DRAFT RED HERRING PROSPECTUS
Dated May 22, 2025
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
Please read section 32 of the Companies Act, 2013
100% Book Built Offer

KANODIA CEMENT LIMITED
CORPORATE IDENTITY NUMBER: U36912UP2009PLC037903

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	Email and Telephone	Website
D-19, UPSIDC Land Industrial Area, Sikandrabad, Bulandshahr, Uttar Pradesh, 203205, India	A-21, Sector-16, Gautam Buddha Nagar, Noida Uttar Pradesh, 201301 India	Shikha Mehra Chawla Company Secretary and Compliance Officer	**E-mail**: ipo@kanodiagroup.co.in **Tel**: 0120-4561670	www.kanodiacement.co.in

PROMOTERS OF OUR COMPANY: VISHAL KANODIA, NUPOOR KANODIA BENEFICIARY TRUST AND TRISH KANODIA BENEFICIARY TRUST

DETAILS OF THE OFFER

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIB, NII & RII
Offer for Sale	Not Applicable	Up to 14,913,930 Equity Shares of face value of ₹ 10 each aggregating up to ₹[●] million	Up to 14,913,930 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“**SCRR**”) read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations. For further details, see “*Other Regulatory and Statutory Disclosures - Eligibility for the Offer”* on page 413. For details in relation to share reservation amongst QIBs, Non-Institutional Bidders, and RIIs see “*Offer Structure”* on page 430.

DETAILS OF THE OFFER FOR SALE

NAME OF THE SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH BEING OFFERED/AMOUNT	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
Nupoor Kanodia Beneficiary Trust	Promoter Selling Shareholder	8,191,170	18.00
Gautam Kanodia	Promoter Group Selling Shareholder	4,477,370	11.19
Swati Kanodia	Individual Selling Shareholder	2,242,660	4.70
Gautam Kanodia HUF	Promoter Group Selling Shareholder	2,730	18.20

**As certified by Singhi & Co., Chartered Accountants, by way of their certificate dated May 22, 2025*

RISKS IN RELATION TO FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Offer Price, Floor Price or Price Band as determined by our Company in consultation with the Book Running Lead Managers (“**BRLMs**”) and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “*Basis for Offer Price*” on page 112, should not be considered

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to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and /or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of our Company and this Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 30.

THE COMPANY'S AND THE SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and this Offer, which is material in the context of this Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspect s and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only the statements specifically made by such Selling Shareholder in this Draft Red Herring Prospectus solely in relation to itself and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each of the Selling Shareholders assumes no responsibility, as a Selling Shareholder, for any other statement in this Draft Red Herring Prospectus, including, inter alia, any of the statements made by or relating to our Company or any other Selling Shareholder or any other persons(s).

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of this Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered to the Registrar of Companies, Uttar Pradesh at Kanpur("**RoC**") for filing in accordance with Section 26(4) and Section 32 of the Companies Act.

BOOK RUNNING LEAD MANAGERS

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
ANANDRATHI INVESTMENT BANKING **ANAND RATHI ADVISORS LIMITED**	Arpan Tandon/Sailesh Jalan	**Tel:** +91 22 4047 7120 **E-mail:** kcl.ipo@rathi.com
IIFL CAPITAL **IIFL CAPITAL SERVICES LIMITED (FORMERLY KNOWN AS IIFL SECURITIES LIMITED)**	Mansi Sampat/Pawan Kumar Jain	**Tel:** +91 22 4646 4728 **E-mail:** kanodia.ipo@iiflcap.com
ONEVIEW CORPORATE ADVISORS **ONEVIEW CORPORATE ADVISORS PRIVATE LIMITED**	Alka Mishra	**Tel:** +91 22 4347 2247 **E-mail:** ipo.kanodia@oneviewadvisors.com

REGISTRAR TO THE OFFER

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
MUFG MUFG Intime **MUFG INTIME INDIA PRIVATE LIMITED (*formerly known as Link Intime India Private Limited*)**	Shanti Gopalkrishnan	**Tel:** +91 8108114949 **E-mail:** kanodiacement.ipo@in.mpms.mufg.com

