(4)</sup> EBITDA margin is calculated as EBITDA as a percentage of total income.
- <sup>(5)</sup> Restated profit for the period / year margin is calculated as total income less total expenses.
- <sup>(6)</sup> PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- <sup>(7)</sup> Net worth means aggregate value of the paid-up equity share capital and reserves & surplus.
- <sup>(8)</sup> RoE is calculated as Net profit after tax divided by Average Equity.
- <sup>(9)</sup> Return on capital employed calculated as Earnings before interest and taxes divided by capital employed as at the end of respective period/year. (Capital employed calculated as the aggregate value of tangible net worth, total debt and deferred tax liabilities)
- <sup>(10)</sup> NAV per share is computed as the Total Equity divided by the outstanding number of equity shares.
- <sup>(11)</sup> Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long-term and short-term borrowings. Total equity is the sum of share capital and reserves & surplus.

**FACTORS AFFECTING OUR RESULT OF OPERATIONS**

Except as otherwise stated in this Red Herring Prospectus and the Risk Factors given in the Red Herring Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

1. Our business model as a B2B EMS provider with limited brand recognition may restrict our pricing power, customer diversification and growth prospects.
2. We may not qualify for or win bids to further expand our business in future, which may have an adverse effect on our business, financial condition, results of operations and prospects
3. We typically do not obtain long-term commitments from our customers and they may cancel or change their production requirements. Such cancellations or changes may adversely affect our financial condition, cash flows and results of operations.
4. We are subject to strict quality requirements, customer inspections and audits, and any failure to comply with quality standards may lead to cancellation of existing and future orders and could negatively impact our reputation and our business and results of operations and future prospects.
5. Increases in the prices of raw materials required for our operations could adversely affect our business and results of operations
6. Our Order Book may not be representative of our future results and our actual income may be significantly less than the estimates reflected in our Order Book, which could adversely affect our results of operations.
7. We have significant working capital requirements. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business, cash flows and results of operations.
8. An inability to comply with repayment and other covenants in the financing agreements or otherwise meet our debt servicing obligations could adversely affect our business, financial condition, cash flows and credit rating.
9. The majority of our product sales and services is concentrated in the region of Telangana. For the Fiscal 2026, 2025 and 2024 our revenue from sale of products and services in Telangana accounted for 98.19%, 95.63% and 88.85% of our revenue from operations, respectively any adverse developments affecting our sales in these regions could have an adverse impact on our business, financial condition, results of operations and cash flows.
10. Our Company has not adequately complied with some of the provisions of Companies Act, 2013. Any penalty or action taken by any regulatory authorities in future, for noncompliance with provisions of corporate and other law could impact the reputation and financial position of the Company to that extent.

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF ACCOUNTING AND PREPARATION OF RESTATED FINANCIAL STATEMENTS**

The restated summary statement of assets and liabilities of the Company as year ended March 31, 2026, March 31, 2025 and March 31, 2024 and the related restated summary statement of profits and loss and cash flows for the year ended March 31, 2026, March 31, 2025 and March 31, 2024 (herein collectively referred to as (“Restated Summary Statements”)) have been compiled by the management from the audited Financial Statements of the Company for the year ended March 31, 2026, March 31, 2025 and March 31, 2024 approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 (the “Act”) read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”) issued by SEBI and Guidance note on Reports in Companies Prospectuses (Revised 2019) (“Guidance Note”). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the BSE in connection with its proposed SME IPO. The Company’s management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles in India.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

#### **USE OF ESTIMATES**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

#### **CURRENT & NON-CURRENT CLASSIFICATION**

All assets and liabilities are classified into current and non-current.

##### **Assets:**

An asset is classified as current when it satisfies any of the following criteria:

- a) It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is expected to be realised within 12 months after the reporting date; or
- d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current."

##### **Liabilities:**

A liability is classified as current when it satisfies any of the following criteria:

- a) It is expected to be settled in the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is due to be settled within 12 months after the reporting date; or
- d) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current."

## **OPERATING CYCLE**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act. Based on the nature of services and the time between the acquisition of assets for providing of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current & non-current classification of assets and liabilities.

## **PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS**

### **(i) Property, Plant & Equipment**

All Property, Plant & Equipment are recorded at cost including taxes, duties, freight and other incidental expenses incurred in relation to their acquisition and bringing the asset to its intended use.

### **(ii) Intangible Assets**

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

## **DEPRECIATION / AMORTISATION**

Depreciation on property, plant and equipment is calculated on a Straight-line method using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013.

Intangible assets are amortized on straight line method basis over 5 years in pursuance of provisions of AS-26.

## **INVENTORIES**

Inventories comprise of Raw Material, Work-in-Progress, Finished goods and stock-in-trade. Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the first-in, first-out principle. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. For the purpose of Work-in-progress and Finished Goods, cost of inventory includes raw material cost (net of recoverable taxes), direct cost of conversion and proportionate allocation of indirect costs incurred in bringing the inventories to their present location and condition.

## **IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

## **GOVERNMENT GRANT AND SUBSIDIES**

"Grants and subsidies from the government are recognized when there is reasonable assurance that:

- i. The Company will comply with the conditions attached to them, and
- ii. The grant / subsidy will be received."

The company is entitled to Capital Subsidy on the basis of Industrial Development Policy (IDP) 2010-2015, by the Government of Andhra Pradesh. Such Government grants is in the nature of promoters' contribution, which are given with reference to the total investment in the undertaking or by way of contribution towards its total capital outlay and for which no repayment is ordinarily expected, are treated as capital receipts in accordance with Accounting Standard 12 on "Accounting for Government Grants". Such grants are credited to Capital Reserve under "Reserves and Surplus" in the Balance Sheet. These grants are neither recognized in the Statement of Profit and Loss nor deducted from the carrying amount of the related assets.

## **CHIT FUND DEPOSITS**

The Company participates in chit fund schemes operated by registered chit fund companies. Subscriptions paid towards such schemes are recognized as Chit Fund Deposits under Loans and Advances. On successful bidding of the chit, the difference between the chit value and the amount received (discount foregone) is treated as finance cost and amortized over the remaining tenure of the chit scheme. Dividends or discounts distributed by the chit fund are recognized as income in the Statement of Profit and Loss on accrual basis. Future subscriptions payable after the chit is prized are recognized as liability towards chit fund subscriptions and

settled over the remaining tenure of the scheme. The carrying value of chit fund deposits is reviewed at each reporting date for impairment, if any.

## **FOREIGN CURRENCY TRANSLATIONS**

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Any income or expense on account of exchange difference either on settlement or on translation at the balance sheet date is recognized in Profit & Loss Account in the year in which it arises.

## **BORROWING COSTS**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

## **PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

## **REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Sales are recognized on transfer of significant risk and ownership which generally coincide with the dispatch of the goods.

Revenue from services is recognized proportionately by reference to the performance of each act. Revenue is only recognized when it can be reasonably measurable and at the time of rendering of the services it would not be unreasonable to expect ultimate collection.

## **OTHER INCOME**

Interest Income on fixed deposit is recognized on time proportion basis. Other Income is accounted for when right to receive such income is established.

## **TAXES ON INCOME**

"Income taxes are accounted for in accordance with Accounting Standard (AS-22) – “Accounting for taxes on income”, notified under Companies (Accounting Standard) Rules, 2021. Income tax comprises of both current and deferred tax.

Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961."

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.

Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization.

## **CASH AND BANK BALANCES**

Cash and cash equivalents comprises Cash-in-hand, Current Accounts, Fixed Deposits with banks. 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. Other Bank Balances are short-term balance (with original maturity is more than three months but less than twelve months).

## **EARNINGS PER SHARE**

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity share outstanding during the year. Diluted earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other

charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

## **EMPLOYEE BENEFITS**

### **Defined Contribution Plan:**

Contributions payable to the recognized provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss.

### **Defined Benefit Plan:**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service without any monetary limit. Vesting occurs upon completion of five years of service. Provision for gratuity has been made in the books as per actuarial valuation done as at the end of the year/period.

## **SEGMENT REPORTING**

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities.

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## RESULTS OF OUR OPERATIONS

Based on Financial Statements of Profit & Loss as Restated

(Amount ₹ in lakhs)

Particulars	For the year ended March 31, 2026	% of Total**	For the year ended March 31, 2025	% of Total**	For the year ended March 31, 2024	% of Total**
<b>INCOME</b>						
Revenue from Operations	15,589.56	99.77%	11,356.38	99.58%	8,569.91	99.63%
Other Income	35.27	0.23%	47.62	0.42%	31.42	0.37%
<b>Total Revenue (A)</b>	<b>15,624.83</b>	<b>100.00%</b>	<b>11,404.00</b>	<b>100.00%</b>	<b>8,601.33</b>	<b>100.00%</b>
<b>EXPENDITURE</b>						
Cost of Materials Consumed	13,178.21	84.34%	9,121.53	79.99%	8,659.26	100.67%
Purchase of Stock-in-Trade	101.38	0.65%	757.62	6.64%	582.94	6.78%
Changes in Inventories of Work-In-Progress & Finished Goods	(1,021.82)	(6.54%)	(610.86)	(5.36%)	(1,750.81)	(20.36%)
Employee Benefits Expenses	234.47	1.50%	170.51	1.50%	172.08	2.00%
Finance Costs	408.15	2.61%	282.63	2.48%	218.28	2.54%
Depreciation & Amortisation Expenses	47.18	0.30%	39.37	0.35%	40.67	0.47%
Other Expenses	375.27	2.40%	403.55	3.54%	249.69	2.90%
<b>Total Expenses (B)</b>	<b>13,322.84</b>	<b>85.27%</b>	<b>10,164.35</b>	<b>89.13%</b>	<b>8,172.11</b>	<b>95.01%</b>
<b>Profit before tax (A-B)</b>	<b>2,301.99</b>	<b>14.73%</b>	<b>1,239.65</b>	<b>10.87%</b>	<b>429.22</b>	<b>4.99%</b>
<b>Tax Expense/ (benefit)</b>						
(a) Current Tax Expense	690.17	4.42%	379.06	3.32%	122.60	1.43%
(b) Deferred Tax	1.52	0.01%	(5.36)	(0.05%)	1.59	0.02%
<b>Net tax expense / (benefit)</b>	<b>691.69</b>	<b>4.43%</b>	<b>373.70</b>	<b>3.28%</b>	<b>124.19</b>	<b>1.44%</b>
<b>Profit/(Loss) for the year/Period</b>	<b>1,610.30</b>	<b>10.31%</b>	<b>865.95</b>	<b>7.59%</b>	<b>305.03</b>	<b>3.55%</b>

\*\*Total refers to Total Revenue

## Components of our Profit and Loss Account

### Income

Our total income comprises of revenue from operations and other income.

### Revenue from Operation

The Revenue from operations as a percentage of our total income was 99.77%,99.58% and 99.63% for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 respectively .

(Amount ₹ in Lakhs)

Particulars	Year ended		
	31/03/2026	31/03/2025	31/03/2024
<b>Sale of Goods</b>		11,131.78	8,339.16
- Domestic Sales	15,336.09	11,004.76	8,229.58
- Export Sales	44.60	127.02	109.58
<b>Sale of Services</b>		224.60	230.75
- Domestic	196.13	224.60	230.75
- Export	12.74	-	-
<b>Total</b>	<b>15,589.56</b>	<b>11,356.38</b>	<b>8,569.91</b>

### Other Income

Our other Income consists of Interest on Deposits, Gain on Foreign Exchange Fluctuation, Discount received, Interest income on advances, Dividend on Chit fund, Sundry Balances written back and Rental income.

(Amount ₹ in Lakhs)

Particulars	Year ended		
	31/03/2026	31/03/2025	31/03/2024
<b>Recurring in nature and not related to business:</b>			
Interest Income on fixed deposit	10.84	10.37	8.30
Interest income on advances	-	18.59	-
<b>Non-recurring and not related to business:</b>			
Unpaid Bonus write back	-	2.23	-
Dividend on Chit funds	4.76	7.51	17.06
Miscellaneous Income	-	0.16	-
<b>Non-recurring and related to business:</b>			
Gain on Foreign Exchange Fluctuation	17.75	7.79	6.04
Sundry Balances written back	1.42	0.94	-
Discount/Round off	0.50	0.03	0.02
<b>Total</b>	<b>35.27</b>	<b>47.62</b>	<b>31.42</b>

### Expenditure

Our total expenditure primarily consists of Cost of material consumed, Purchase of stock in trade, Employee benefit expenses, finance costs, Depreciation and Other Expenses.

### Cost of material consumed

Our cost of material consumed primarily comprises raw materials required for our operations. It includes the value of opening stock at the beginning of the period, net purchases made during the year, and is adjusted for the closing stock at the end of the period.

### Employee Benefit Expenses

Our employee benefits expense comprises of Salaries and wages, Staff Welfare, Director's Remuneration, Gratuity, Employers Contribution towards Provident fund & ESIC.

### Finance costs

Our Finance cost expenses comprise of Interest Expenses, bank and Loan processing charges, Interest on delayed payment of taxes, MSME interest and Discount on chit funds scheme.

### **Other Expenses**

Our other expenses primarily comprise of Direct Manufacturing expenses, Auditor's remuneration, Travelling & Conveyance, Professional and Consultancy Charges, Repairs & maintenance, Sales Commission and Rates & Taxes etc.

(Amount ₹ in Lakhs)

Particulars	Year ended		
	31/03/2026	31/03/2025	31/03/2024
<b>Direct Manufacturing Expenses</b>			
Testing & Inspection fees	1.32	4.08	3.26
Power & fuel	41.76	40.20	26.04
Labour Charges	81.96	68.65	59.63
Machinery repairs & maintenance	14.03	14.07	5.65
Job- Work	-	30.78	1.49
Freight & Cartage	13.82	6.53	8.36
Custom clearing charges	7.10	0.65	1.39
<b>Total of Direct Manufacturing Expenses (a)</b>	<b>159.99</b>	<b>164.96</b>	<b>105.82</b>
<b>Administrative &amp; Other Expenses</b>			
Auditor's Remuneration:		-	-
- Statutory Audit	1.25	1.00	0.75
- Tax Audit	0.75	0.50	0.25
Sales Promotion & Advertisement Expenditure	-	12.40	12.91
Travelling and Conveyance	18.97	15.06	60.50
Donations	0.20	-	0.25
CSR Expenditure	12.03	-	-
Freight Charges-Outward	13.20	9.08	6.39
Loss on Foreign Exchange Fluctuation	16.83	0.65	1.60
Insurance charges	7.13	2.80	2.73
Professional and Consultancy Charges	22.32	39.83	1.86
Miscellaneous expenses	6.87	2.43	3.35
Postage, Telephone & Communication	3.40	5.47	3.99
Printing & stationery	8.07	5.42	9.91
Late Delivery Charges	12.64	-	4.82
Lease Rent	0.74	0.71	0.68
Rates & Taxes	27.93	16.85	5.76
Repairs & maintenance	45.44	11.64	18.12
Sales Commission	-	101.58	-
Subscription & membership	3.34	2.50	0.30
Security expenses	14.17	10.67	9.70
<b>Total of Administrative &amp; Other Expenses (b)</b>	<b>215.28</b>	<b>238.59</b>	<b>143.87</b>
<b>Total Other Expenses (a) + (b)</b>	<b>375.27</b>	<b>403.55</b>	<b>249.69</b>

### **Provision for Tax**

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

### **Fiscal 2026 compared with fiscal 2025**

### ***Revenue from Operations***

The Revenue from Operations of our company for fiscal year 2026 was ₹ 15,589.56 Lakhs against ₹ 11,356.38 Lakhs for Fiscal year 2025. An increase of 37.28% in revenue from operations. This increase was due to orders received from Top 2 customers pertaining to aerospace defence sector and additions of some new customers into the pipeline.

### ***Other Income***

The other income of our company for fiscal year 2026 was ₹ 35.27 Lakhs against ₹ 47.62 for Fiscal year 2025. The decrease of 25.93% in other income. This decrease was due to interest on advances received in fiscal year 2025 but in fiscal 2026 there was no such advances, hence there has been no interest income except for fixed deposit interest.

### ***Total Income***

The total income of the company for fiscal year 2026 was ₹ 15,624.83 Lakhs against ₹ 11,404.00 Lakhs of total income for Fiscal year 2025 with an increase of 37.01% in total income. This increase was due to orders received from Top 2 customers and additions of some new customers into the pipeline and interest on advances received in fiscal year 2025 but in fiscal 2026 there was no such advances, hence there has been no interest income except for fixed deposit interest.

### ***Expenditure***

#### ***Cost of material consumed***

In Fiscal 2026, cost of material consumed were ₹ 13,178.21 Lakhs against ₹ 9,121.53 Lakhs of Cost of material consumed in fiscal 2025. An increase of 44.47%. This increase was due to increase in revenues for which purchases were made.

#### ***Purchase of Stock-In-Trade***

In Fiscal 2026, Purchase of Stock-in-Trade of our company was ₹ 101.38 Lakhs against ₹ 757.62 Lakhs of Purchase Stock-in-Trade in fiscal 2025. The decrease of 86.62%. This decrease was due lower margins in trading activities and the Company's strategic shift from trading operations towards manufacturing activities during the year.

#### ***Employee Benefit Expenses***

In Fiscal 2026, the Company incurred employee benefit expenses of ₹ 234.47 Lakhs against ₹ 170.51 Lakhs expenses in fiscal 2025. An increase of 37.51%. An increase was due to expansion of the workforce, annual salary increments, and additional manpower requirements arising from the growth in manufacturing and operational activities during the year.

### ***Finance Costs***

The finance costs for the Fiscal 2026 were ₹ 408.15 Lakhs while it was ₹ 282.63 Lakhs for Fiscal 2025. An increase of 44.41%. This increase was due to higher utilisation of working capital limits and additional term loans availed from financial institutions to support the Company's business expansion and operational requirements during the year.

### ***Other Expenses***

In fiscal 2026, our other expenses were ₹ 375.27 Lakhs and ₹ 403.55 Lakhs in fiscal 2025. The decrease of 7.01%. This decrease was due to non-incurrence of sales commission expenses during the current year as compared to the previous year.

### ***Profit/ (Loss) before Tax***

Our Company had reported a profit before tax for the Fiscal 2026 of ₹ 2,301.99 Lakhs against profit before tax of ₹ 1,239.65 Lakhs in Fiscal 2025. An increase of 85.70% was due to higher revenue from operations, improved operational efficiency, better product mix, and increased contribution from manufacturing activities during the year.

### ***Profit/ (Loss) after Tax***

Profit after tax for the Fiscal 2026 were at ₹ 1,610.30 Lakhs against profit after tax of ₹ 865.95 Lakhs in fiscal 2025, An Increase of 85.96% increase was due to higher revenue from operations, improved operational efficiency, better product mix, and increased contribution from manufacturing activities during the year.

### **Fiscal 2025 compared with fiscal 2024**

#### ***Revenue from Operations***

The Revenue from Operations of our company for fiscal year 2025 was ₹ 11,356.38 Lakhs against ₹ 8,569.91 Lakhs for Fiscal year 2024. An increase of 32.51% in revenue from operations. This increase was due to aggressive orders received from customer in aerospace and defence sector as compared to last year.

#### **Other Income**

The other income of our company for fiscal year 2025 was ₹ 47.62 Lakhs against ₹ 31.42 for Fiscal year 2024. The increase of 51.56% in other income. This increase was due to interest income received on advances given to directors.

#### **Total Income**

The total income of the company for fiscal year 2025 was ₹ 11,404.00 Lakhs against ₹ 8,601.33 Lakhs of total income for Fiscal year 2024 with an increase of 32.58% in total income. This increase was due to aggressive orders received from customer in aerospace and defence sector as compared to last year and interest income received on advances given to directors.

#### **Expenditure**

##### **Cost of material consumed**

In Fiscal 2025, cost of material consumed were ₹ 9,121.53 Lakhs against ₹ 8,659.26 Lakhs of Cost of material consumed in fiscal 2024. An increase of 5.34%. This increase was due to fulfillment of orders received from customer in aerospace and defence sector.

##### **Purchase of Stock-In-Trade**

In Fiscal 2025, Purchase of Stock-in-Trade of our company was ₹ 757.62 Lakhs against ₹ 582.94 Lakhs of Purchase Stock-in-Trade in fiscal 2024. An increase of 29.97%. This increase was due to increase in turnover and to fulfillment of orders received from customers.

##### **Employee Benefit Expenses**

In Fiscal 2025, the Company incurred employee benefit expenses of ₹ 170.51 Lakhs against ₹ 172.08 Lakhs expenses in fiscal 2024. A decrease of 0.91%. This decrease was due to decrease in gratuity provision.

##### **Finance Costs**

The finance costs for the Fiscal 2025 were ₹ 282.63 Lakhs while it was ₹ 218.28 Lakhs for Fiscal 2024. An increase of 29.48%. This increase was due to increase in working capital requirement and increase in working capital loan from CSB Bank from Rs.12Crore to Rs.18Crore.

##### **Other Expenses**

In fiscal 2025, our other expenses were ₹ 403.55 Lakhs and ₹ 249.69 Lakhs in fiscal 2024. An increase of 61.62%. This increase was due to the company had incurred sales commission expenditure of Rs.101.58Lacs to get the orders from customers and also the company had incurred professional charges of Rs.39.83Lacs from IPO consultancy and advisory.

##### **Profit/ (Loss) before Tax**

Our Company had reported a profit before tax for the Fiscal 2025 of ₹ 1239.65 Lakhs against profit before tax of ₹ 429.22 Lakhs in Fiscal 2024. An increase of 188.81%. This increase was due to increase in turnover and gross profit margin as compared to last year.

##### **Profit/ (Loss) after Tax**

Profit after tax for the Fiscal 2025 were at ₹ 865.95 Lakhs against profit after tax of ₹ 305.03 Lakhs in fiscal 2024, An Increase of 183.89%. This increase was due to increase was due to increase in turnover and gross profit margin as compared to last year.

#### **Cash Flows**

(Amount ₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Cash Flow from/ (used in) Operating Activities	(2,338.21)	(664.33)	453.24
Net Cash Flow from/ (used in) Investing Activities	(258.54)	447.94	(223.09)
Net Cash Flow from/ (used in) Financing Activities	4,114.73	74.15	27.48

## ***Cash Flows from Operating Activities***

1. For the year ended march 31, 2026, net cash flow used in operating activities used in ₹ 2,338.21 Lakhs. This comprised of the net profit before tax of ₹ 2,301.99 Lakhs, which was primarily adjusted for Depreciation expense of ₹ 47.18 Lakhs, Interest Cost of ₹ 356.73 Lakhs, Discount on Chit Fund of ₹ 15.78 Lakhs, Dividend Income of ₹ 4.76 Lakhs, Interest income of ₹ 10.84 Lakhs, Gratuity of ₹ 10.23 Lakhs, Unrealised Foreign Exchange gain of ₹ 6.27 Lakhs and Sundry balance written back of ₹ 1.42 Lakhs .The resultant operating profit before working capital changes was ₹ 2,708.62 Lakhs, which was primarily adjusted for an increase in Inventories of ₹ 3,162.14 Lakhs, increase in Trade Receivables of ₹ 1,612.47 Lakhs, increase in loans and advances of ₹ 736.02 Lakhs, increase in Other Assets of ₹ 778.68 Lakhs, increase in Trade Payable of ₹ 963.63 Lakhs, increase in Other Current Liabilities of ₹ 654.07 Lakhs and decrease in Provisions of ₹ 0.72 Lakhs.

Cash used in operations was ₹ 1,963.71 Lakhs, which was reduced by direct tax paid of ₹ 374.50 Lakhs, resulting into net cash flow from operating activities of ₹ 2,338.21 Lakhs.

2. For the year ended march 31, 2025, net cash flow used in operating activities used in ₹ 664.33 Lakhs. This comprised of the net profit before tax of ₹ 1,239.65 Lakhs, which was primarily adjusted for Depreciation expense of ₹ 39.37 Lakhs, Interest Cost of ₹ 211.42 Lakhs, Discount on Chit Fund of ₹ 27.67 Lakhs, Dividend Income of ₹ 7.51 Lakhs, Interest income of ₹ 28.96 Lakhs, Gratuity of ₹ 5.94 Lakhs, Unrealised Foreign Exchange gain of ₹ 0.04 Lakhs, Unpaid bonus write back of ₹ 2.23 Lakhs and Sundry balance written back of ₹ 0.94 Lakhs .The resultant operating profit before working capital changes was ₹ 1,484.37 Lakhs, which was primarily adjusted for an increase in Inventories of ₹ 618.85 Lakhs, increase in Trade Receivables of ₹ 917.14 Lakhs, decrease in loans and advances of ₹ 354.41 Lakhs, decrease in Other Assets of ₹ 4.87 Lakhs, decrease in Trade Payable of ₹ 2,463.33 Lakhs , increase in Other Current Liabilities of ₹ 1,605.88 Lakhs and decrease in Provisions of ₹ 2.22 Lakhs.

Cash used in operations was ₹ 552.01 Lakhs, which was reduced by direct tax paid of ₹ 112.32 Lakhs, resulting into net cash flow from operating activities of ₹ 664.33 Lakhs.

3. For the year ended March 31, 2024, net cash flow from operating activities was ₹ 453.24 Lakhs. This comprised of the net profit before tax of ₹ 429.22 Lakhs, which was primarily adjusted for Depreciation expense of ₹ 40.67 Lakhs, Interest Cost of ₹ 162.42 Lakhs, Discount on Chit Fund of ₹ 40.33 Lakhs, Dividend Income of ₹ 17.06 Lakhs, Interest income of ₹ 8.30 Lakhs, Gratuity of ₹ 12.29 Lakhs and Unrealised Foreign Exchange gain of ₹ 0.37 Lakhs. The resultant operating profit before working capital changes was ₹ 659.20 Lakhs, which was primarily adjusted for an increase in Inventories of ₹ 2,366.61 Lakhs, decrease in Trade Receivables of ₹ 1,190.64 Lakhs, increase in loans and advances of ₹ 884.14 Lakhs, decrease in Other Assets of ₹ 26.08 Lakhs, increase in Trade Payable of ₹ 1,861.88 Lakhs, increase in Other Current Liabilities of ₹ 5.52 Lakhs and decrease in Provisions of ₹ 3.76 Lakhs.

Cash generated from operations was ₹ 488.81 Lakhs, which was reduced by direct tax paid of ₹ 35.57 Lakhs, resulting into net cash flow from operating activities of ₹ 453.24 Lakhs.

## ***Justification on negative cash flow from operating activities***

### **a. Working Capital Requirements:**

The Company's revenue grew at a CAGR of approximately 46% between FY23 and FY25. Sustaining this growth required proportionate expansion of the working capital base specifically, procurement of raw materials ahead of production and build-up of WIP for orders under execution. In a turnkey defence electronics business, where production cycles are long and revenue is recognised only upon delivery and customer acceptance, significant capital is deployed in inventory and WIP before any corresponding cash inflow is received.

In FY25, the operating profit before working capital changes stood at ₹1,484.37 Lakhs. The negative Cash flow from operating activity arose entirely from working capital movements within that year, principally the inventory build-up and expansion in trade receivables commensurate with higher billing. This is not a profitability issue it is a timing and scaling issue inherent to the Company's business model.

### **b. Revenue Recognition and Cash Realization:**

Revenue is recognized upon execution of projects or delivery of goods/services, while cash realization occurs subsequently based on agreed credit terms. This leads to Delayed cash inflows, particularly in case of milestone-based turnkey projects

### **c. Increase in Advances and Other Current Assets:**

Higher advances to suppliers and other operational advances have also contributed to temporary cash outflows, as funds are deployed in advance for procurement and project execution.

### **d. Reduction in Trade Payable Days:**

A specific and significant contributor to negative Cash flow from operating activity in FY25 was the active settlement of trade payables particularly MSME vendor dues during the year. As evidenced in Annexures I.8 and, Trade payables has declined in FY25, reflecting the Company's conscious effort to regularize its vendor payment cycle which resulted in higher cash outflows in the short term.

### ***Cash Flows from Investment Activities***

1. For the year ended March 31, 2026, net cash used in investing activities was ₹ 258.54 Lakhs, which primarily comprised of cash used for purchase of property, plant & equipment of ₹ 265.80 Lakhs, Interest income received of ₹ 7.26 Lakhs.
2. For the year ended March 31, 2025, net cash generated in investing activities was ₹ 447.94 Lakhs, which primarily comprised of cash used for purchase of property, plant & equipment of ₹ 3.89 Lakhs, Interest income received of ₹ 26.83 Lakhs and Refund of Capital Advances of ₹ 425.00 Lakhs.
3. For the year ended March 31, 2024, net cash used in investing activities was ₹ 223.09 Lakhs, which primarily comprised of cash used for purchase of property, plant & equipment of ₹ 225.35 Lakhs and Interest income received of ₹ 2.26 Lakhs.

### ***Cash Flows from Financing Activities***

1. For the year ended March 31, 2026, net cash flow from financing activities was ₹ 4,114.73 Lakhs, which primarily comprised of Proceeds from Borrowing of ₹ 3,236.90 Lakhs, Repayment of borrowing of ₹ 791.97 Lakhs, Proceeds from share issued including Premium ( Net of issue expense) of ₹ 2,018.51 Lakhs and Interest cost paid of ₹ 348.71 Lakhs.
2. For the year ended March 31, 2025, net cash flow from financing activities was ₹ 74.15 Lakhs, which primarily comprised of Proceeds from Borrowing of ₹ 2,011.94 Lakhs, Repayment of borrowing of ₹ 1,728.88 Lakhs and Interest cost paid of ₹ 208.91 Lakhs.
3. For the year ended March 31, 2024, net cash flow used in financing activities was ₹ 27.48 Lakhs, which primarily comprised of Proceeds from Borrowing of ₹ 454.44 Lakhs, Repayment of borrowing of ₹ 266.90 Lakhs and Interest cost paid of ₹ 160.06 Lakhs.

## **OTHER MATTERS**

### ***1. Unusual or infrequent events or transactions***

Except as described in this Red Herring Prospectus, there have been no other events or transactions to the best of our knowledge which may be described as “unusual” or “infrequent”.

### ***2. Significant economic changes that materially affected or are likely to affect income from continuing Operations***

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*,” beginning on Page 209 and 216 respectively of this Red Herring Prospectus, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

### ***3. Known trends or uncertainties that have/had or are expected to have a material adverse impact on revenue or income from continuing operations***

Apart from the risks as disclosed under Chapter titled “*Risk Factors*” beginning on page no. 22 in this Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

### ***4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known***

Our Company’s future costs and revenues will be determined by demand/supply situation, both of the end services as well as the government policies and other economic factors

### ***5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices.***

Increases in revenues are by and large linked to increases in volume of business and also dependent on the price realization on our products/services.

**6. Total turnover of each major industry segment in which the issuer company operated.**

Relevant Industry data and, as available, has been included in the chapter titled “*Industry Overview*” beginning on page no. 121 of this Red Herring Prospectus.

**7. Any significant dependence on a single or few customers**

Our business is dependent on few clients. Our top 10 customers contributed 89.36%, 95.22%, and 92.28% of revenue from operations for F.Y. ending on 2026-25, 2025-24 and 2024- 23 respectively.

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## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; or (d) Material Litigation (as defined below); involving our Company, its Directors, the Promoters, KMPs and SMPs, and the Group Companies ("**Relevant Parties**"). Further, there are no disciplinary actions (including penalties) imposed by SEBI or the Stock Exchanges against our Promoters in the last five (5) FYs, including any outstanding action.

For the purpose of material litigation in (d) above, our Board in its meeting held on March 16, 2026 has considered and adopted the following policy on materiality for identification of material outstanding litigation involving the Relevant Parties ("**Materiality Policy**"). In accordance with the Materiality Policy, all outstanding litigation, including any litigation involving the Relevant Parties, other than criminal proceedings and actions by regulatory authorities and statutory authorities, will be considered material if:

- (i) the omission of an event or information, whose value or the expected impact in terms of value exceeds the limits as prescribed under the SEBI Listing Regulations (as amended from time to time) i.e.:
  - a) two percent of turnover, as per the last annual restated financial statements of the Company; or
  - b) two percent of net worth, except in case of the arithmetic value of the networth is negative, as per the last annual restated financial statements of the Company; or
  - c) five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated financial statements of the Company.
- Accordingly, any transaction exceeding the lower of a, b or c above will be considered for the above purpose;
- (ii) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in individual litigation does not exceed the amount determined as per clause (i) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (i) above; and
- (iii) any such litigation which does not meet the criteria set out in (i) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.

In terms of the materiality policy above any litigations (apart from (a) criminal proceedings; (b) actions by statutory or regulatory authorities and (c) claims relating to direct and indirect taxes), the monetary value of which or the adverse impact resulting from such litigation exceeds ₹46.32 lakhs shall be considered Material Litigation.

It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties, unless otherwise decided by our Board, are not evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum.

Except as stated in this Section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated March 16, 2026. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding 5% of total trade payables as per the Restated Financial Statements of our Company disclosed in this Red Herring Prospectus, would be considered as material creditors. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved, shall be uploaded and disclosed on the website of the Company as required under the SEBI ICDR Regulations.

For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder, as amended, as has been relied upon by the Statutory Auditors.

Unless stated to the contrary, the information provided below is as of the date of this Red Herring Prospectus.

All terms defined in a particular litigation disclosure pertains to that litigation only.

#### I. Litigation involving our Company.

##### A. Litigation filed against our Company.

###### 1. Criminal proceedings

Nil

## 2. Outstanding actions by regulatory and statutory authorities

Nil

## 3. Material civil proceedings

### a. Tata Consultancy Services Limited vs. Merritronix Private Limited and ors. – Arbitration OP No. 2 of 2023

Tata Consultancy Limited (“**Petitioner**”) filed an Arbitration OP bearing number 2 of 2023 (“**Appeal Petition**”) before the Hon’ble Additional District Judge Rangareddy District, at Malkajgiri (“**Court**”) against Merritronix Private Limited (“**Respondent 1**”) and Micro Small Enterprises Facilitation Council, Mechal – Malkajgiri (“**Respondent 2**”), (collectively “**Respondents**”). The Petitioner states that the Respondent 1 had filed a claim before the Respondent 2 bearing number 21C/IFC/B2014/5447 and Respondent 2 had passed an award dated March 21, 2020 amounting to ₹20,27,437. The Petitioner has filed the Appeal Petition praying for setting aside the award passed by the Respondent 2. The Appeal Petition is presently pending and the next date of hearing is June 10, 2026.