BID/OFFER PROGRAMME

ANCHOR INVESTOR BIDDING DATE*	[●]	**BID/OFFER OPENS ON**	[●]	**BID/OFFER CLOSES ON****	[●]***

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

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

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

DRAFT RED HERRING PROSPECTUS
Dated May 22, 2025
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KANODIA CEMENT LIMITED

Our Company was originally incorporated as 'Kanodia Cement Limited' at Varanasi, Uttar Pradesh as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated August 3, 2009, issued by the Deputy Registrar of Companies, Uttar Pradesh and Uttarakhand at Kanpur. Our Company received the certificate of commencement of business under Section 149(2)(a) to (c) of the Companies Act, 1956 issued by the RoC on September 1, 2009. For further details, see "*History and Certain Corporate Matters*" on page 245.

Registered Office: D-19, UPSIDC Land Industrial Area, Sikandrabad, Bulandshahr, Uttar Pradesh, 203205 India; **Tel**: 05735-297200
Corporate Office: A-21, Sector-16, Gautam Buddha Nagar, Noida Uttar Pradesh, 201301 India; **Tel**: 0120-4561670
Website: www.kanodiacement.co.in; **Contact Person**: Shikha Mehra Chawla, Company Secretary and Compliance Officer;
E-mail: ipo@kanodiagroup.co.in
Corporate Identity Number: U36912UP2009PLC037903

PROMOTERS OF OUR COMPANY: VISHAL KANODIA, NUPOOR KANODIA BENEFICIARY TRUST AND TRISH KANODIA BENEFICIARY TRUST

INITIAL PUBLIC OFFERING OF UP TO 14,913,930 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF KANODIA CEMENT LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 10 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER"). THE OFFER COMPRISES OF AN OFFER FOR SALE OF UP TO 14,913,930 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "OFFERED SHARES") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER FOR SALE"), COMPRISING UP TO 8,191,170 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY NUPOOR KANODIA BENEIFICARY TRUST, UP TO 4,477,370 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY GAUTAM KANODIA, UP TO 2,242,660 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY SWATI KANODIA AND UP TO 2,730 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY GAUTAM KANODIA HUF (COLLECTIVELY THE "SELLING SHAREHOLDERS"). THE OFFER WILL CONSTITUTE [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI DAILY NEWSPAPER, HINDI BEING THE REGIONAL LANGUAGE OF UTTAR PRADESH WHERE OUR REGISTERED AND CORPORATE OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI ICDR REGULATIONS").

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

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("**QIBs**" and such portion, the "**QIB Portion**"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors (the "**Anchor Investor Allocation Price**"). In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. One-third of the Non-Institutional Portion shall be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Portion shall be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹1.00 million provided that under-subscription in either of these two sub-categories of the Non-Institutional Portion may be allocated to Non-Institutional Bidders in the other sub-category of Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders (except Anchor Investors) are mandatorily required to participate in the Offer through the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA accounts and UPI ID in case of UPI Bidders, as applicable, pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "*Offer Procedure*" on page 433.

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RISKS IN RELATION TO FIRST OFFER
This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Offer Price, Floor Price or Price Band as determined by our Company in consultation with the BRLMs and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "*Basis for Offer Price*" on page 112, 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 and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.
GENERAL RISKS
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and this Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 30.
THE COMPANY'S AND THE SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and this Offer, which is material in the context of this Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each of the Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only the statements specifically made by such Selling Shareholder in this Draft Red Herring Prospectus solely in relation to itself and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each of the Selling Shareholders assumes no responsibility, as a Selling Shareholder, for any other statement in this Draft Red Herring Prospectus, including, inter alia, any of the statements made by or relating to our Company or any other Selling Shareholder or any other persons(s).
LISTING
The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of this Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013.