## B. Litigation filed by our Company.

### 1. Criminal proceedings

Nil

### 2. Material civil proceedings

Nil

## C. Tax proceedings

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (₹ in lakhs) <sup>^</sup>
Direct Tax	7*	5.34
Indirect Tax	4 <sup>#</sup>	50.83
<b>Total</b>	<b>11</b>	<b>56.17</b>

<sup>^</sup>Rounded off to the closest decimal

\*Includes:

(1) Income Tax demand amounting to ₹69,308 under section 154 of the IT Act, for A.Y. 2008.

(2) TDS Traces demand amounting to ₹18,619 for financial year 2023-24, ₹2,22,713 for financial year 2012-13, ₹6,327 for financial year 2010-11, ₹1,750 for financial year 2009-10, ₹1,880 for financial year 2008-09, and ₹2,13,316 for financial year 2007-08.

#Includes

- (i) GST outstanding demand amounting to ₹2,06,048 dated February 28, 2025 bearing demand ID number ZD360225092988Q for tax period April 2020 – March 2021;
- (ii) GST outstanding demand amounting to ₹718 dated February 28, 2025 bearing demand ID number ZD3602250930499 for tax period April 2021 – March 2022;
- (iii) GST outstanding demand amounting to ₹37,44,228 dated February 28, 2025 bearing demand ID number ZD360225093074G for tax period April 2020 – March 2021; and
- (iv) GST outstanding demand amounting to ₹11,31,844 dated February 28, 2025 bearing demand ID number ZD360225093132M for tax period April 2021 – March 2022.

## II. Litigation involving our Directors (other than Promoters)

### A. Litigation filed against our Directors (other than Promoters)

#### 1. Criminal proceedings

Nil

#### 2. Outstanding actions by regulatory and statutory authorities

Nil

#### 3. Material civil proceedings

Nil

### B. Litigation filed by our Directors (other than Promoters)

### 1. Criminal proceedings

Nil

### 2. Material civil proceedings

Nil

#### C. Tax proceedings

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (₹ in lakhs) <sup>^</sup>
Direct Tax	3*	10.41
Indirect Tax	Nil	Nil
<b>Total</b>	<b>3</b>	<b>10.41</b>

<sup>^</sup> Rounded off to closest decimal

\*Includes income tax demand amounting to ₹2,84,942 under section 144 of the IT Act, for AY 2020, ₹44,426 under section 270A of the IT Act, AY 2020, and ₹7,11,709 under section 271AAC(1) of the IT Act, AY 2020 against Ravi Bandreddi.

### III. Litigation involving our Promoters

#### A. Litigation filed against our Promoters

##### 1. Criminal proceedings

Nil

##### 2. Outstanding actions by regulatory and statutory authorities

Nil

##### 3. Material civil proceedings

Nil

#### B. Litigation filed by our Promoters

##### 1. Criminal proceedings

Nil

##### 2. Material civil proceedings

Nil

#### C. Tax proceedings

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (₹ in lakhs)
Direct Tax	6*	11.31
Indirect Tax	3 <sup>#</sup>	26.61
<b>Total</b>	<b>9</b>	<b>37.92</b>

<sup>^</sup> Rounded off to closest decimal

\* Includes:

(1) Income Tax demand amounting to ₹2,25,472 under section 143(1)(a) of the IT Act, for AY 2011, and ₹1,50,196 under section 143(1) of the IT Act, for AY 2008 against Dovari Amarnath;

(2) Income Tax demand amounting to ₹3,27,800 under section 143(1)(a) of the IT Act, for AY 2021, and ₹1,88,107 under section 143(3) of the IT Act, AY 2010 against Dovari Yesudas;

(3) Income Tax demand amounting to ₹72,939 under section 143(1)(a) of the IT Act, for AY 2011, and ₹1,66,889 under section 143(1) of the IT Act, AY 2006 against Vanaja D.

<sup>#</sup>Includes:

(1) GST outstanding demand ID bearing number ZD360824134214I dated August 29, 2024 amounting to ₹20,03,130, demand ID bearing number ZD3604240669260 dated April 27, 2024 amounting to ₹2,43,650, and demand ID bearing number ZD360223005708L dated February 03, 2023 amounting to ₹4,14,689, against Dovari Amarnath

### IV. Litigation involving our Key Managerial Personnel and Senior Managerial Personnel (Other than Directors and Promoters)

A. *Litigation filed against our Key Managerial Personnel and Senior Managerial Personnel (Other than Directors and Promoters)*

**1. Criminal proceedings**

Nil

**2. Outstanding actions by regulatory and statutory authorities**

Nil

B. *Litigation filed by our Key Managerial Personnel and Senior Managerial Personnel (Other than Directors and Promoters)*

**1. Criminal proceedings**

Nil

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (₹ in lakhs)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**Outstanding dues to creditors**

Our Board, in its meeting held on March 16, 2026 has considered and adopted the Materiality Policy. In terms of the Materiality Policy, creditors of our Company, to whom an amount exceeding 5 % of the total trade payables as on the date of the latest period in the Restated Financial Statements was outstanding, were considered material creditors.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at March 31, 2026 by our Company, are set out below:

Particulars	No. of Creditors	Amount (₹ in Lakhs)
Outstanding dues to micro, small and medium enterprises	26	33.27
Material Creditors micro, small and medium enterprises	2	315.02
Material Creditors Others	4	2,228.86
Outstanding dues to other creditor	29	81.52
<b>Total Outstanding Dues</b>	<b>61</b>	<b>2658.67</b>

The details pertaining to net outstanding dues towards our material creditors as on March 31, 2026 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at <https://www.merritronix.com/investors>. It is clarified that such details available on our website do not form a part of this Red Herring Prospectus.

**Material Developments**

Other than as stated in the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after September 30, 2025*" on beginning on page 216 of this Red Herring Prospectus, there have not arisen, since the date of the last financial information disclosed in this Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, 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.

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## GOVERNMENT AND OTHER STATUTORY APPROVALS

We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking this Issue and carrying on our present business activities. In view of these key approvals, our Company can undertake this Issue and its business activities. In addition, certain of our key approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such key approvals, as necessary. Unless otherwise stated herein and in the section “**Risk Factors**” beginning on page 22, these material approvals are valid as of the date of this Red Herring Prospectus. For details in connection with the regulatory and legal framework within which we operate, see “**Key Regulations and Policies**” on page 175.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its present business activities.

Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.

Our Company is in the process to submit necessary application(s) with all regulatory authorities for change of its name in the approvals, licenses, registrations and permits issued to our Company.

### I. Material approvals obtained in relation to the Issue

- a. The Board of Directors has, pursuant to a resolution passed at its meeting held on January 16, 2026, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
- b. The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on January 17, 2026, authorized the Issue under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
- c. The Company has obtained the in-principle listing approval from SME platform of the BSE Limited, dated April 30, 2026.

### II. Material approvals obtained by our Company in relation to our business and operations

Our Company have obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

#### A. Incorporation details of our Company

- a. Our Company was originally incorporated as a private limited company in the name of ‘*Merritronix Private Limited*’ vide Certificate of Incorporation dated October 14, 1988, issued by the Registrar of Companies.
- b. Fresh Certificate of Incorporation dated February 07, 2025 issued to our Company by the RoC, pursuant to the conversion of our Company from private limited to public limited and the ensuing change in the name of our Company from “*Merritronix Private Limited*” to “*Merritronix LTD.*”.

#### B. Tax related approvals obtained by our Company

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	AABCM8760B	Income Tax Department	October 14, 1998	Valid till cancelled
2.	Tax Deduction Account Number (TAN)	HYDM01431D	Income Tax Department	May 31, 2025	Valid till cancelled
3.	GST Registration Certificate	36AABCM8760B1ZL	Goods and Services Tax Department	July 01, 2017	Valid till cancelled
4.	Enrolment Certificate – Professional Tax-Telangana	36670161774	Commercial Taxes Department, Government of Telangana	July 02, 2025	Valid till cancelled

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
5.	Registration Certificate – Professional Tax-Telangana	36670161774	Commercial Taxes Department, Government of Telangana	April 29, 2025	Valid till cancelled

**C. Regulatory & Labour / employment related approvals obtained by our Company:**

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of registration – Employee’s Provident Fund Code	AP/HY/32407	Employees’ Provident Fund Organisation, Ministry of Labour and Employment	March 17, 1998	Valid till cancelled
2.	Certificate of registration - ESIC	52000110730000699	Employees’ State Insurance Corporation	October 27, 2010	Valid till cancelled
3.	UDYAM Registration Certificate	UDYAM-TS-20-0004044	Ministry of Micro, Small and Medium Enterprises, Government of India	October 16, 2020	Valid till cancelled
4.	Importer-Exporter Code Registration	0991021932	Ministry of Commerce and Industry	April 13, 1994	Valid till cancelled
5.	Trade Licence	TR-0262-060-0002	Greater Hyderabad Municipal Corporation	January 28, 2026	December 31, 2026
6.	License to work a factory – Unit I	License No. 35650 Registration No. 37899	Inspector of Factories, Rangareddy I Circle	March 13, 2000	Valid till cancelled
7.	License to work a factory – Unit II	License No. 36310 Registration No. 44510	Inspector of Factories, Rangareddy I Circle	March 15, 2013	Valid till cancelled
8.	Intimation for white category Industry for Unit I and Unit II	-	Telangana State Pollution Control Board	November 20, 2025	Valid till cancelled
9.	Ground Water Abstraction NOC for Unit I and Unit II	232/TSGWER-23/GWD/MDCL/2025-26/2026-82	Ground Water Department, Medchal-Malkajgiri District	February 25, 2026	February 24, 2029
10.	Certificate of registration as principal employer under Contract Labour (Regulation and Abolition) Act, 1970	CLP/MED/ACL/PC/12960/2026	Labour Department, Government of Telangana	February 21, 2026	Valid till cancelled
11.	EN 9100:2018	01 117 2237615	TÜV Rheinland Cert GmbH	March 20, 2026	March 19, 2029
12.	Legal Entity Identifier (LEI)	98450054624952F9MQ10	LEI Register India Private Limited	April 27, 2023	April 27, 2027

**III. Material approvals or renewals for which applications are currently pending before relevant authorities**

Nil

**IV. Material approvals expired and renewal yet to be applied for**

Nil

**V. Material approvals required but not obtained or applied for**

Nil

**VI. Intellectual Property**

As on the date of this Red Herring Prospectus, our Company does not have any registered intellectual property.

**VII. Pending Intellectual property related approvals Application**

As on the date of this Red Herring Prospectus, our Company has made application for registration of the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999:

Date of Application	Particulars of the Mark	Application Number	Class of Registration
June 11, 2025	 “Merritronix”	7055026	9
June 11, 2025	“Merritronix”	7055022	9
June 11, 2025	 “Merritronix”	7055027	35
June 11, 2025	“Merritronix”	7055023	35
June 11, 2025	 “Merritronix”	7055028	40
June 11, 2025	“Merritronix”	7055025	40
June 11, 2025	 “Merritronix”	7055029	42
June 11, 2025	“Merritronix”	7055024	42

For risk associated with our intellectual property please see, “*Risk Factors*” beginning on page 22.

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## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Board of Directors has, pursuant to a resolution passed at its meeting held on January 16, 2025 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in EGM held on January 17, 2025 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

Our Company has received an In-Principal Approval letter dated April 30, 2026 from BSE for using its name in this Red Herring Prospectus for listing our shares on the SME Platform of BSE.

BSE is the Designated Stock Exchange for the purpose of this Issue.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Directors and our Promoter's Group, person(s) in control of the promoter or issuer, have not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

Our Promoters and Directors are not Directors or Promoters of any other company which is debarred from accessing the capital market under any order or direction passed by SEBI or any other authorities.

Our Company, Promoters or Directors have neither been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

Our Promoters and our Directors have not been declared as Fugitive Economic Offenders under Section 12 of Fugitive Economic Offenders Act, 2018.

The listing of any securities of our Company has never been refused by any of the stock exchanges in India.

### ASSOCIATION WITH SECURITIES MARKET

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.

### PROHIBITION BY RBI

Neither our Company, our Promoters, our Directors and the relatives (as defined under the Companies Act, 2013) of Promoter have been identified as a wilful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter "*Outstanding Litigations and Material Development*" beginning on page 230 of this Red Herring Prospectus.

### CONFIRMATION UNDER COMPANIES (SIGNIFICANT BENEFICIAL OWNERS) RULES, 2018

Our Company, our Directors, our Promoter and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Red Herring Prospectus.

### ELIGIBILITY FOR THE ISSUE

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- Neither our promoters, nor any directors of our company are a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters nor our directors, are Wilful Defaulters or a fraudulent borrower

- There are no outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issuer
- Our company has not been converted from any Proprietorship firm, partnership firm or LLP

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post Issue face value paid-up capital is more than 10 crore and can Issue Equity Shares to the public and propose to list the same on the SME Platform of BSE Limited.

**Our Company complies with the eligibility requirements prescribed by the SME Platform of BSE Limited for the listing of its Equity Shares which are as follows:**

**1. The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.**

Our Company was incorporated on October 14, 1988 under the provisions of the Companies Act, 1956 vide certificate of incorporation.

**2. The post Issue paid up capital of our Company (face value) shall not be more than Rs. 25 crores**

The present paid-up capital of our Company is ₹1278.49 lakhs and we are proposing Fresh issue Upto 47,00,000 Equity Shares of ₹ 10/- each at issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating to ₹ [●] Lakh. Hence, our Post Issue Paid up Capital will be ₹ [●] lakhs. So, the company has fulfilled the criteria of post Issue paid up capital shall not be more than ₹ 2500 lakhs.

**3. The issuing company shall have a net worth of ₹ 1 crore for 2 preceding full financial years**

The Company has a positive Net worth of ₹ 5,252.28 lakhs, ₹ 1,623.47 lakhs as per the restated financial Statements as on March 31, 2026 and March 31, 2025 respectively. Therefore, our company satisfies the criteria of having Net worth of atleast ₹ 100.00 Lakhs for 2 preceding full financial years.

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025	March 31, 2024
Paid-up Share Capital	1,278.49	145.20	145.20
Reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account	4,034.47	1,538.95	673.00
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	(60.68)	(60.68)	(60.68)
<b>Net worth</b>	<b>5,252.28</b>	<b>1,623.47</b>	<b>757.52</b>

**4. The issuing company shall have net tangible assets worth Rs 3 crores in the last preceding (full) financial year**

The Net Tangible Assets based on Restated Financial Statement of our company as on the last preceding (full) financial year i.e., March 31, 2026 is ₹ 5,306.50 Lakhs. Therefore, our company satisfies the criteria for Net Tangible Asset of ₹ 300.00 lakhs in last preceding (full) financial year.

(₹ in Lakhs)

Particulars	March 31, 2026
Net Assets (Share Capital Plus Reserves & Surplus)	5,312.96
Less: Intangible Assets	(6.46)
<b>Net Tangible Assets</b>	<b>5,306.50</b>

**5. Track Record**

**A. The Company should have a track record of at least 3 years.**

Our Company was incorporated on October 14, 1988 under the provisions of the Companies Act, 1956 vide certificate of incorporation issued by Registrar of Companies, Andhra Pradesh. Therefore, we are in compliance with criteria of having track record of 3 years.

**B. The company/entity should have operating profit (earnings before interest, depreciation and tax) of ₹ 1 Crore from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive:**

Our Company is having operating profit, details are mentioned as below.

Particulars	(₹ in Lakhs)		
	March 31, 2026	March 31, 2025	March 31, 2024
EBIDT	2,722.13	1,518.11	672.64
Less- Other Income	35.27	47.62	31.42
<b>Operating profit (earnings before interest, depreciation, and tax less other income) from operations</b>	<b>2,686.86</b>	<b>1,470.49</b>	<b>641.22</b>

#### 6. Leverage Ratio:

We hereby confirm that the Leverage ratio of the company is not more than 3:1.

2026			2025			2024		
Current year Numerator	Current Year Denominator	As at March 31, 2025	Current year Numerator	Current year Denominator	As at March 31, 2024	Current year Numerator	Current Year Denominator	As at March 31, 2023
4,319.74	5,312.96	0.81	1,856.58	1,684.15	1.10	1,581.78	818.20	1.93

#### 7. Disciplinary action

A. The Company Confirms that no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.

B. The Company further confirms that the Promoter(s) or directors are not being promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange and the applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.

C. None of the Directors have been disqualified/ debarred by any of the regulatory authority.

#### 8. Default:

Our company confirms that there are no pending defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by our company, our promoters or promoting company(ies).

#### 9. Other Requirement

**We confirm that;**

- The Company has a website: <https://www.merritronix.com/>
- 100% of the promoter's shareholding in the company is in dematerialized form.
- The Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated June 26, 2025 and National Securities Depository Limited dated March 13, 2025 for establishing connectivity.
- The composition of the board is in compliance with the requirements of Companies Act, 2013.
- The Net worth of our company as mentioned above computed as per the definition given in SEBI (ICDR) Regulations.
- The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- The Company has not been referred to NCLT under IBC, 2016.
- There is no winding up petition against our company, which has been admitted by the court.
- No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
- The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years
- We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of BSE

- In cases where there is a complete change of promoter of the Company or there are new promoter(s) of the issuer who have acquired more than fifty per cent of the shareholding of the issuer, the issuer shall file draft Issue document only after a period of one year from the date of such final change(s): **Not Applicable**
- In case of the Company, which had been a proprietorship or a partnership firm or a limited liability partnership before conversion to a company or body corporate, such issuer may make an initial public Issue only if the issuer company has been in existence for at least one full financial year before filing of draft Issue document: **Not Applicable**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations.

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

1. In accordance with Regulation 245 (1) and (2) of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, the Issue documents shall contain the following:
  - a. All material disclosures which are true and adequate so as to enable the applicants to take an informed investment decision;
  - b. Disclosures specified in the Companies Act, 2013;
  - c. Disclosures specified in Part A of Schedule VI;
  - d. Details pertaining to Employees’ Provident Fund and Employee State Insurance Corporation;
  - e. Site visit report of issuer prepared by the lead manager(s) shall be made available as a material document for inspection
  - f. Fees of Book Running Lead Manager.
2. In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten by the BRLM in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting by BRLM, please refer to Section titled “**General Information**” beginning on page no. 59 of this Red Herring Prospectus.
3. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled “**General Information**” beginning on page no. 59 of this Red herring Prospectus.
4. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee’s in the Issue shall be greater than or equal to Two Hundred (200), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
5. In terms of Regulation 246(4) of the SEBI (ICDR) Regulations, 2018 the Issue document will be displayed from the date of filling in terms of sub-regulation (1) on the website of our company, of the SEBI, the Book Running Lead Manager and the SME exchange(s).
6. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a soft copy of the Red Herring Prospectus/ Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus/ Prospectus with the Stock Exchange and the Registrar of Companies. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, the SEBI shall not issue any observation on the Issue document.
7. In accordance with Regulation 228(a) of the SEBI (ICDR) Regulations, our Company, its promoters, promoter group or directors are not debarred from accessing the capital markets by the Board;
8. In accordance with Regulation 228(b) of the SEBI (ICDR) Regulations, the companies with which our promoters or directors are associated as a promoter or director are not debarred from accessing the capital markets by the Board;
9. In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoter or directors is a Wilful defaulter or a fraudulent borrower.
10. In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer’s promoter or directors is a fugitive economic offender.
11. In accordance with Regulation 228(e) of the SEBI (ICDR) Regulations there are no any outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issuer.

12. We confirm that there is no material clause of Article of Association that has been left out from disclosure having bearing on the IPO.
13. We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.
14. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to SME Platform of BSE Limited (“BSE SME”) which has been chosen as the Designated Stock Exchange.
15. In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.
16. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.
17. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters is already in dematerialised form.

**As per Regulation 230 (1) of the SEBI ICDR Regulation, 2018 and SEBI ICDR (Amendment) Regulations, 2025, our Company has ensured that:**

- The Red Herring Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the BSE SME. BSE is the Designated Stock Exchange.
  - We have entered into an agreement with NSDL: March 13, 2025 and CDSL: June 26, 2025.
  - The entire Equity Shares held by the Promoters are in dematerialized form.
  - The entire pre-Issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO are fully paid-up.
  - The size of Issue for sale by selling shareholders shall not exceed twenty per cent of the total Issue size. – *Not Applicable*
  - The shares being issued for sale by selling shareholders shall not exceed fifty per cent of such selling shareholders pre – Issue shareholding on a fully diluted basis. – *Not Applicable*
  - The repayment/prepayment shall not consist of repayment of loan taken from promoter, promoter group or any related party, from the Issue proceeds, directly or indirectly. – *Not Applicable*
  - We have made firm arrangements of finance through verifiable means towards seventy-five per cent. of the stated means of finance for the project proposed to be funded from the Issue proceeds, excluding the amount to be raised through the proposed public Issue or through existing identifiable internal accruals. – *Not Applicable*
18. We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.
  19. The Compliance Officer appointed by the Company is a Qualified Company Secretary.
  20. The price per share for determining securities ineligible for minimum promoter contribution is determined after adjusting corporate actions such as share split, bonus issue etc. undertaken by us.
  21. Our Company has not undertaken any Pre-IPO placement, accordingly the requirement of reporting the same to the stock exchange was not applicable to our Company.
  22. We hereby undertake to comply with the provisions of the SEBI (LODR) Regulations, as applicable to companies listed on the main board of the stock exchange(s), in the event that the post-Issue paid-up capital, pursuant to a further issue of capital including by way of rights issue, preferential issue, or bonus issue, increases to more than ₹25 crores without migrating from the SME exchange to the main board.

**SEBI DISCLAIMER CLAUSE**

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**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 / RED HERRING PROSPECTUS AND WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY HIM IN THE OFFER DOCUMENT IN RELATION TO HIMSELF FOR ITS RESPECTIVE PORTION OF ISSUED SHARES, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, GYR CAPITAL ADVISORS PRIVATE LIMITED SHALL FURNISH TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED MAY 19, 2026 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, HYDERABAD, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.**

#### **DISCLAIMER CLAUSE OF THE BSE**

As required, a copy of this Red Herring Prospectus has been submitted to BSE SME.

“BSE Limited ("BSE") has vide its letter dated April 30, 2026 given permission to use its name in the Issue Document as the Stock Exchange on whose Small and Medium Enterprises Platform (“SME platform”) the Company’s securities are proposed to be listed. BSE has scrutinized this Issue document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this Issue document; or
- ii. warrant that this Company’s securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company.
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are issued by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are issued by the Company is determined by the Company in consultation with the Merchant Banker (s) to the Issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this Issue document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this Issue document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the SME platform on its own initiative and at its own risk, and responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai.

The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai”

#### **CAUTION- DISCLAIMER FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at their own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement entered between the BRLM (GYR Capital Advisors Private Limited) and our Company on February 11, 2026 and the Underwriting Agreement dated March 06, 2026 entered into between the Underwriters, our Company and the Market Making Agreement dated April 07, 2026 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

None among our Company is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; or (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism. Bidders will be required to confirm and will be deemed to have represented to our Company, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not Issue, allot, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for our Company and our respective affiliates and associates 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 or our affiliates or associates for which they have received and may in future receive compensation.

**Note:**

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and BRLM and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not Issue, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriter and BRLM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

**DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub-account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Issue hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Hyderabad only.

No action has been or will be taken to permit a public issuing in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be issued or sold, directly or indirectly, and this 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 Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1933**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be issued and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United

States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those Issues and sales occur.

**Accordingly, the Equity Shares are being issued and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.**

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **FILING OF DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES**

The Draft Red Herring Prospectus was not required to be filed with SEBI; accordingly, SEBI did not issue any observation on the offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Master Circular, a copy of Red Herring Prospectus/Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of this Red Herring Prospectus/Prospectus, has been filed with the SME Platform of BSE Limited, where the Equity Shares are proposed to be listed.

A copy of the Red Herring Prospectus along with the material contracts and documents referred elsewhere in the Red Herring Prospectus, will be filed to the RoC through the electronic portal at <http://www.mca.gov.in> at least (3) three working days prior from the date of opening of the Issue.

#### **LISTING**

Application is to be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated April 30, 2026 from BSE for using its name in this Issue document for listing our shares on the SME Platform of BSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE, the Company shall refund through verifiable means the entire monies received within Four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

All cost, fees and expenses in respect of the Issue will be borne by our Company upon successful completion of the Issue.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within three Working Days from the Issue Closing Date.

#### **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 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud

involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees 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 fifty lakh rupees or with both.

## **CONSENTS**

The written consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the BRLM to the Issue and Registrar to the Issue, Banker(s) to the Issue, Underwriter(s) to the Issue, Monitoring Agency and Market Maker to the Issue to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Red Herring Prospectus/Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus/Prospectus for registration with the ROC.

## **EXPERTS**

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

Our Company has received written consent dated May 11, 2026 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated May 11, 2026 on our restated financial information; and (ii) its report dated May 11, 2026 on the statement of special tax benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated May 14, 2026 from Axiom Valuation Services LLP, a Chartered Engineer, to include their name as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in this Red Herring Prospectus in respect of their certificate dated May 14, 2026 regarding brief description, e.g., the installed capacity, plant & machinery details, or project implementation schedule, as applicable. Such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Further, our Company has received written consent dated March 23, 2026 from LA & Associates, a Practising company secretaries, to include their name as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in this Red Herring Prospectus in respect of their ROC search report dated March 23, 2026 confirming the status of charges, litigation, or other matters as applicable. Such consent has not been withdrawn as on the date of this Red Herring Prospectus.

## **PARTICULARS REGARDING PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE (5) YEARS AND PERFORMANCE VIS-À-VIS OBJECTS**

Our Company has not made any previous public Issue during the last five (5) years preceding the date of this Red Herring Prospectus, Further, for details in relation to right issue made by our Company during the five years preceding the date of this Red Herring Prospectus, please refer to section titled “*Capital Structure*” on page 71 of this Red Herring Prospectus.

## **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

For detailed description please refer to section titled “*Capital Structure*” beginning on page 71 of this Red Herring Prospectus.

## **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION ON PREVIOUS ISSUES**

Since this is the initial public Issuing of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

## **FEES PAYABLE TO REGISTRAR OF THE ISSUE**

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated February 20, 2026 a copy of which is available for inspection at our Company’s Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

## **CAPITAL ISSUE DURING THE LAST THREE YEARS**

For details of the capital issued in past three years, please refer chapter titled “*Capital Structure*” beginning on page no. 71 of this Red Herring Prospectus.

## **PERFORMANCE VIS-À-VIS OBJECTS –PUBLIC/ RIGHTS ISSUE OF THE LISTED SUBSIDIARIES/LISTED PROMOTER OF OUR COMPANY**

As on the date of this Red Herring Prospectus, our Company does not have any listed subsidiary or listed promoters.

## **OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Red Herring Prospectus.

## **OUTSTANDING CONVERTIBLE INSTRUMENTS**

Our Company does not have any outstanding convertible instruments as on the date of filing this Red Herring Prospectus.

## **OPTION TO SUBSCRIBE**

Equity Shares being issued through the Red Herring Prospectus can be applied for in dematerialized form only.

## **STOCK MARKET DATA OF THE EQUITY SHARES**

This being an initial public issuing of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

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**PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BRLM**

Sr. No.	Issuer Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing*	
1.	Airfloa Rail Technology Limited	91.09	140	18.09.2025	266.00	201.21	1.63	135.11	1.86	93.82	-8.36
2.	TechD Cybersecurity Limited	38.98	193	22.09.2025	366.70	222.64	2.73	214.59	3.85	166.81	-8.28
3.	JD Cables Ltd.*	95.99	152	25.09.2025	160.00	-8.39	4.46	112.78	5.23	7.89	-8.74
4.	True Colors Limited*	127.96	191	30.09.2025	191.00	1.75	5.15	57.12	5.52	-29.79	-10.37
5.	Exato Technologies Limited*	37.45	140	05.12.2025	266.00	137.82	-0.32	135.04	-6.65	-	-
6.	Luxury Time Limited*	18.73	82	11.12.2025	155.80	5.51	-1.11	-25.22	-9.38	-	-
7.	K.V. Toys India Limited*	40.15	239	15.12.2025	336.00	32.64	-2.15	-10.04	-11.40	-	-
8.	Gabion Technologies India Limited*	29.16	81	13.01.2025	89.00	-17.23	0.06	-	-	-	-
9.	INDO SMC Limited*	92.00	149	21.01.2026	149.00	5.23	1.10	-	-	-	-
10.	Accord Transformer & Switchgear Limited**	25.59	46	02.03.2026	50.00	-	-	-	-	-	-

\* Companies have been listed on 05.12.2025, 11.12.2025, 15.12.2025, 13.01.2026, 21.01.2026 and 02.03.2026 hence not applicable.

**DISCLOSURE OF PRICE INFORMATION OF PAST MAINBOARD ISSUES HANDLED BY GYR CAPITAL ADVISORS PRIVATE LIMITED**

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]-30 <sup>th</sup> calendar days from listing*	+/- % change in Price on closing price, [+/- % change in closing benchmark]-90 <sup>th</sup> calendar days from listing*	+/- % change in Price on closing price, [+/- % change in closing benchmark]-180 <sup>th</sup> calendar days from listing*
1.	Jinkushal Industries Limited*	116.15	121	03.10.2025	126.95	-2.69/3.37	-24.99/5.03	-58.04/-09.94

\*Company has been listed on 03.10.2025 hence not applicable.  
Price on Designated Stock Exchange of the Issuer is considered for all the above calculations.

#### SUMMARY STATEMENT OF DISCLOSURE

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 180 <sup>th</sup> calendar day from listing day*		
			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%
2021-2022	03	9.85	-	-	1	-	-	-	-	-	2	-	-	1
2022-2023	10	91.97	-	1	2	5	1	2	1	1	2	-	4	2
2023-2024	09	261.49	-	1	1	6	1	-	-	-	1	8	-	-
2024-2025	17	915.48	1	2	2	10	2	1	1	1	1	7	4	3
2025-2026	18	981.90	-	-	5	5	2	6	1	3	3	3	-	2
2026-2027	0	-	-	-	-	-	-	-	-	-	-	-	-	-

\*Companies have been listed on 12.09.2025, 18.09.2025, 22.09.2025, 25.09.2025, 30.09.2025, 05.12.2025, 11.12.2025, 15.12.2025, 13.01.2026 and 21.01.2026 hence not applicable.

#### Break -up of past issues handled by GYR Capital Advisors Private Limited:

Financial Year	No. of SME IPOs	No. of Main Board IPOs
2021-2022	3	0
2022-2023	10	0
2023-2024	09	0
2024-2025	17	0
2025-2026	17	1
2026-2027	0	0

#### Notes:

1. In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.

2. Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Issues) managed by the Book Running Lead Manager. Hence, disclosure pertaining to recent 10 ds handled by the lead manager are provided.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA 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 ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchange with a copy to the Registrar to the Issue.

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

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid / Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, 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, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, 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. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

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 Exchange 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
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 finalization of the Basis of

Scenario	Compensation Amount	Compensation Period
		Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Lead Manager shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the Book Running Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission, or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI (ICDR) Regulations. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, 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. For helpline details of the Book Running Lead Manager pursuant to the SEBI/HO/CFD/DIL-2/OW/P/2021/2481/1/M dated March 16, 2021, see “**General Information – Book Running Lead Manager**” on page 59 of this Red Herring Prospectus.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Issue shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Book Running Lead Manager, and the Registrar to the Issue accept no responsibility for errors, omissions, commission, or any acts of SCSBs including any defaults in complying with its obligations under the SEBI (ICDR) Regulations. Bidders can contact our Company Secretary and Compliance officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, nonreceipt of refund intimations and non-receipt of funds by electronic mode.

Our Company has also appointed Mandava Swathi, Company Secretary and Compliance officer for the Issue. For details, see “**General Information**” beginning on page 59 of this Red Herring Prospectus.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and complied with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of the Red Herring Prospectus/Prospectus. - **Noted for Compliance**

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 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 has constituted Stakeholders Relationship Committee as follows:

Name of Director	Position in the Committee	Designation
Ms. Sridevi Madati	Chairperson	Non-Executive Independent Director
Mr. Dovari Amarnath	Member	Executive Director
Mr. Darsy Kethan Chandra	Member	Executive Director

Our Company has appointed Mandava Swathi as the Company Secretary and Compliance Officer, who may be contacted in case of any pre-Issue or post-Issue related problems at the following address:

Ms. Mandava Swathi

**Company Secretary & Compliance officer**

Merritronix LTD.

C-22, Electronic Complex, Kushaiguda, Hyderabad, Telangana, India, 500062.

**Telephone:** +91 8297912056

**Email:** [cs@merritronix.com](mailto:cs@merritronix.com)

**Investor grievance id:** [cs@merritronix.com](mailto:cs@merritronix.com)

**Website:** <https://www.merritronix.com/>

**CIN:** U32100TG1988PLC155611

## **STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Red Herring Prospectus.

## **FEES PAYABLE TO BRLM TO THE ISSUE**

The total fees payable to the BRLM will be as per the Memorandum of Understanding for Initial Public Issue, a copy of which is available for inspection at the Registered Office of our Company.

## **FEES PAYABLE TO THE REGISTRAR TO THE ISSUE**

The fees payable to the Registrar to the Issue, for processing of Bidding application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post or email.

## **FEES PAYABLE TO OTHERS**

The total fees payable to the Sponsor Bank, Legal Advisor, Statutory Auditor and Peer Review Auditor, Market maker and Advertiser etc. will be as per the terms of their respective engagement letters.

## **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

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## SECTION VII – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued pursuant to this Issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018 read along with SEBI ICDR (Amendment) Regulations, SCRA, SCRR, Memorandum and Articles, the terms of this Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (“CAN”) and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, BSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by individual investors who applies for minimum application size through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants). From December 1, 2023, the UPI Mechanism for Individual Investors applying through Designated Intermediaries was made effective along-with the existing process existing timeline of T+3 days.*

*Further, vide the said circular, Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### **Authority for the Issue**

The present Public Issue of up to 47,00,000 Equity Shares of face value of ₹10/- each has been authorized by a resolution of the Board of Directors of our Company at their meeting held on January 16, 2026 and was approved by the Shareholders of the Company by passing Special Resolution at the Extraordinary General Meeting held on January 17, 2026 in accordance with the provisions of Section 23(1)(c), 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the right to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to Section titled “Description of Equity Shares and terms of the Articles of Association” beginning on Page No. 299 of the Red Herring Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to chapter titled “Dividend Policy” beginning on Page No. 208 of the Red Herring Prospectus.

#### **Face Value, Issue Price, Floor Price and Price Band**

The face value of each Equity Share is ₹ 10/- and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ [●] per Equity Share (“**Cap Price**”).

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised Pre-issue and Price Band advertisement all editions of an English national daily newspaper, all editions of a Telugu national daily newspaper, each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its 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 on the website of the Stock Exchange. The issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares issued by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled “*Basis of Issue Price*” beginning on page 109 of this Red Herring Prospectus.