BOOK RUNNING LEAD MANAGERS			**REGISTRAR TO THE OFFER**
ANAND RATHI ADVISORS LIMITED 11th Floor, Times Tower, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai 400013 **Tel:** +91 22 4047 7120 **E-mail:** kcl.ipo@rathi.com **Investor Grievance e-mail:** grievance.ecm@rathi.com **Website:** www.anandrathiib.com **Contact person:** Arpan Tandon/Sailesh Jalan **SEBI Registration No.:** INM000010478	**IIFL CAPITAL SERVICES LIMITED** ***(formerly known as IIFL Securities Limited)*** **Address:** 24th Floor, One Lodha Place, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, Maharashtra, India **Tel:** +91 22 4646 4728 **E-mail:** kanodia.ipo@iiflcap.com **Investor grievance e-mail:** ig.ib@iiflcap.com **Website:** www.iiflcap.com **Contact person:** Mansi Sampat/Pawan Kumar Jain **SEBI registration no.**: INM000010940	**ONEVIEW CORPORATE ADVISORS PRIVATE LIMITED** **Address:** Bajaj Bhawan, Room No. 111, 11th Floor, Nariman Point, Mumbai -400021 **Tel:** +91 22 4347 2247 **E-mail:** ipo.kanodia@oneviewadvisors.com **Investor grievance e-mail:** investorgrievance@oneviewadvisors.com **Website:** www.oneviewadvisors.com **Contact person:** Alka Mishra **SEBI registration no.:** INM 000011930	**MUFG INTIME INDIA PRIVATE LIMITED (*formerly known as Link Intime India Private Limited*)** C 101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli (West), Mumbai 400 083 Maharashtra, India **Tel**: +91 22 4918 6200 **E-mail:** kanodiacement.ipo@in.mpms.mufg.com **Investor grievance e-mail**: kanodiacement.ipo@in.mpms.mufg.com **Website**: www.linkintime.co.in **Contact person:** Shanti Gopalkrishnan **SEBI Registration No.**: INR000004058

BID/OFFER PROGRAMME		
BID/ OFFER OPENS ON: *		**[●]**
BID/ OFFER CLOSES ON: **		**[●]*****

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

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

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

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

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

The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms in the SEBI Act, SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Further, the Offer related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document.

Notwithstanding the foregoing, the terms used in "*Industry Overview*", "*Statement of Special Tax Benefits*", "*Other Financial Information*", "*Basis for Offer Price*", "*History and Certain Corporate Matters*", "*Financial Indebtedness*", "*Outstanding Litigation and Material Developments*", "*Offer Procedure*", "*Key Regulations and Policies*", and "*Main Provision of the Articles of Association*" on pages 131, 123, 365, 112, 245, 398, 400, 433, 240 and 452 respectively, shall have the meaning ascribed specifically to such terms in the relevant sections.

General Terms

Term	Description
"the Company", "our Company", or "the Issuer"	Kanodia Cement Limited, a company incorporated under the Companies Act, 1956, having its registered office at D-19, UPSIDC Land Industrial Area, Sikandrabad, Bulandshahr, Uttar Pradesh, 203205, India
"we", "our" or "us"	Unless the context otherwise indicates or implies our Company together with its Subsidiaries as applicable, as at and during the relevant period / Fiscal/ Financial Year.