## **The Issue**

The Issue comprises of a Fresh issue. Expenses for the Issue shall be borne by our Company as in the manner specified in “**Objects of the Issue**” on page 89 of this Red Herring Prospectus.

## **Compliance with SEBI (ICDR) Regulations, 2018**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations.

## **Compliance with Disclosure and Accounting Norms**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of our Company.

## **Minimum Application Value, Market Lot and Trading Lot**

In accordance with Regulation 267 (2) of the SEBI ICDR (Amendment) Regulations, 2025, our Company shall ensure that the minimum application size shall be two lots per application:

“Provided that the minimum application size shall be above ₹ 2 lakhs.”

## **Allotment Only in Dematerialised Form**

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated March 13, 2025.
- Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated June 26, 2025

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the BSE Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

## **Minimum Number of Allottees**

Further in accordance with the Regulation 268(1) of SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, the minimum number of allottees in this Issue shall be 200 shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and all the monies blocked by SCSSBs shall be unblocked within two (2) working days of closure of Issue.

## **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

## **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

*The Equity Share 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 issued or sold within the United States or to, or for the account or benefit of, —U.S. personal (as defined in Regulations), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.*

*The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.*

## **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. 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 of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agent of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

## **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided under the chapter titled "*Capital Structure*" on page 71 of this Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled "*Description of Equity Shares and terms of the articles of association*" on page 299 of this Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

## **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) 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.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Red Herring Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an Issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus/Red Herring Prospectus with Stock Exchange.

## Issue Program

Events	Indicative Dates
<b>Anchor Portion Issue Opens/Closes On*</b>	Friday, May 29, 2026
<b>Bid/Issue Opening Date</b>	Monday, June 01, 2026
<b>Bid/Issue Closing Date</b>	Wednesday, June 03, 2026
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before Thursday, June 04, 2026
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account**</b>	On or before Friday, June 05, 2026
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or before Friday, June 05, 2026
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before Monday, June 08, 2026

*\*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Issue Closing Date for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher, for the entire duration of delay exceeding two Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs and shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated by the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the Self Certified Syndicate Bank(s) (“SCSB”), to the extent applicable. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and 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 read with SEBI master circular no. SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21, 2023, for which the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable. The processing fee for applications made by the 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 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 read with SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023.*

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within three Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

The SEBI is in the process of streamlining and reducing the post Issue timeline for initial public issuing. Any circulars or notifications from the SEBI after the date of the Red Herring Prospectus may result in changes to the above- mentioned timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect. In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Issue Closing Date or such

other time 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.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit report of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.**

**Submission of Bids (other than Bids from Anchor Investors):**

<b>Bid/ Issue Period (except the Bid/ Issue Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. Indian Standard Time (“IST”)
<b>Bid/Issue Closing Date*</b>	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For IIs, other than QIBs and NIIs	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Individual, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Individual, Non-Individual Applications)	Only between 10.00 a.m. and up to 12.00 p.m. IST
<b>Modification/ Revision/cancellation of Bids</b>	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories <sup>#</sup>	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Issue Closing Date
Upward or downward Revision of Bids or cancellation of Bids by IBs	Only between 10.00 a.m. and up to 4.00 p.m. IST

\* UPI mandate acceptance/confirmation shall be upto 5:00 p.m. on last day of bidding

<sup>#</sup> QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays)

On the Bid/Issue Closing Date, the Bids shall be uploaded until:

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii. until 4.00 p.m. IST or such extended time as permitted by the Stock Exchange in case of Bids by IIs.

On Bid / Issue Closing Date, extension of time may be granted by the Stock Exchange only for uploading Bids received by Individual Investors, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event, large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public issuing, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on

account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book *vis-a-vis* data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten as per Regulation 260(1) of SEBI ICDR Regulations.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Issue Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. If there is a delay beyond Two days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 200 (Two Hundred).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall be 2 lots and minimum application size above ₹ 2,00,000 (Rupees Two Lac only) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the application law of such jurisdiction.

### **Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

### **Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting**

Except for lock-in of the pre-Issue Equity Shares and Promoter’s minimum contribution in the Issue as detailed in the chapter “*Capital Structure*” beginning on page 71 of this Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their

independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

### **New Financial Instruments**

There are no new financial instruments such as deeply discounted bonds, debentures, warrants, secured premium notes, etc. issued by our Company.

### **Allotment Of Securities in Dematerialised Form**

In accordance with SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **As Per the Extent Guidelines of The Government of India, OCBS Cannot Participate in This Issue**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018 read with SEBI ICDR (Amendment) Regulations, 2025 to the extent applicable, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

As per Regulation 280(2) of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, Where the post-issue paid up capital of the Company listed on a BSE SME is likely to increase beyond twenty-five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its equity shares listed on a BSE SME to the Main Board and seek listing of the equity shares proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of equity shares laid down by the Main Board:

Provided that no further issue of capital shall be made unless –

- a) the shareholders have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;

b) the Company has obtained an in-principle approval from the Main Board for listing of its entire specified securities on it.

Provided further that where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond ₹25 crores, the Company may undertake further issuance of capital without migration from SME exchange to the main board, subject to the undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the stock exchange(s)."

If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Any company voluntarily desiring to migrate to the Main board from the SME Platform, amongst others, has to fulfil following conditions:

<b>Parameter</b>	<b>Migration policy from BSE SME Platform to BSE Main Board</b>
<b>Paid up capital</b>	Atleast Rs. 10 crores.
<b>Market Capitalisation</b>	<p><b>Average of 6 months market capitalisation:</b></p> <p><b>SME Migration to Main Board:</b> Rs. 100 crores.</p> <p style="text-align: center;"><b>OR</b></p> <p><i>Companies having revenue from operations of Rs. 100 crores or more for each of the immediately preceding 3 (three) full financial years.</i></p>
<b>Market Liquidity</b>	<ul style="list-style-type: none"> <li>• At least 5% of the weighted average number of equity shares listed should have been traded during such 6 (six) months' period.</li> <li>• Trading on atleast 80% of days during such 6 (six) months period.</li> <li>• Minimum average daily turnover of Rs. 10 Lakhs and minimum daily turnover of Rs. 5 Lakhs during the 6 (six) month period.</li> <li>• Minimum Average number of daily trades of 50 and minimum daily trades of 25 during the said 6 (six) months period.</li> </ul> <p>Note: for the purpose of calculating the average daily turnover and average number of daily trades, the aggregate of daily turnover and number of daily trades on the days the scrip has traded, shall be divided by the total number of trading days, respectively, during the said 6 (six) months period.</p> <p style="text-align: center;">OR</p> <p>Companies having revenue from operations of Rs. 100 crores or more for each of the immediately preceding 3 (three) full financial years.</p>
<b>Operating Profit (EBIDTA)</b>	<p><b>Average of Rs. 15 crores</b> on a restated consolidated basis, in preceding 3 (three) years (of 12 months each), with operating profit in each of these 3 (three) years, <b><u>with a minimum of Rs. 10 crores in each of the said 3 (three) years</u></b></p> <p>In case of name change within the last one year, at least <b>50%</b> of the revenue, calculated on a restated and consolidated basis, for the preceding one full year has been earned by it from the activity indicated by its new name.</p>
<b>Networth</b>	<b>Rs. 1 crore.</b> - in each of the preceding 3 (three) full years (of twelve months each), calculated on a restated and consolidated basis;
<b>Net Tangible Assets</b>	<b>At least Rs. 3 crores</b> , on a restated and consolidated basis, in each of the preceding 3 (three) full years (of 12 (twelve) months each), of which not more than 50%. are held in monetary assets:
<b>Promoter holding</b>	<p><b>At least 20%</b> at the time of making application.</p> <p>For this purpose, shareholding of promoter group may also be considered for any shortfall in meeting the said requirement.</p> <p><i>Note : The minimum promoter holding criterion shall not be applicable in case of diversified holdings or where there are no identifiable promoters, and the company is already listed on</i></p>

	<i>a recognized stock exchange with nationwide trading terminals and meeting all other eligibility criteria for migration or direct listing on the Main Board.</i>
<b>Lock In of promoter/ promoter group shares</b>	<b>6 (six) months</b> from the date of listing on the BSE.  <i>Note : The lock-in criterion shall not apply to companies already listed on a recognized stock exchange with nationwide trading terminals and meeting all other eligibility criteria for migration or direct listing on the Main Board.</i>
<b>Regulatory action</b>	<ol style="list-style-type: none"> <li>1. No SEBI debarment orders is continuing against the Company, any of its promoters, promoter group or directors or the any other company in which they are promoter/ promoter group or directors</li> <li>2. The company or any of its promoters or directors is not a wilful defaulter or a fraudulent borrower.</li> <li>3. Promoters or directors are not fugitive economic offender</li> <li>4. The company is not admitted by NCLT for winding up or under IBC pursuant to CIRP</li> <li>5. Not suspended from trading for non-compliance with SEBI (LODR) Regs or reasons other than for procedural reasons during the last 12 months.</li> </ol>
<b>Promoter shareholding</b>	100% in demat form
<b>Compliance with SEBI LODR Regulations</b>	3 (three) years track record with no pending non-compliance at the time of making the application.
<b>Track record in terms of Listing</b>	Listed for atleast 3 (three) years
<b>Public Shareholder</b>	Minimum 1000 (one thousand) as per latest shareholding pattern
<b>Other Parameters</b>	<ol style="list-style-type: none"> <li>1. No pending Defaults w.r.t bonds/ debt instrument/ FD by company, promoters/ promoter group /promoting company(ies), Subsidiary Companies</li> <li>2. Certificate from CRA and /or Statutory auditors, in absence of CRA for utilization of IPO proceeds and further issues post listing on SME.</li> <li>3. Not under any surveillance measures/actions i.e “ESM”, “ASM”, “GSM category” or T-to-T for surveillance reasons at the time of filing of application.</li> </ol> <p>2 months cooling off from the date the security has come out of T-to- T category or date of graded surveillance action/measure.</p>
<b>Score ID</b>	No pending investor complaints on SCORES.
<b>Business Consistency</b>	Same line of business for 3 (three) years at least 50% of the revenue from operations from such continued business activity.
<b>Audit Qualification</b>	No audit qualification with regard to going concern or any material financial implication and such audit qualification is continuing at the time of application.

**Notes:**

- Net worth definition to be considered as per definition in SEBI ICDR.
- Company is required to submit Information Memorandum to the Exchange as prescribed in SEBI (ICDR) Regulations.
- The application submitted to the Exchange for listing and mere fulfilling the eligibility criteria does not amount to grant of approval for listing.
- If the documents and clarification received from the applicant company are not to the satisfaction of BSE, BSE has the right to close the application at any point of time without giving any reason thereof. Thereafter, the company can make fresh application as per the extant norms.
- The Exchange may reject application at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Guidelines / Regulations issued by statutory authorities or for any reason in the interest of Investors and market integrity. The Exchange may also reject the application if the company is found not fulfilling internal BSE standards.
- Companies that have approached for listing on any stock exchange and has been denied listing for any reason whatsoever or has chosen to withdraw its application from the Exchange, they may reapply for listing after a minimum period of 6 months (6 months after date of rejection/ withdrawal). If rejected for a second time, the company would not be eligible to apply again.
- BSE decision w.r.t admission of securities for listing and trading is final.
- BSE has the right to change / modify / delete any or all the above norms without giving any prior intimation to the company.
- The companies are required to submit documents and comply with the extant norms.
- The company shall use BSE’s reference regarding listing only after the Exchange grants its in-principle listing approval to the

company.

### **Market Making**

The shares issued and transferred through this Issue are proposed to be listed on the SME Platform of BSE Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the SME Platform of BSE Limited. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 59 of this Red Herring Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

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## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post Issue paid up capital is more than ₹ 10 crores and upto ₹ 25 crores, shall Issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE Limited). For further details regarding the salient features and terms of such an Issue, please refer chapter titled “Terms of the Issue” and “Issue Procedure” on page no. 252 and 266 respectively of this Red Herring Prospectus.

The present Public Issue of up to 47,00,000 Equity Shares of face value of ₹10/- each has been authorized by a resolution of the Board of Directors of our Company at their meeting held on January 16, 2026 and was approved by the Shareholders of the Company by passing Special Resolution at the Extraordinary General Meeting held on January 17, 2026 in accordance with the provisions of Section 23(1)(c), 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013

The Issue comprises a reservation of 2,36,000 Equity Shares of face value of ₹10/- each for subscription by the designated Market Maker (“the **Market Maker Reservation Portion**”) and Net Issue to Public of 44,64,000 Equity Shares of face value of ₹10/- each (“the Net Issue”).

The Issue and the Net Issue will constitute 26.88% and 25.53% respectively of the post Issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process:

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Applicants	Individual Investors
Number of Equity Shares available for allocation* <sup>(2)</sup>	Up to 2,36,000 Equity Shares	Not more than 22,28,000 Equity Shares.	Not less than 6,72,000 Equity Shares	Not less than Equity Shares 15,64,000
Percentage of Issue size available for allocation	5.02% of the Issue size	<p>Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only.</p> <p>Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion.</p> <p>The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion</p> <p>Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only.</p> <p>Up to 13,36,000 Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds and 6.67% for life insurance companies and pension funds, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price</p>	<p>Not less than 15% of the Net Issue or the Issue less allocation to QIBs and Individual Investors/Bidders was available for allocation.</p> <p>Further,</p> <p>(a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs</p> <p>(b) two third of the portion available to noninstitutional investors shall be reserved for applicants with application size of more than ₹10 lakhs, provided that the unsubscribed portion in either the sub-categories mentioned above could be allocated to applicants in the other sub-category of</p>	Not less than 35% of the Net Issue

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Applicants	Individual Investors
			Non - Institutional Bidders.	
Basis of Allotment	Firm Allotment	Proportionate as follows: a) Up to 45,000 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and b) Up to 8,92,000 Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above	Subject to the availability of shares in non-institutional investors' category, the allotment of equity shares to each noninstitutional category shall not be less than the minimum application size in non-institutional investor category, and the remaining shares, if any, shall be allotted on a proportionate basis, the [●] Equity Shares shall be allotted in multiples of [●] Equity Shares. For details, see "Issue Procedure" beginning on page 266 of this Red Herring Prospectus.	Proportionate
Mode of Bid	Only through the ASBA Process	Only through the ASBA process.	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
Mode of Allotment ^	Compulsorily in dematerialized form			
Minimum Bid Size	[●] Equity Shares of face value of ₹ 10 each	Such number of Equity Shares and in multiples of [●] Equity Shares of face value of ₹ 10 each that shall be more than 2 lots and the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares that shall be more than 2 lots and Bid size exceeds ₹ 200,000	[●] Equity Shares in multiple of [●] Equity shares of face value of ₹ 10 each such that minimum bid size shall be 2 lots with the application size of above ₹ 2,00,000
Maximum Bid Size	[●] Equity Shares of face value of ₹ 10 each	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 10 each not exceeding the size of the Net Issue, subject to applicable limits.	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 10 each not exceeding the size of the Net Issue (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 10 each such that the minimum bid size shall be 2 lots with application size of above ₹ 2,00,000
Trading Lot	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.			

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Applicants	Individual Investors
Mode of Bid	Only through the ASBA process (excluding the UPI Mechanism).	Only through the ASBA process (excluding the UPI Mechanism).	Only through the ASBA process (including the UPI Mechanism for a Bid size of up to ₹ 500,000)	Only through the ASBA process (including the UPI Mechanism)
Who can apply? (3)(4)(5)	Market Maker	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, registered with SEBI, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹2500 lakhs, pension fund with minimum corpus of ₹2500 lakhs, National Investment Fund set up by the Government of India, 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, in accordance with applicable laws including FEMA Rules.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, family offices, trusts, FPIs who are individuals, corporate bodies and family offices	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares so that the Bid Amount shall be above two lots, accordingly, the minimum application size shall be above ₹2.00 Lakhs.

\*Assuming full subscription in the Issue.

^SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public Issue ings opening on or after May 1, 2022, where the application amount is up to ₹500,000, shall use UPI. Individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹200,000 and up to ₹500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Further 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 IIs 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 in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Issue 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 ₹200.00 Lakhs, (ii) minimum of two and maximum of fifteen Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor, and (iii) in case of allocation above ₹2,500.00 Lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of fifteen Anchor Investors for allocation up to ₹2,500.00 Lakhs, and an additional ten Anchor Investors for every additional ₹2,500.00 Lakhs or part thereof will be permitted, subject to minimum allotment of ₹100.00 Lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹200.00 Lakhs. Forty percent shall be reserved in the following manner (i) 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds; and (ii) 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds and life insurance companies and pension funds.
2. The SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, permits the Issue of securities

to the public through the Book Building Process, which states that not less than 35% of the Net Issue shall be available for allocation to Individual Investors who applies for minimum application size. Not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than two lots and up to such lots as equivalent to not more than ₹ 10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10.00 Lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Subject to the availability of Equity Shares in the Non – Institutional investors category, the allotment to each Non-Institutional Investors shall not be less than the minimum application size in 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) (Amendment) Regulations, 2025. Not more than 50% of the Net Issue shall be allotted to QIBs, subject to valid Bids being received at or above the Issue Price.

3. In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. 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. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.
4. Full Bid Amount was 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 Issue Price shall be payable by the Anchor Investor pay-in date as indicated in the Confirmation of Allotment Note.
5. Bids by FPIs with certain structures as described under “Issue Procedure – Bids by FPIs” beginning on page 258 and having the same PAN were 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) have been proportionately distributed.
6. 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 Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025 effective from the date of their publication in official gazette, has prescribed the allocation to each Individual Investors which shall not be less than minimum application size applied by such individual investors and allotment to Non- Institutional Investors shall be more than two lots, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. For further details, see “Terms of the Issue” on page 252.

Bidders will be required to confirm and will be deemed to have represented to our Company, 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.

**In case of any revision in the Price Band, the Bid/ Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public announcement and also by indicating the change on the websites of the BRLM and at the terminals of the members of the Syndicate.**

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

## ISSUE PROCEDURE

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the BRLM would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus.

All Applicants should read the General Information Document for Investing in Public Issue (“GID”) prepared and issued in accordance with the SEBI Circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and UPI Circulars which highlight the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the website of Stock Exchange, the Company and the Book Running Lead Manager, before opening of the issue. The investors should note that the details and process provided in the General Information Document should be read along with this section.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure regarding SMS Alerts, web portal to CUG etc. shall apply to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation of shares; (iv) payment Instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) General Instructions (limited to instructions for completing the Application Form); (vii) Submission of Application Form; (viii) Designated Dated (ix) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (x) applicable provisions of Companies Act relating to punishment for fictitious applications; (xi) mode of making refunds; and (xii) 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 with the ASBA for applications by Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for 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 Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days was applicable until further notice pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (“UPI Phase II”). Thereafter, the final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”) and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 (“T+3 Notification”). Accordingly, the Issue will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI pursuant to the T+3 Notification.

Further, pursuant to SEBI master circular bearing reference no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024 (“SEBI RTA Master Circular”) and circular (SEBI/HO/CFD/DIL2/P/CIR/2022/75) dated May 30, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Red Herring Prospectus. Furthermore, pursuant to circular (SEBI/HO/CFD/DIL2/P/CIR/P/2022/45) dated April 5, 2022, all individual bidders in initial public offerings whose Bid sizes are up to ₹500,000 shall use the UPI Mechanism for submitting their bids. Additionally, pursuant to circular (SEBI/HO/CFD/DIL2/P/CIR/2022/75) dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stock Brokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by BSE SME to act as intermediaries for submitting Application Forms are provided on the website of BSE at <https://www.bseindia.com/>. For details on their designated branches for submitting Application Forms, please see the above-mentioned website of BSE SME.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on designated branches of SCSB collecting the Application Form, please refer the abovementioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by BSE to act as

intermediaries for submitting Application Forms are provided on the website of BSE at <https://www.bseindia.com/>. For details on their designated branches for submitting Application Forms, please refer the above-mentioned BSE website.

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.*

*Our Company and the Book Running Lead Manager 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 Red Herring Prospectus and the Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus, Red Herring Prospectus and the Prospectus.*

## **BOOK BUILT PROCEDURE**

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 252 of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process, in compliance with Regulation 253 (1) and 253 (2) of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company in consultation with the BRLM, of which one-third shall be reserved for the domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations, of which forty percent shall be reserved for domestic mutual funds to the extent of 33.33 percent and for life insurance companies and pension funds to the extent of 6.67 percent, subject to valid Bids being received from domestic Mutual Funds and life insurance companies and pension funds at or above the Anchor Investor Allocation Price. In the event of undersubscription 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). Further, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Issue 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 Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. The SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, permits the Issue of securities to the public through the Book Building Process, which states that not less than 35% of the Net Issue shall be available for allocation to Individual Investors who applies for minimum application size. Not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than two lots and up to such lots as equivalent to not more than ₹ 10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10.00 Lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Subject to the availability of Equity Shares in the Non – Institutional investors category, the allotment to each Non-Institutional Investors shall not be less than the minimum application size in 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) (Amendment) Regulations, 2025. Not more than 50% of the Net Issue shall be allotted to QIBs, subject to valid Bids being received at or above the Issue Price.

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

The Equity Shares, on Allotment, shall be traded only in the dematerialized mode of the Stock Exchange.

**Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicant's depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicant's PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity**

**Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange. However, investors may get the specified securities rematerialized subsequent to allotment.**

Investors must ensure that their Permanent Account Number (“PAN”) is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes on February 13, 2020, and press release dated June 25, 2021, and September 17, 2021, CBDT circular no.7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023, read with subsequent circulars issued in relation thereto.

#### **AVAILABILITY OF DRAFT RED HERRING PROSPECTUS, RED HERRING PROSPECTUS, PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Draft Red Herring Prospectus/This Red Herring Prospectus/Abridged Prospectus/ Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the BRLM to the offer, Registrar to the Issue as mentioned in the Application form.

An electronic copy of the Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and BSE SME the website of BSE at <https://www.bseindia.com/>.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB ‘s authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

#### **PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by Individual Investors through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to upto three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase is applicable from January 1, 2019 and will continue up to June 30, 2019. Under this phase, a Individual Investor would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing would continue to be six Working Days.

**Phase II:** This phase commenced on completion of Phase I, i.e., with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount will be continued till further notice. Under this phase, submission of the Application Form by a Individual Investor through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing would continue to be six Working Days during this phase.

**Phase III:** The commencement period of Phase III is notified pursuant to SEBI press release bearing number 12/2023 and as per the SEBI Circular No. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, where the revised timeline of T+3 days shall be made applicable in two phases i.e. (i) voluntary for all public issues opening on or after September 01, 2023; and (ii) mandatory on or after December 01, 2023. The issue will be made under UPI Phase III of the UPI Circulars.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law. Accordingly, the Issue has been undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI pursuant to the T+3 Notification. The Issue will be advertised in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and Telugu editions of Mega Jyothi (a widely circulated Telugu daily newspaper, Telugu being the regional language of Telangana, where our registered office is located), on or prior to the Bid/Issue Opening Date and such advertisement has also been made available to the Stock Exchange for the purpose of uploading on their websites.

All SCSBs offering the facility of making applications in public issues are required to provide a facility to make applications using the UPI Mechanism. Further, in accordance with the UPI Circulars, our Company has appointed Axis Bank Limited as the Sponsor Bank to act as a conduit between the Stock Exchange and NPCI in order to facilitate collection of requests and / or payment instructions of the Individual Investors into the UPI mechanism.

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 Circulars 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 applicants to be unblocked no later than one 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 Book Running Lead Manager will be required to compensate the concerned investor.

SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 01, 2022, where the application amount is up to ₹5,00,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹2,00,000 and up to ₹5,00,000, using the UPI Mechanism, shall provide their UPI ID in the Bid- cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

The processing fees for applications made by Individual Investors using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the "*General Information Document*" available on the websites of the Stock Exchange and the BRLM. The General Information Document will be available on the website of the Exchange and BRLM after the filing of the Red Herring Prospectus.

## **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, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the website of BSE at <https://www.bseindia.com/> at least one day prior to the Bid/Issue opening Date.

Copies of the Anchor Investor Application Form will be available at the office of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate in the Issue through the ASBA process. The Bidding in the Individual Investors Portion can additionally Bid through the UPI Mechanism.

An Individual Investor making applications using the UPI Mechanism shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in the Offer. The SCSBs, upon receipt of the Application Form will upload the Bid details along with the UPI ID in the bidding platform of the Stock Exchange. Applications made by the Individual Investors using third party bank accounts or using UPI IDs linked to the bank accounts of any third parties are liable for rejection. The Bankers to the Issue shall provide the investors' UPI linked bank account details to the RTA for the purpose of reconciliation. Post uploading of the Bid details on the bidding platform, the Stock Exchange will validate the PAN and demat account details of Individual Investors with the Depositories.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants.

ASBA Bidders (other than Individual Investors using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. ASBA Bidders could submit the ASBA Form in the manner below:

Individual Investors Bidding in the Individual Investors Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub- Syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Individual Investors authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the 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.

QIBs and NIBs (other than UPI Bidders) could submit their ASBA Forms with SCSBs, Syndicate, Sub- Syndicate Members, Registered Brokers, RTAs or CDPs.

ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form*
Anchor Investor**	White
Resident Indians, including resident QIBs, Non-Institutional Investors, Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

<sup>(1)</sup> Excluding electronic Bid cum Application Form

<sup>(2)</sup> Electronic Bid cum Application forms will also be available for download on the website of BSE (<https://www.bseindia.com/>)

<sup>(3)</sup> Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLM

**Note:** Details of depository account are mandatory and applications without depository account shall be treated as incomplete and rejected. Investors will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities re-materialized subsequent to allotment.

The shares of the Company, on allotment, shall be traded on stock exchange in demat mode only.

Single bid from any investor shall not exceed the investment limit/maximum number of specified securities that can be held by such investor under the relevant regulations/statutory guidelines.

The correct procedure for applications by Hindu Undivided Families and applications by Hindu Undivided Families would be treated as on par with applications by individuals.

In case of ASBA Forms, the relevant Designated Intermediaries uploaded the relevant Bid details in the electronic bidding system of the Stock Exchange. For ASBA Forms (other than through the UPI Mechanism) Designated Intermediaries (other than SCSBs) submitted/ delivered the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders using the UPI Mechanism, the Stock Exchange 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 the UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to 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 Exchange bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the Bankers to an Offer) 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 Bankers to the Offer. The BRLM shall also be required to obtain the audit trail from the Sponsor Bank(s) and the Bankers to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circulars dated June 2, 2021, and 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 the Bid/Issue Closing Date ("Cut-Off Time"). Accordingly, UPI Bidders Bidding 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 processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with the UPI Circulars.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchange and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchange 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 BRLM in the format and within the timelines as specified under the UPI Circulars. 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 Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/Issue Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Issue Bidding process.

## ELECTRONIC REGISTRATION OF BIDS

- a. The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Issue on a regular basis before the closure of the issue.
- b. On the Bid/ Issue closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange and as disclosed in the Prospectus.
- c. Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next working day following the Bid/ Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue period after which the Stock Exchange(s) send the Application information to the Registrar to the issue for further processing.

## SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

An Investor, intending to subscribe to this offer, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – “Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub – syndicate member)
3.	A stockbroker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4.	A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Individual Investors submitting application with any of the entities at (2) to (5) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For applications submitted by Investors to SCSB</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSB’s</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

<p><b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b></p>	<p>After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.</p>
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**Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and resubmission within the time specified by stock exchange.**

**Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.**

**Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.**

#### **WHO CAN APPLY?**

Please note that, in accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI ICDR Regulations, all the investors (Except Anchor investors) applying in a public issue shall use only ASBA facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Individual Investors applying in public Issue may use either ASBA process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional investor's category;
10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;

11. Foreign Venture Capital Investors registered with the SEBI;
12. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
15. Provident Funds with minimum corpus of ₹25 crores and who are authorized under their constitution to hold and invest in equity shares;
16. Pension Funds with minimum corpus of ₹25 crores and who are authorized under their constitution to hold and invest in equity shares;
17. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
18. Insurance funds set up and managed by army, navy or air force of the Union of India;
19. Multilateral and bilateral development financial institution;
20. Eligible QFIs;
21. Insurance funds set up and managed by the Department of Posts, India;
22. Any other person eligible to apply in this issue, under the laws, rules, regulations, guidelines and policies applicable to them.
23. Applications not to be made by:
  - a. Minors (except through their Guardians);
  - b. Partnership firms or their nominations;
  - c. Foreign Nationals (except NRIs);
  - d. Overseas Corporate Bodies.

**As per the existing regulations, OCBs are not eligible to participate in this issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under the FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this issue provided it obtains prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

#### **METHOD OF BIDDING PROCESS**

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of Financial Express the English national newspaper, all editions of Jansatta Hindi national newspaper and Telugu edition of Mega Jyothi regional newspaper where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid/ Issue Opening Date.

The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid/ Issue Period.

- a. The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/Issue Period may be extended, if required, by an additional three days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be published in all editions of Financial Express the English national newspaper, all editions of Jansatta Hindi national newspaper and Telugu edition of Mega Jyothi regional newspaper where the registered office of the Company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b. During the Bid/ Issue Period, Individual Investors, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.

- c. Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d. The Bidder/ Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- e. Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form
- f. The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one Working Day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g. Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “*Issue Procedure- Payment into Escrow Account(s) for Anchor Investors*” on page 266 of this Red Herring Prospectus.
- h. Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.
- i. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k. The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Individual Investors may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Investors and such Bids from QIB and Non- Institutional Investors shall be rejected.
- d. Individual Investors, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Individual Investors shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

- e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

## **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office/Corporate Office of our Company, BRLM to the issue and the Registrar to the issue as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE Limited i.e. <https://www.bseindia.com/>.

## **OPTION TO SUBSCRIBE IN THE OFFER**

- a. As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.
- b. The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c. In a single Application Form any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

## **BIDS BY ANCHOR INVESTORS:**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion.

In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below:

1. Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹ 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 200.00 lakhs.
3. Forty percent shall be reserved in the following manner (i) 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds; and (ii) 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds and life insurance companies and pension funds.
4. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
5. Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
6. Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to ₹200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than ₹2,500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to ₹2,500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹2,500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor.
7. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.

8. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
9. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
10. 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, while 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.
11. The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
13. Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIs**

Application must be made only in the names of individuals, limited companies or Statutory Corporations/institutions and not in the names of minors, foreign nationals, non-residents (except for those applying on non-repatriation), trusts (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUF's, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares issued to the public.

#### **PARTICIPATION BY ASSOCIATES/AFFILIATES OF BOOK RUNNING LEAD MANAGER, PROMOTERS, PROMOTERS GROUP AND PERSONS RELATED TO PROMOTER/PROMOTERS GROUP**

The Book Running Lead Manager shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the Book Running Lead Manager may subscribe to or purchase Equity Shares in the Offer, either in the QIB Portion or in Non- Institutional Portion as may be applicable to such Applicants. Applying and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of Book Running Lead Manager, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The Book Running Lead Manager or any associates of the Book Running Lead Manager, except Mutual Funds sponsored by entities which are associates of the Book Running Lead Manager or insurance companies promoted by entities which are associate of Book Running Lead Manager or AIFs sponsored by the entities which are associate of the Book Running Lead Manager or FPIs (other than individuals, corporate bodies and family offices), sponsored by the entities which are associates of the Book Running Lead Manager, pension funds sponsored by entities which are associate of the BRLM, shall apply in the Issue under the Anchor Investor Portion.

Our Promoters and the members of our Promoter Group will not participate in the Offer. Further, persons related to our Promoters and Promoter Group shall not apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to the Promoters and members of the Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoters and members of the 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 subsidiary 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 BRLM.

#### **APPLICATION BY MUTUAL FUNDS**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof, subject to applicable law. The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

#### **APPLICATION BY HUFs**

Applications by HUF can be made in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with Applications from individuals.

#### **APPLICATION BY ELIGIBLE NRIs**

Eligible NRIs may obtain copies of the Application Form from the Designated Intermediaries. Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Form should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of Individual Investors using the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and Eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of Individual Investors applying using the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form. However, NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their application.

In case of Eligible NRIs bidding under the individual Investor portion through the UPI mechanism, depending on the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Application Form.

Participation of Eligible NRIs in the Issue shall be subject to the Foreign Exchange Management Act ("FEMA") Non-debt Instrument Rules. Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange shall be considered for allotment. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of Issue of shares of allotment to NRIs on repatriation basis. Allotment of Equity Shares to non-residents Indians shall be subject to the prevailing Reserve Bank of India guidelines. Sale proceeds of such investments in equity Shares will be allowed to be repatriated along with an income thereon subject to permission of the RBI and subject to the Indian Tax Laws and Regulations and any other applicable laws.

Eligible NRIs are permitted to apply in the Issue through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs could use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts. In accordance with the FEMA Non-Debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, could not exceed 5% of the total paid-up Equity Share 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 Overseas Citizen of India ("OCI") put together could not exceed 10% of the total paid-up Equity Share capital on a fully diluted basis or could not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in color). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-Residents (blue in color).

For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 298 of this Red Herring Prospectus.

#### **APPLICATION BY FIIs/ 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-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. 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 reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 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 off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- i. such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- ii. 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.

Bids by FPIs which utilize the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations ("Operational FPI Guidelines"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("MIM Bids"). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilize the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "MIM Structure"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary 311 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.

For details of investment by FPIs, see chapter titled "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 298 Participation of FPIs in the Issue is subject to the FEMA Rules.

As per the extent guidelines of the Government of India, OCBs cannot participate in this issue.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **APPLICATION BY SEBI REGISTERED AIF, VCF AND FVCI**

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "SEBI VCF Regulations") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the "SEBI AIF Regulations") prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3<sup>rd</sup> of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All non-residents' Investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Participation of AIFs, VCFs and FVCIs shall also be subject to the FEMA Rules.

Our Company or the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of the certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form, failing which, our Company in consultation with the Book Running Lead Manager, reserves the right to reject any Application, without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of the certificate of registration issued by IRDA must be attached to the Application Form, failing which, our Company in consultation with the Book Running Lead Manager reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDAI Investment Regulations") are set forth below:

- a. Equity shares of a company: the lower of 10%\* of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or a reinsurer;
- 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 a reinsurer 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 respective fund of a life insurer or a reinsurer or health insurer or general insurance or 15% of the investment assets, 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 points (i), (ii) or (iii) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹25,00,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹5,00,000 million or more but less than ₹2,500,000 million.*

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time, including the IRDA Investment Regulations.