Company Related Terms

Term	Description
"Articles" or "Articles of Association" or "AoA"	The articles of association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Board constituted in accordance with the Companies Act and the SEBI Listing Regulations, as described in "*Our Management- Committees of our Board of Directors*" on page 260.
"Auditors" or "Statutory Auditors"	M/s Singhi & Co., Chartered Accountants, current statutory auditor of our Company.
"Board" or "Board of Directors"	The board of directors of our Company (including any duly constituted committee thereof).
"Chairman and Managing Director"	Chairman and Managing Director of our Company, namely Vishal Kanodia. For details, see "*Our Management*" on page 253.
Chief Financial Officer and Executive Director	The Chief Financial Officer and Executive Director of our Company, namely Roop Narain Maloo. For details, see "*Our Management*" on page 253
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Shikha Mehra Chawla. For details, see "*Our Management*" on page 253.
"Corporate Office"	The current corporate office of our Company, located at A-21, Sector-16, Gautam Buddha Nagar, Noida Uttar Pradesh, 201301 India.
Corporate Social Responsibility Committee	Corporate social responsibility committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in "*Our Management*" on page 253
CRISIL MI&A	CRISIL Market Intelligence & Analytics, a division of CRISIL Limited
CRISIL	Credit Rating Information Services of India Limited.
CRISIL Report	Report titled *Market Review of Indian Cement Sector* dated May 22, 2025 prepared and issued by CRISIL Market Intelligence & Analytics ("**CRISIL**") available on our website at https://www.kanodiacement.co.in/ipo.
Director(s)	The director(s) on our Board. For further details, see "*Our Management – Board of Directors*" on page 253.
Equity Shares	The equity shares of our Company of face value of ₹ 10 each.
ESOP Scheme	KCL Employee Stock Options Scheme 2025
Executive Director(s)	Executive director(s) on our Board. For further details, see "*Our Management – Board of Directors*" on page 253.
Expert	The Experts as defined under section 2(38) of the Companies Act, 2013
Group Company(ies)	The company(ies) identified as 'group company' in accordance with Regulation 2(1)(t) of the SEBI ICDR Regulations, namely:

Term	Description
	a. Midpoint Commodeal Private Limited b. Hygiene Plus Limited (formerly known as Hygiene Plus Private Limited) c. Sunup Build Private Limited d. Kanodia Reality Private Limited (formerly known as Sapnasudhansh Infosystem Private Limited) e. Building Paradise Private Limited f. Real Value Agrotech Project Private Limited g. Kanodia Hi-Tech Private Limited h. Blossom Realcon Private Limited i. Fair Hygiene Private Limited j. Trends Advisory Private Limited k. Kanodia Team Private Limited l. Amaestro Media Private Limited m. Leoline Developers Private Limited n. Anadi Infotainment Private Limited o. Sunup Infra Reality Private Limited p. Easy Cargo Solutions Private Limited For further details, see "*Our Group Companies*" on page 274.
Individual Selling Shareholder	Swati Kanodia
IPO Committee	The IPO committee of our Board comprising Vishal Kanodia, Roop Narain Maloo and Preeti
KCPL	Kanodia Cem Private Limited
"Key Managerial Personnel" or "KMP"	Key managerial personnel of our Company in accordance with Regulation 2(1) (bb) of the SEBI ICDR Regulations and section 2(51) of the Companies Act, 2013 as disclosed in "*Our Management*" on page 253.
KIL	Kanodia Infratech Limited
Materiality Policy	Policy for identification of Group Companies, material outstanding litigation involving our Company, our Subsidiaries, our Promoters, our Key Managerial Personnel, our Senior Management, our Directors and our Group Companies, and material creditors of the Company, pursuant to the disclosure requirements under SEBI ICDR Regulations, as adopted by the Board through its resolution dated March 22, 2025.
Memorandum of Association or MOA	The memorandum of association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013, the Listing Regulations and guidelines issued by the RBI from time to time and, as described in "*Our Management - Committees of our Board of Directors*" on page 260.
Non-executive Independent Director(s)	Non-executive independent directors of our Company, as described in "*Our Management- Board of Directors*" on page 253.
Promoters	Our Promoters, Vishal Kanodia, Nupoor Kanodia Beneficiary Trust and Trish Kanodia Beneficiary Trust
Promoter Selling Shareholder	Nupoor Kanodia Beneficiary Trust
Promoter Group	The entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details, see "*Our Promoters and Promoter Group*" on page 270.
Promoter Group Selling Shareholders	Gautam Kanodia and Gautam Kanodia HUF
Promoter Trusts	Nupoor Kanodia Beneficiary Trust and Trish Kanodia Beneficiary Trust
Registered Office	Registered office of our Company located at D-19, UPSIDC Land Industrial Area, Sikandrabad, Bulandshahr, Uttar Pradesh, 203205 India
"Registrar of Companies" or "RoC"	The Registrar of Companies, Uttar Pradesh at Kanpur.
Restated Consolidated Financial Information	Restated consolidated financial information of our Company and its Subsidiaries, comprising the Restated Consolidated Statement of Assets and Liabilities as at December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the nine months ended December 31, 2024, and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the summary statement of material accounting policies, and other explanatory information
Risk Management Committee	The Risk Management Committee of our Board comprising Vishal Kanodia, Roop Narain Maloo, and Preeti.
Selling Shareholders	Collectively, the Promoter Selling Shareholder, Individual Selling Shareholder and Promoter Group Selling Shareholders.
Senior Management	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations, as disclosed in "*Our Management*" on page 253.
Shareholders	The holders of the Equity Shares from time to time.
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations as described in "*Our Management- Committees of our Board of Directors*" on page 260.

Term	Description
Subsidiary(ies)/Wholly-owned Subsidiary(ies)	The subsidiaries/wholly-owned subsidiaries of our Company as on the date of this Draft Red Herring Prospectus, being Kanodia Cem Private Limited and Kanodia Infratech Limited, as disclosed in "*History and Certain Corporate Matters – Our Subsidiaries*" on page 247.

Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this regard.
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary (ies) to the Bidder as proof of registration of the Bid cum Application Form.
"Allot' or "Allotment" or 'Allotted"	Allotment of Equity Shares pursuant to the transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders.
Allotment Advice	Advice or intimation of Allotment sent to the Bidders who have bid in the Offer after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom an Allotment is made.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with SEBI ICDR Regulations and the Red Herring Prospectus, and who has Bid for an amount of at least ₹ 100 million.
Anchor Investor Allocation Price	The final price at which Equity Shares will be allocated to Anchor Investors on the Anchor Investor Bidding Date according to the terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the BRLMs.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
"Anchor Investor Bid/ Offer Period" or "Anchor Investor Bidding Date"	The date, one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	The price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLMs.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/ Offer Closing Date.
"ASBA" or "Application Supported by Blocked Amount"	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount the relevant ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of the UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders, for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder linked to a UPI ID, which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidders using the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Bidder(s)	Any Bidder (other than an Anchor Investor) in the Offer who intends to submit a Bid.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Offer Account Bank(s) and "the Sponsor Bank(s), as the case may be.
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, described in "*Offer Procedure*" on page 433.
Bid(s)	An indication by a Bidder (other than an Anchor Investor) to make an offer during the Bid/Offer Period pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor Investor Application Form, to subscribe to or purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form.

Term	Description
	The term 'Bidding' shall be construed accordingly.
Bid Amount	In relation to each Bid, the highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
"Bidder" or "Applicant"	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, *i.e.*, Designated SCSB Branches for SCSBs, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Lot	[●] Equity Shares of face value of ₹ 10 each.
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and in all editions of [●], a Hindi daily newspaper with wide circulation (Hindi also being the regional language of Uttar Pradesh, where our Registered Office is located), each with wide circulation, and in case of any revision, the extended Bid/Offer Closing Date shall also be notified on the website and terminals of the Members of the Syndicate and communicated to the designated intermediaries and the Sponsor Banks, as required under the SEBI ICDR Regulations. Our Company in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and in all editions of [●], a Hindi daily newspaper with wide circulation (Hindi also being the regional language of Uttar Pradesh, where our Registered Office is located), each with wide circulation, and in case of any revision, the extended Bid/ Offer Opening Date also to be notified on the website and terminals of the Members of the Syndicate and communicated to the Designated Intermediaries and the Sponsor Banks, as required under the SEBI ICDR Regulations.
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and in accordance with the terms of the Red Herring Prospectus and this Prospectus. The Bidding was kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors
Book Building Process	The book building process provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
"Book Running Lead Managers" or "BRLMs"	The book running lead managers to the Offer, being Anand Rathi Advisors Limited, IIFL Capital Services Limited (formerly known as IIFL Securities Limited) and Oneview Corporate Advisors Private Limited.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker (in case of UPI Bidders, only using UPI Mechanism). The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. Cap Price shall be at least 105% of the Floor Price and shall not exceed 120% of the Floor Price.
Cash Escrow and Sponsor Banks Agreement	The agreement dated [●] amongst our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, Syndicate Members, the Escrow Collection Bank(s), the Public Offer Account Bank(s), the Sponsor Banks, and the Refund Bank(s) for among other things, collection of the Bid Amounts from the Anchor Investors and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof.
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account.
"CDP" or "Collecting Depository Participant"	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 and the UPI Circulars, and as per the list available on the websites of BSE and NSE.