#### **APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS**

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹25 crores, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, a certified copy of the certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, the Company, in consultation with the Book Running Lead Manager, reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee must to be attached to the Application Form, failing which our Company, in consultation with the Book Running Lead Manager, reserves the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the 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 not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company.

provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause(b)) within a specified period to the RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **APPLICATION BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by systemically important non-banking financial companies registered with RBI, certified copies of: (i) the certificate of registration issued by the RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditors, and (iii) such other approval as may be required by the Systemically Important NBFCs must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the Book Running Lead Manager, reserves the right to reject any Application, without assigning any reason thereof. Systemically Important NBFCs participating in the issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

#### **APPLICATIONS BY SCSBs**

SCSBs participating in the issue must comply with the terms of the SEBI circulars Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively. 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 Issue and clear demarcated funds should be available in such account for such applications.

#### **APPLICATION UNDER POWER OF ATTORNEY**

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹2,500 Lakhs (subject to applicable laws) and pension funds with a minimum corpus of ₹2,500 Lakhs (subject to applicable laws), 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, as applicable, must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a. With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- b. With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- c. With respect to applications made by provident funds with minimum corpus of ₹ 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying

the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

- d. With respect to 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.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the BRLM may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the issue that, for the purpose of mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

*The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure any single Application 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 the Draft Red Herring Prospectus, this Red Herring Prospectus or the Prospectus.*

## **MAXIMUM AND MINIMUM APPLICATION SIZE**

### **1. For Individual Investors**

The Application must be for a minimum of two lots. In case of revision of Applications, the Individual Investors have to ensure that the Application Price exceed ₹2,00,000.

### **For Other than Individual Investors (Non-Institutional Investors and QIBs)**

The Application must be for a minimum of such number of Equity Shares that the Application is for more than 2 lots and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Investors, who are individuals, must ensure that the Application Amount is more than two lots for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.**

**The above information is given for the benefit of the Applicants. The Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## **INFORMATION FOR THE APPLICANTS:**

- (a) Our Company and the Book Running Lead Manager shall declare the Bid/ Issue Opening Date and Bid/ Issue Closing Date in this Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in the prescribed format.
- (b) Our Company will file a copy of the Red Herring Prospectus with the Registrar of Companies, Ahmedabad, at least 3 (three) days before the Issue Opening Date.
- (c) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Draft Red Herring Prospectus/ this Red Herring Prospectus and/ or the Application Form can obtain the same from our Registered Office or from the office of the BRLM.
- (d) Copies of the Bid Cum Application Form along with the Abridged Prospectus and copies of this Red Herring Prospectus will be

available with the Book Running Lead Manager, the Registrar to the Issue and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.

- (e) Applicants who are interested in subscribing to the Equity Shares should approach the BRLM or their authorized agent(s) to register their applications.
- (f) Bid Cum Application Form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries, Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
- (g) The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet-enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Individual Investors have to apply only through UPI Channel; they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
- (h) Applicants applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA Application into the electronic system.
- (i) Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the state of Sikkim, the Bidders, or in the case of applications in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating in transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
- (j) The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.
- (k) Applications made in the name of minors and/ or their nominees shall not be accepted.

#### **INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM**

The Bids should be submitted on the prescribed Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid cum application form. Bids not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSBs. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012, has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker (broker) network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the website of BSE i.e. <https://www.bseindia.com/>. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the website of BSE i.e. <https://www.bseindia.com/>.

#### **BIDDER'S DEPOSITORY ACCOUNT AND BANK DETAILS**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid cum application form is mandatory and Bids that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid cum Application Form, the Registrar to the issue will obtain from the Depository the demographic details including address, Bidders' bank account details, MICR code and occupation

(hereinafter referred to as Demographic Details'). Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the CANs / Allocation Advice. The Demographic Details given by Bidders in the Bid cum Application Form would not be used for any other purpose by the Registrar to the issue.

By signing the Bid Cum Application Form, the Bidders would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the issue, the required Demographic Details as available on its records.

## **SUBMISSION OF BIDS**

1. During the Bid/ Issue period, Bidders may approach any of the Designated Intermediaries to register their Bids.
2. In case of Bidders (excluding NIIs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).

## **BASIS OF ALLOTMENT**

### **a) For Individual Investors**

Bids received from the Individual Investors at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Individual Investors will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Individual Investors who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares of the face value of ₹ 10/- each at or above the Issue Price, full Allotment shall be made to the Individual Investors to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares of the face value of ₹10/- each at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares of face value of ₹10/- each and in multiples of [●] Equity Shares of face value of ₹10/- each thereafter. For the method of proportionate Basis of Allotment, refer below.

### **b) For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.

Subject to the availability of shares in non-institutional investors' category, the allotment of specified securities to each non-institutional investor shall not be less than the minimum application size in non-institutional investor category, and the remaining shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of SEBI ICDR, 2018.

The Issue Size less allotment to QIBs and Individual Investors shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares of the face value of ₹10/- each at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares of the face value of ₹10/- each at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares of the face value of ₹10/- each and in multiples of [●] Equity Shares of the face value of ₹10/- each thereafter. For the method of proportionate Basis of Allotment refer below.

### **c) For QIBs**

Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

1. In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Funds exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done

on a proportionate basis for [●]% of the QIB Portion.

- In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (2) below;

2. In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares of face value of ₹10/- each on a proportionate basis, up to a minimum of [●] Equity Shares of face value of ₹10/- each and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, up to a minimum of [●] Equity Shares of face value of ₹10/- each and in multiples of [●] Equity Shares of face value of ₹10/- each thereafter, along with other QIB Bidders.
- Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares of face value of ₹10/- each.

#### **d) Allotment to Anchor Investor**

1. Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

- not more than 60% of the QIB Portion will be allocated to Anchor Investors;
- one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and allocation to Anchor Investors shall be on a discretionary basis and subject to:
  - ✓ a maximum number of two Anchor Investors for allocation up to ₹2 crores;
  - ✓ a minimum number of two Anchor Investors and a maximum number of 15 Anchor Investors for allocation of more than ₹2 crores and up to ₹25 crores subject to minimum allotment of ₹1 crores per such Anchor Investor; and
  - ✓ in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

2. A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

3. In the event that the Issue Price is higher than the Anchor Investor Allocation Price:

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay- in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

4. In the event the Issue Price is lower than the Anchor Investor Allocation Price:

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

5. Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalize the Basis of Allotment in consultation with the BSE (The Designated Stock Exchange). The allocation may be made in marketable lots on a proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by the number of Shares applied for).
  - b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
  - c) For Bids where the proportionate allotment works out to less than [●] Equity Shares of the face value of ₹10/- each the allotment will be made as follows:
    - Each successful Bidder shall be allotted [●] Equity Shares of face value of ₹10/- each; and
    - The successful Bidder out of the total bidders for that category shall be determined by drawing lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
6. If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] Equity Shares of face value of ₹10/- each, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] Equity Shares of face value of ₹10/- subject to a minimum allotment of [●] Equity Shares of face value of ₹10/- each.
  7. If the Shares allotted on a proportionate basis to any category is more than the Equity Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares of face value of ₹10/- each, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Red Herring Prospectus.

**Flow of events from the closure of Bidding period (T DAY) till Allotment:**

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulates the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

**Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by DSE is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these application s will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

Individual Investor means an investor who applies for Minimum Application Size. Investors may note that in case of oversubscription, allotment shall be on a proportionate basis and will be finalized in consultation with BSE.

The authorized employee of the Designated Stock Exchange along with the Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI ICDR Regulations.

## **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 Exchange 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 BRLM are cleared or approved by the Stock Exchange; 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 Draft 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 Exchange.

## **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. Individual Investors can revise their Bid(s) during the Bid/ Issue Period and withdraw or lower the size of their Bid(s) until Bid/ Issue Closing Date. Anchor Investors shall not be allowed to withdraw their Bids after the Anchor Investor Bid/ Issue Period.

### ***Do's:***

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable laws, rules, regulations, guidelines and approvals; All Applicants (other than Anchor Investors) should submit their applications through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID and Bank Account Number (UPI ID, as applicable) are correct and the Applicant depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in the case of electronic Bids) within the prescribed time;
6. UPI Bidders Bidding using the UPI Mechanism in the Issue are required to ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
7. 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;
8. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 5:00 pm on the Bid/ Issue Closing Date;
9. In case of joint Bids, ensure that the First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Application Form;
10. 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;
11. In the 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 <http://www.sebi.gov.in>). Individual Investors bidding through the non-UPI Mechanism should either submit the physical Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Application Form online using the facility of 3- in-1 type accounts under Channel II (described in the UPI Circulars);
12. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Individual Investors using the UPI Mechanism) in the Application Form;
  13. Applicants using the UPI Mechanism should ensure that the correct UPI ID (with a maximum length of 45 characters including the handle) is mentioned in the Application Form;
  14. Applicants using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the Bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. Individual Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
  15. Applicants submitting an Application Form using the UPI Mechanism should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
  16. If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
  17. QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to SEBI circular dated November 01, 2018, and July 26, 2019.
  18. Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Bid options;
  19. Submit revised Bids to the same Designated Intermediary, through whom the original Bid is placed and obtain a revised acknowledgement;
  20. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the I.T. Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
  21. 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;
  22. Ensure that the Demographic Details are updated, true and correct in all respects;
  23. 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;
  24. Ensure that the category and the investor status is indicated;
  25. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
  26. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
  27. Bidders should note that in case the DP ID, Client ID and PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;

28. Ensure that the Application Forms are delivered by the Bidders within the time prescribed as per the Application Form and the Red Herring Prospectus;
29. Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided authorization to the SCSB via the electronic mode, for blocking funds in the ASBA
30. Applicants shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an Applicant may be deemed to have verified the attachment containing the application details of the Individual Investors in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Application Form;
31. Applicants using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorize the blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and
32. The ASBA Bidders are required to ensure that bids above ₹ 5,00,000, are uploaded only by the SCSBs;
33. UPI Bidders bidding using the UPI Mechanism are required to mention valid UPI ID of only the Bidder (in case of a single account) and of the first bidder (in case of a joint account) in the Bid cum Application Form;
34. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM.
35. Ensure that their PAN is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes on February 13, 2020, and press release dated June 25, 2021, and September 17, 2021, CBDT circular no.7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023, read with subsequent circulars issued in relation thereto.

The 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 apply for lower than the minimum Application Size;
2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
3. Do not Bid for a Bid Amount exceed ₹500,000 by UPI Bidders;
4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case maybe, after you have submitted a Bid to any of the Designated Intermediary;
5. Do not apply/ revise the Bid amount less than the Floor Price or higher than the Cap Price mentioned herein or in the Application Form;
6. Do not pay the Application Amount in cash, by money order, cheques, demand drafts, postal order, stock investment or any mode, other than blocked amounts in the bank account maintained with SCSB;
7. Applicants should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
8. Applicants should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
9. Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
10. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
11. Do not submit the Application Forms to any non-SCSB bank or our Company;
12. Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
13. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;

14. Do not submit more than one Application Form per ASBA Account;
15. Do not submit the Bid for an amount more than the funds available in your ASBA Account;
16. Do not fill up the Application Form such that the Equity Shares applied for exceeds the issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Red Herring Prospectus;
17. Do not Bid for Equity Shares more than specified by the Stock Exchange for each category;
18. Do not make the Bid cum Application Form using a third-party bank account or using a third-party linked bank account UPI ID;
19. Anchor Investors should not bid through the ASBA process;
20. Do not submit the General Index Register number instead of the PAN as the application is liable to be rejected on this ground;
21. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Issue Closing Date;
22. 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. Individual Investors can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
23. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are a UPI Bidder and are using the UPI mechanism, do not submit the ASBA Form directly with SCSBs;
24. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the issue;
25. Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant;
26. All investors submit their applications through the ASBA process only except as mentioned in SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 & SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021;
27. Do not apply 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);
28. 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 Applications submitted by Individual Investors using the UPI mechanism;
29. Do not Bid if you are an OCB;
30. The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

## **OTHER INSTRUCTION FOR BIDDERS**

### **Joint Applications in the case of Individuals**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/ Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

### **Multiple Applications**

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the issue to detect multiple applications are given below:

- a) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.
- b) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- c) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client's norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the BRLM reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the issue to detect multiple applications is given below:

- i. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
- ii. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

#### **PERMANENT ACCOUNT NUMBER OR PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Bid submitted without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

#### **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Book Running Lead Manager, may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Individual Investors who applied, the Company has a right to reject Applications based on technical grounds.

#### **GROUND FOR TECHNICAL REJECTIONS**

In addition to the grounds for rejection of Application on technical grounds as provided in the "General Information Document", Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

1. Bids submitted without instruction to the SCSBs to block the entire Application Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by Individual Investors using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by Individual Investors using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by Individual Investors with Bid Amount of a value of less than Minimum Application Size;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue closing Date, and Bids by Individual Investors uploaded after 5.00 p.m. on the Bid/ Issue closing Date, unless extended by the Stock Exchange.
15. Applications by OCBs;

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “*General Information – Book Running Lead Manager*” on page 59 of this Red Herring Prospectus.

#### **SIGNING OF UNDERWRITING AGREEMENT**

Our company has entered into an Underwriting Agreement dated March 06, 2026.

#### **FILING OF THE RED HERRING PROSPECTUS WITH THE ROC**

A copy of the Red Herring Prospectus and Prospectus will be filled with the ROC in terms of Section 26 of the Companies Act.

#### **EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL/ CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the issue on March 13, 2025.  
We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the issue on June 26, 2025.

The Company’s International Securities Identification Number (ISIN) is INE1RQS01010.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant’s identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.

- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading ‘Applicants Depository Account Details’ in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchange having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

## **TERMS OF PAYMENT**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs or Sponsor Bank will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs or Sponsor Bank.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the issue to facilitate collections from the Applicants.

## **PAYMENT MECHANISM**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal / rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- Individual Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal / failure of the issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI ICDR Regulations, all investors applying in a public issue shall use only Application Supported by Blocked Amount (“ASBA”) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (“SCSBs”) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹5,00,000, may use UPI.

## **PAYMENT BY STOCK INVEST**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.001/2003-04 dated November 05, 2003; the option to use the stock invest instrument in lieu of cheques or banks for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this issue.

## **PAYMENT INTO ESCROW ACCOUNT(S) FOR ANCHOR INVESTORS**

Our Company, in consultation with the BRLM, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid on the Issue through the ASBA process. Instead, Anchor Investors are required to transfer the Bid Amount (through direct credit, real-time gross settlement (“RTGS”), national automated clearing house (“NACH”) or national electronic fund transfer (“NEFT”) to the Escrow Account(s). For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favor of:

In case of resident Anchor Investors: “MERRITRONIX LIMITED-IPO ANCHOR RESIDENT ACCOUNT”; and  
In case of Non-Resident Anchor Investors: “MERRITRONIX LIMITED-IPO ANCHOR NON-RESIDENT ACCOUNT”.

Anchor Investors should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement between our Company and the Syndicate, if any the Escrow Collection Bank and the Registrar to the issue to facilitate collections of Bid amounts from Anchor Investors.

#### **PRE-ISSUE AND PRICE BAND ADVERTISEMENT**

Subject to Section 30 of the Companies Act, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Issue and price band advertisement, in the form prescribed by the SEBI ICDR Regulations, in (i) all editions of the Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and a Telugu editions of Mega Jyothi (a widely circulated Telugu daily newspaper, Telugu being the regional language of Telangana, where our registered office is located).

In the pre-Issue and price band advertisement, we shall state the Bid/ Issue Opening Date and the Bid/ Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI ICDR Regulations, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

#### **ALLOTMENT ADVERTISEMENT**

The Allotment Advertisement shall be uploaded on the websites of our Company, the BRLM and the Registrar to the Issue, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from the Stock Exchange where the Equity Shares are proposed to be listed, provided such final listing and trading approval from the Stock Exchange is received prior to 9:00 p.m. IST on that day. In the event, that the final listing and trading approval from the Stock Exchange is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from the Stock Exchange where the Equity Shares of the Issuer are proposed to be listed, then the Allotment Advertisement shall be uploaded on the websites of our Company, the BRLM and the Registrar to the Issue, following the receipt of the final listing and trading approval from the Stock Exchange.

Our Company, the BRLM and the Registrar to the Issue shall publish an allotment advertisement not later than one Working Day after the commencement of trading, disclosing the date of commencement of trading in all editions of the Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and Telugu editions of Mega Jyothi (a widely circulated Telugu daily newspaper, Telugu being the regional language of Telangana, where our registered office is located).

#### **ISSUANCE OF ALLOTMENT ADVICE**

On the Designated date, the SCSBs shall transfer the funds represented by allocation of equity shares into public issue account with the banker to the issue. Upon approval of the basis of the allotment by the Designated Stock Exchange, the Registrar to the issue shall upload the same on its website. On the basis of approved basis of allotment, the issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their respective depository participants to accept the equity shares that may be allotted to them pursuant to the issue. Pursuant to confirmation of such corporate actions the Registrar to the issue will dispatch allotment advice to the applicants who have been allotted equity shares in the issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the issue Closing Date. The issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

#### **DESIGNATED DATE**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

#### **NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorized employees of the Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **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 issued through the issue 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 10% of the Net Issue to the public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the Individual Investors, 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 the minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Individual Investors shall not be less than the minimum bid lots, subject to the availability of shares in the Individual Investors category, and the remaining available shares, if any, shall be allotted on a proportionate basis. 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 Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in Schedule XIII to the SEBI ICDR Regulations.