Term	Description
Collecting Registrar and Share Transfer Agents / CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Circulars of Streamlining of Public Issues/UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI RTA Master Circular (to the extent that it pertains to the UPI Mechanism), SEBI ICDR Master Circular, along with the circulars issued by the Stock Exchanges in this regard, including the circular issued by the NSE having reference no. 25/2022 dated August 3, 2022, and the circular issued by BSE having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard.
Cut-Off Price	Offer Price, which shall be any price within the Price Band, finalised by our Company in consultation with the BRLMs. Only Retail Individual Bidders bidding in the Retail Portion are entitled to Bid at the Cut- off Price. QIBs (including Anchor Investor) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidders' address, name of the Bidders' father/husband, investor status, occupation, bank account details and UPI ID, wherever applicable.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Bidders (other than Anchor Investors) can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively,) as updated from time to time.
Designated Date	The date on which the Escrow Collection Bank(s) transfers funds from the Escrow Account(s) to the Public Offer Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UP Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus following which the Equity Shares will be Allotted in the Offer
Designated Intermediary(ies)	In relation to ASBA Forms submitted by Retail Individual Bidders by authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder, as the case may be, using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub- Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub- Syndicate/agents, SCSBs, Registered Brokers, the CDPs and RTAs.
Designated RTA Locations	Such locations of the RTAs where Bidders (other than Anchor Investors) can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively,) as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms used by the Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId= 35, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	[●]
"Draft Red Herring Prospectus or DRHP"	This draft red herring prospectus dated May 22, 2025, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto.
Document Repository Platform	An online repository of the stock exchanges established pursuant to the SEBI circular dated December 5, 2024 (SEBI/HO/CFD/CFD-TPD-1/CIR/2024/170).
Eligible FPIs	FPIs from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered thereby
Eligible NRI	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe to or purchase the Equity Shares.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank and in whose favour Anchor Investors will transfer the money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount while submitting a Bid.

Term	Description
Escrow Collection Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Escrow Account(s) will be opened, in this case being [●].
First or sole Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted.
Fraudulent Borrower	Fraudulent borrower declared by any lending banks, financial institution or consortium, in accordance with the terms of the 'Master Directions on Frauds –Classification and Reporting by commercial banks and select FIs' dated July 1, 2016, as updated, issued by the RBI
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
"General Information Document" or "GID"	The General Information Document for investing in public offers, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020, issued by SEBI, suitably modified and updated pursuant to, among others, the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 issued by SEBI.
IIFL	IIFL Capital Services Limited (formerly known as IIFL Securities Limited)
"Maximum RIB Allottees"	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot.
Minimum Non-Institutional Bidder Application Size	Bid for [●] Equity Shares for an amount of more than ₹0.20 million in the specified lot size
Mutual Fund Portion	[●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	Proceeds of the Offer less Offer expenses. For further details about use of the Net Proceeds and the Offer related expenses, see "*Objects of the Offer"* on page 110.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
"NBFC-SI" or "Systemically Important Non-Banking Financial Company"	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Non-Institutional Bidders	Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 0.20 million.
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer comprising [●] Equity Shares which shall be available for allocation to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price, in the following manner: (a) one third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million; (b) two third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 1.00 million: 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 Bidders.
"Non-Resident" or "NR"	A person resident outside India, as defined under FEMA and includes FPIs, VCFs, FVCIs and NRIs.
Offer	The initial public offering of up to 14,913,930 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] million comprising of the Offer for Sale.
Offer Agreement	The agreement dated May 22, 2025, among our Company, the Selling Shareholders, the BRLMs, pursuant to which certain arrangements are agreed in relation to the Offer.
Offer for Sale	The offer for sale of up to 14,913,930 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] million.
Offer Price	The final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company, in consultation with the BRLMs in terms of the Red Herring Prospectus and the Prospectus. The Offer Price will be decided by our Company, in consultation with the BRLMs on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus and the Prospectus.
Offered Shares	Up to 14,913,930 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] million comprising of the Offer for Sale.
Offer Proceeds	The proceeds of the Offer for Sale which shall be available to the Selling Shareholders.
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (i.e., the Floor Price) and the maximum price of ₹[●] per Equity Share (i.e., the Cap Price), including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in