#### **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA)**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Applicants have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

#### **METHOD AND PROCESS OF APPLICATIONS**

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of 3 (three) Working Days and shall not exceed 10 (ten) Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue period not exceeding 10 (ten) Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediary will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this issue.
5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.
6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediary shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Intermediary shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount

mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When an Applicant revises his or her Application (in case of revision in the Price), he /she shall surrender the earlier Acknowledgement Slip and may request for a revised TRS from the relevant Designated Intermediary as proof of his or her having revised the previous Application.

10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue account. In case of withdrawal/ failure of the issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the issue.

#### **APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS:**

Please note that providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (**hereinafter referred to as 'Demographic Details'**). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **SUBMISSION OF APPLICATION FORM**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

#### **COMMUNICATIONS**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application is submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-issue or post-issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### **DISPOSAL OF APPLICATION AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY**

The Company shall ensure dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 1 (one) Working Day of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of necessary formalities for listing and commencement of trading at SME Platform of BSE ("BSE SME") where the Equity Shares are proposed to be listed are taken within 3 (Three) Working Days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 2 (two) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (two) Working Days of the Issue Closing Date, would be ensured; and

3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under the SEBI ICDR Regulations, the Companies Act and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

## **RIGHT TO REJECT APPLICATIONS**

In the case of QIB Applicants, the Company in consultation with the Book Running Lead Manager, may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In the case of Non-Institutional Applicants, Individual Investors who applied, the Company has a right to reject Applications based on technical grounds.

## **INVESTOR GRIEVANCE**

In case of any pre-issue or post-issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors may reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer to the chapter titled “*General Information- Company Secretary and Compliance Officer*” on page 59 of this Red Herring Prospectus.

In case of any delay in unblocking amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

## **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, 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 6 (six) months extending up to 10 (ten) years and fine of an amount not less than the amount involved in the fraud, extending up to three times such a 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 1% 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.

## **DEPOSITORY ARRANGEMENTS**

The Allotment of the Equity Shares in the issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed amongst our Company, the respective Depositories and the Registrar to the issue:

Agreement dated March 13, 2025 among NSDL, our Company and the Registrar to the issue.

Agreement dated June 26, 2025, among CDSL, our Company and Registrar to the issue.

Our Company's equity shares bear an ISIN No. INE1RQS01010.

## **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

1. That the complaints received in respect of the issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within 3 (three) Working Days from Issue closing date.
3. If our Company does not proceed with the issue after the issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the issue Closing Date. The public notice shall be issued in the same newspapers where the pre-issue and price band advertisement were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
4. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the issue by our Company;
5. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
6. That our Promoters' contribution in full has already been brought in;
7. That no further Issue of Equity Shares shall be made till the Equity Shares issued through the Red Herring Prospectus are listed or until the application monies are refunded on account of non-listing, under subscription etc.;
8. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
9. If our Company withdraws the issue after the issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange / RoC / SEBI, in the event our Company subsequently decides to proceed with the issue;
10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI Regulations and applicable law for the delayed period;
11. The certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and
12. None of the promoters or directors of the company are a wilful defaulter under Section 5(c) of SEBI ICDR Regulations.

#### **UTILISATION OF NET PROCEEDS**

The Board of Directors of our Company certifies that:

1. All monies received out of the issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40(3) of the Companies Act;
2. Details of all monies utilized out of the issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. Details of all unutilized monies out of the issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested;
4. Our Company shall comply with the requirements of SEBI LODR Regulations, in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue; and
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

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## 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. The responsibility of granting approval for foreign investment under the Consolidated FDI Policy and FEMA has been entrusted to the concerned ministries / departments.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. 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, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. Under the current FDI Policy, 100% foreign direct investment is permitted in the manufacturing sector, under the automatic route, subject to compliance with certain prescribed conditions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations, (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investor**”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future FDI 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. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sales occur.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

**The above information is given for the benefit of the Applicants. Our Company, and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

For further details, see “*Issue Procedure*” beginning on page 266 of this Red Herring Prospectus

## SECTION VIII - DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

### PRELIMINARY

Subject as hereinafter provided the Regulations contained in Table 'F' in Schedule I to the Companies Act, 2013 shall apply to the Company.

#### 1. INTERPRETATION

1. In these Regulations: -

- a) "The Act" means Companies Act, 2013
- b) "The Seal" means the Common Seal of the Company.

2. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

#### 2. SHARE CAPITAL AND VARIATION OF RIGHTS

1. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors 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. Further, provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, -

- a) one certificate for all his shares without payment of any charges; or
- b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) The Company agrees to issue certificates within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgment for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary.

(iii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iv) In respect of any 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 for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the Company.

4. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

### LIEN

9. (i) The Company shall have a first and paramount lien –
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

Every fully paid share shall be free from all lien and that in the case of partly paid shares the issuer's lien shall be restricted to moneys called or payable at fixed time in respect of such shares.

(ii) The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made -

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) 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.
12. (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like 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

**13.** (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

**14.** A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

**15.** The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

**16.** (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

**17.** (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

**18.** The Board -

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

### **TRANSFER OF SHARES**

**19.** (i) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

**20.** The Board may, subject to the right of appeal conferred by section 58 decline to register -

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the Company has a lien.

Provided however that the Company will not decline to register or acknowledge any transfer of shares 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.

(c) The common form of transfer shall be used by the Company.

**21.** The Board may decline to recognize any instrument of transfer unless -

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

### TRANSMISSION OF SHARES

23. (i) 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 persons recognised by the Company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either –

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided 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, 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 in respect of the share, until the requirements of the notice have been complied with.

27. In case of a One Person Company on the death of the sole member the person nominated by such member shall be the person recognised by the company as having title to all the shares of the member the nominee on becoming entitled to such shares in case of the members death shall be informed of such event by the Board of the company such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable on becoming member such nominee shall nominate any other person with the prior written consent of such person who shall in the event of the death of the member become the member of the company.

### FORFEITURE OF SHARES

28. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

29. The notice aforesaid shall –

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given

may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

31. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
32. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
- (ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
33. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
34. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment 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.

#### ALTERATION OF CAPITAL

35. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
36. Subject to the provisions of section 61, the Company may, by ordinary resolution, -
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
37. Where shares are converted into stock, -
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations 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.
- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- (c) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent

required by law, -

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

### **CAPITALISATION OF PROFITS**

**39.** (i) The company in general meeting may, upon the recommendation of the Board, resolve -

- (a) that it is desirable to capitalise 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 (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

A. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards -

- (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (b) 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;
- (c) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (b);
- (d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- (e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

**40.** (i) 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 capitalised thereby, and all allotments and issues of fully paid shares if any; and
- (b) generally, do all acts and things required to give effect thereto.

(ii) The Board shall have power --

- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
- (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 profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

(iv) Capital paid-up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.

### **BUY-BACK OF SHARES**

**41.** Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

### **GENERAL MEETINGS**

**42.** All general meetings other than annual general meeting shall be called extraordinary general meeting.

**43.** (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

### **PROCEEDINGS AT GENERAL MEETINGS**

44. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
45. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
46. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.
48. In case of a One Person Company the resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under section 118 such minutes book shall be signed and dated by the member the resolution shall become effective from the date of signing such minutes by the sole member.

### **ADJOURNMENT OF MEETING**

49. (i) 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.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) 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.
- (iv) 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**

50. Subject to any rights or restrictions for the time being attached to any class or classes of shares, -
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
52. (i) 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.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
53. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, 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.
54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
56. (i) 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.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### **PROXY**

57. 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 registered 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.

58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

59. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **BOARD OF DIRECTORS**

60. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

i. Unless otherwise determined by the Company in General Meeting the number of Directors of the Company shall not be less than three and not more than fifteen including the nominated technical or special Directors, additional, alternate and Debenture Directors if any.

ii. Following are the first Directors of the Company:

1. Sri D.Y.Das
2. Sri Prabhala N Sastry
3. Srimati Pattan Razia Begum

iii. The Directors are not required to hold qualification shares.

iv. Pursuant to Section 152 of the Act, not less than two-third of the total number of Directors (excluding the independent directors) of the Company shall be the persons whose period of office is liable to determination by retirement of directors by rotation and save as otherwise expressly provided in the Act and these Articles, be appointed by the Company in general meeting.

61. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them –

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

62. The Board may pay all expenses incurred in getting up and registering the company.

63. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

64. 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.

65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

66. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### **PROCEEDINGS OF THE BOARD**

67. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
68. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
69. 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.
70. (i) The Board may elect a chairperson of its meetings and determine the period for which he is to hold office.
- (ii) 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 directors present may choose one of their number to be Chairperson of the meeting.
71. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
72. (i) A committee may elect a Chairperson of its meetings.
- (ii) 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.
73. A committee may elect a Chairperson of its meetings.
- (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.
74. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
75. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
76. In case of a One Person Company where the company is having only one director all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118 such minute's book shall be signed and dated by the director the resolution shall become effective from the date of signing such minutes by the director.

**CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY  
OR CHIEF FINANCIAL OFFICER**

77. 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 think 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.

78. 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**

79. (i) The Board shall provide for the safe custody of the seal.

(ii) 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 authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors 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**

80. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

81. 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.

82. (i) 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, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

83. i) 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.

ii) 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.

iii) 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 dividend as from a particular date such share shall rank for dividend accordingly.

84. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

85. (i) 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.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

86. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

87. 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.

88. No dividend shall bear interest against the company.

Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law.

## ACCOUNTS

89. (i) 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.

(ii) 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

90. Subject to the provisions of Chapter XX of the Act and rules made thereunder –

(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

91. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## OTHERS

92.

***\*\*This set of Articles of association was adopted by the members through a special Resolution passed in the Extra Ordinary General Meeting of the Company held on 6<sup>th</sup> January, 2025.***

## SECTION IX - OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, will be delivered to the ROC for registration/submission of the Red Herring Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company and on our website at <https://www.merritronix.com/>, from date of filing of Red Herring Prospectus with ROC on all Working Days until the Bid/Issue Closing Date.

#### A. Material Contracts for the Issue

- (i) Issue Agreement dated February 11, 2026 entered between our Company and the Book Running Lead Manager.
- (ii) Registrar Agreement dated February 20, 2026 entered into amongst our Company and the Registrar to the Issue.
- (iii) Tripartite Agreement dated March 13, 2025 between our Company, NSDL and the Registrar to the Issue.
- (iv) Tripartite Agreement dated June 26, 2025 between our Company, CDSL and the Registrar to the Issue.
- (v) Banker to the Issue Agreement dated May 05, 2026 among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
- (vi) Market Making Agreement dated April 07, 2026 between our Company, Book Running Lead Manager and Market Maker.
- (vii) Underwriting Agreement dated March 06, 2026 amongst our Company and the Underwriters.
- (viii) Syndicate Agreement dated April 07, 2026, executed between our Company, Book Running Lead Manager and Syndicate Member.
- (ix) Sub-Syndicate Agreement dated April 07, 2026, executed between our Company, Book Running Lead Manager and Sub-Syndicate Member.
- (x) Monitoring Agreement dated May 08, 2026 amongst our company and Monitoring Agency.

#### B. Material Documents

- (i) Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
- (ii) Certificate of Incorporation dated October 14, 1988 under the Companies Act, 2013 issued by Registrar of Companies, Andhra Pradesh.
- (iii) Certificate of Registration of Regional Director order dated October 05, 2021 issued by the Registrar of Companies, Hyderabad, pursuant to the shifting of the Registered Office of the Company from the State of “*Andhra Pradesh*” to the State of “*Telangana*”, under the provisions of the Companies Act, 2013.
- (iv) Fresh Certificate of Incorporation dated February 07, 2025 under the Companies Act, 2013 issued by Central Processing Centre, consequent upon conversion of our Company from a private limited company to a public limited company and subsequent change of name to “*Merritronix LTD.*”.
- (v) Resolution of the Board of Directors dated January 16, 2026 in relation to the Issue.
- (vi) Shareholders’ resolution dated January 17, 2026 in relation to the Issue.
- (vii) Resolution of the Board of Directors of the Company dated March 26, 2026 taking on record and approving this Draft Red Herring Prospectus.
- (viii) The examination reports May 11, 2026 of the Statutory Auditor, on our Company’s Restated Financial Statements, included in this Red Herring Prospectus.

- (ix) Chartered Engineer’s Report dated May 14, 2026 issued by Axiom Valuations Services LLP, Independent Chartered Engineers, certifying the installed capacity, available capacity and capacity utilisation of the manufacturing unit of our Company.
- (x) Consent letter dated May 14, 2026 from Axiom Valuations Services LLP, Independent Chartered Engineers, consenting to the inclusion of their name and reference to their Chartered Engineer’s Report in this Red Herring Prospectus and other Offer Documents.
- (xi) Physical Search Report dated October 29, 2024 issued by LA & Associates, Practicing Company Secretaries, summarizing the contents and status of documents examined during the physical inspection of the records of our Company available at the office of the Registrar of Companies, Vijayawada, Andhra Pradesh, Ministry of Corporate Affairs.
- (xii) Physical Search Report dated January 11, 2025 issued by LA & Associates, Practicing Company Secretaries, summarizing the contents and confirming the status of charges, litigation, or other matters as applicable of our Company available at the office of the Registrar of Companies, Telangana.
- (xiii) Industry report titled “**Custom Report - India Electronics Manufacturing Services (EMS) Market**” which covers the study period from 2019 to 2030, with 2024 as the base year (the “Mordor Intelligence Report”) prepared and issued by Mordor Intelligence Private Limited (“Mordor Intelligence”), appointed by us, and exclusively commissioned and paid for by us in connection with the Issue
- (xiv) Consent letter dated March 23, 2026 from LA & Associates, Practicing Company Secretaries to include their names as experts in relation to their ROC search report dated March 23, 2026 confirming the status of charges, litigation, or other matters as applicable.
- (xv) Copies of the annual reports of our Company for the Fiscals 2025, 2024 and 2023.
- (xvi) Consent of the Promoters, Directors, the BRLM, Legal Counsel, Registrar to the Issue, Bankers to our Company, Monitoring agency, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.
- (xvii) Consent letter dated May 11, 2026 of the Statutory Auditor to include their names as experts in relation to their report dated May 11, 2026 on the Restated Financial Information and the Statement of Tax Benefits dated May 11, 2026 included in this Red Herring Prospectus.
- (xviii) Key Performance Indicator Certificate dated May 11, 2026 from the Statutory Auditor included in this Red Herring Prospectus;
- (xix) Site Visit Report of the Issuer Company dated January 08, 2026, issued by the BRLM;
- (xx) Due diligence certificate dated May 19, 2026 issued by Book Running Lead Manager;
- (xxi) In principle listing approvals dated April 30, 2026 issued by BSE Limited.
- (xxii) Resolution of the Board of Directors of the Company dated May 19, 2026 taking on record and approving the Red Herring Prospectus.
- (xxiii) Resolution of the Board of Directors of the Company dated [●] taking on record and approving the Prospectus.

Any of the contracts or documents mentioned in this 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 of the provisions contained in the Companies Act, 2013 and other relevant statutes.

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## DECLARATION

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Red Herring Prospectus are true and correct.

<p><b>SIGNED BY THE CHAIRPERSON AND EXECUTIVE DIRECTOR OF OUR COMPANY</b></p> <p>Sd/-</p> <p>_____</p> <p><b>Dovari Yesudas</b>  <b>Chairperson And Executive Director</b>  <b>(DIN: 01794872)</b></p> <p>Date: May 19, 2026  Place: Hyderabad</p>	<p><b>SIGNED BY THE MANAGING DIRECTOR OF OUR COMPANY</b></p> <p>Sd/-</p> <p>_____</p> <p><b>Dovari Amarnath</b>  <b>Managing Director</b>  <b>(DIN: 01265446)</b></p> <p>Date: May 19, 2026  Place: Hyderabad</p>
<p><b>SIGNED BY THE EXECUTIVE DIRECTOR OF OUR COMPANY</b></p> <p>Sd/-</p> <p>_____</p> <p><b>Kethan Chandra Darsy</b>  <b>Executive Director</b>  <b>(DIN: 09753724)</b></p> <p>Date: May 19, 2026  Place: Hyderabad</p>	<p><b>SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY</b></p> <p>Sd/-</p> <p>_____</p> <p><b>Ravi Bandreddi</b>  <b>Independent Director</b>  <b>(DIN: 07406992)</b></p> <p>Date: May 19, 2026  Place: Hyderabad</p>
<p><b>SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY</b></p> <p>Sd/-</p> <p>_____</p> <p><b>Sridevi Madati</b>  <b>Independent Director</b>  <b>(DIN: 02446610)</b></p> <p>Date: May 19, 2026  Place: Hyderabad</p>	<p><b>SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY</b></p> <p>Sd/-</p> <p>_____</p> <p><b>Ramalakshmana Rao Pavuluri</b>  <b>Independent Director</b>  <b>(DIN: 01852484)</b></p> <p>Date: May 19, 2026  Place: Hyderabad</p>
<p><b>SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY</b></p> <p>Sd/-</p> <p>_____</p> <p><b>Kethan Chandra Darsy</b>  <b>Chief Financial Officer</b></p> <p>Date: May 19, 2026  Place: Hyderabad</p>	<p><b>SIGNED BY THE COMPANY SECRETARY &amp; COMPLIANCE OFFICER OF OUR COMPANY</b></p> <p>Sd/-</p> <p>_____</p> <p><b>Swathi Mandava</b>  <b>Company Secretary &amp; Compliance Officer</b></p> <p>Date: May 19, 2026  Place: Hyderabad</p>