Term	Description
	consultation with the BRLMs, and shall be notified in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper with wide circulation (Hindi also being the regional language of Uttar Pradesh, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective website.
Pricing Date	The date on which our Company, in consultation with the BRLMs, will finalise the Offer Price.
Prospectus	The Prospectus to be filed with the RoC, Uttar Pradesh at Kanpur after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account	The bank account opened with the Public Offer Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date.
Public Offer Account Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Offer Account(s) will be opened, in this case being [●].
"QIBs" or "Qualified Institutional Buyers"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIB Bidders	QIBs who Bid in the Offer.
QIB Category/QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer consisting of not more than [●] Equity Shares of face value of ₹ 10 each which shall be available for allocation to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors)
QIB Bid/ Offer Closing Date	In the event our Company in consultation with the BRLMs, decide to close Bidding by QIBs one day prior to the Bid/Offer Closing Date, the date one day prior to the Bid/Offer Closing Date; otherwise, it shall be the same as the Bid/Offer Closing Date.
"Red Herring Prospectus" or "RHP"	The Red Herring Prospectus dated [●] 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 offered and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
Refund Bank	The Banker to the Offer with whom the Refund Account(s) will be opened, in this case being [●].
Registrar Agreement	The agreement dated May 21, 2025, entered into between our Company, the Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registered Brokers	Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI.
"Registrar to the Offer" or "Registrar"	MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited)
"RTAs" or "Registrar and Share Transfer Agents"	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Resident Indian	A person resident in India, as defined under FEMA.
"Retail Individual Bidder(s)" or "Retail Individual Investor(s)" or 'RII(s)' or "RIB(s)"	Individual Bidders, who have Bid for the Equity Shares for an amount which is not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRI Bidders) and does not include NRIs (other than Eligible NRIs).
Retail Portion	The portion of the Offer being not less than 35% of the Offer comprising [●] Equity Shares of face value of ₹ 10 each, which shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date.
SEBI RTA Master Circular	SEBI master circular bearing number SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024
"Self-certified Syndicate Bank(s)" or "SCSB(s)"	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at https:/www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId= 34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to Bidders using the UPI Mechanism, a list of which is available on the website

Term	Description
	of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list shall be updated on SEBI website.
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement, namely [●].
Share Escrow Agreement	The agreement dated [●] between our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment.
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders.
Specified Securities	Specified securities as defined under Regulation 2(eee) of the SEBI ICDR Regulations, 2018.
Sponsor Banks	Banks registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the UPI Bidders using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars., the Sponsor Banks in this case being [●].
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated [●] between our Company, the Registrar to the Offer, the Selling Shareholders, the BRLMs and the Syndicate Members in relation to the procurement of Bid cum Application Forms by the Syndicate.
Syndicate Members	Syndicate members as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations, namely, [●].
"Syndicate" or "Members of the Syndicate"	The BRLMs and the Syndicate Members.
Underwriters	[●]
Underwriting Agreement	The agreement dated [●] between the Underwriters, our Company and the Selling Shareholders, entered into on or after the Pricing Date but prior to filing of the Red Herring Prospectus or the Prospectus with the RoC, as applicable.
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion and (ii) Non-Institutional Bidders with a Bid Amount of up to ₹0.50 million in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Forms(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 ₹ 0.50 million using UPI Mechanism, shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circulars	SEBI RTA Master Circular(to the extent it pertains to UPI), SEBIICDR Master Circular, read with circular issued by NSE having reference number 25/2022 dated August 3, 2022 and the notice issued by BSE having reference number 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard from time to time
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI application and by way of a SMS directing the UPI Bidder to such UPI application) to the UPI Bidder initiated by the Sponsor Banks to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment in accordance with the SEBI ICDR Master Circular, as updated from time to time
UPI Mechanism	The bidding mechanism that may be used by an UPI Bidder to make a Bid in the Offer in accordance with UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day	All days on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid/ Offer Period, the expression "Working Day" shall mean all days on which commercial banks in Mumbai are open for business, excluding all Saturdays, Sundays or public holidays; and (c) with reference to the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression

Term	Description
	'Working Day' shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, in terms of the circulars issued by SEBI, including the UPI circulars.

Technical/ Industry Related Terms/ Abbreviations

Term	Description
Actual Production (MT)	The internal production record for the period during which the manufacturing facilities operate in a fiscal year expected operations, availability of raw materials, downtime resulting from unscheduled breakdowns, as well as expected operational efficiencies.
Basic EPS	PAT for the period/year divided by the weighted average number of shares
BIS	Bureau of Indian Standards.
Blaine's apparatus	Instrument to measure the particle size of powdery products like cement.
Business-to-Consumer Model	Our business-to-consumer model of production and marketing of our own consumer brands.
CAGR	Compounded annual growth rate
Capacity Utilisation	Total cement saleable production divided by the installed grinding capacity available during the period/year, which is prorated based on the date of commissioning/operating time during the period
Cement Deficit Regions	The states of Uttar Pradesh and Bihar, where the demand of cement is higher than its supply and the deficit is met through inflow of cement from the surrounding states.
Cement Volume Sold	total volume of cement sold by us during the year/period
Cement Realisation per Tonne	Sum of revenue from sale of cement divided by total cement sales
Clinker	Clinker is manufactured by burning limestone and clay together at a high temperature. Clinker is an intermediary product required in the manufacturing process of cement.
Clinker to Cement Ratio	Computed as Clinker consumed divided by Cement Saleable Production.
Contract Manufacturing Model	Our business-to-business model of manufacturing cement for other brands.
Cost of Sales per tonne	Revenue from operations minus operating EBITDA divided by total cement sales
Composite Cement	Cement manufactured by grinding clinker with granulated slag, fly ash and gypsum.
Dealers	Non-exclusive dealers with whom the Company enters into a dealership agreement with for the distribution of their products in the trade channel.
DBFO	Design, Build, Finance and Operate basis
ECI	Eligible capital investment
EOI	Expression of interest.
EPC	Engineering, procurement, and construction contracts undertaken by private sector companies for construction works on large-scale and complex infrastructure projects.
ESG	Environmental, social and governance framework
Fixed Asset Turnover Ratio	Fixed Asset Turnover Ratio is computed by dividing total sales by average total fixed assets (including right of use assets). Average total fixed assets is calculated by taking the average of the opening and closing balances of the same.
FVTPL	Fair value loss arising from financial asset and liability designated as fair value through profit and loss account.
Greenfield expansion	The expansion of overall installed capacities through setting up a new location
HDPE	High-density polyethylene.
IUs	A plant comprising a grinding unit and clinker unit.
Installed Grinding Capacity	Installed Grinding Capacity is computed as effective grinding capacity available during the period/year which is prorated based on commissioning/operating time during the period
KCL Sikandrabad	KCL Sikandrabad shall mean KCL Sikandrabad Unit 1, KCL Sikandrabad Unit 2 and KCL Sikandrabad Unit 3.
KCL Sikandrabad Unit 1	Our SGUs located at D-19 and D-18, UPSIDC Land Industrial Area, Sikandrabad, Gopalpur, Bulandshahr, Uttar Pradesh, 203205 India
KCL Sikandrabad Unit 2	Our SGU located at C-57, UPSIDC Land Industrial Area, Sikandrabad, Gopalpur, Bulandshahr, Uttar Pradesh, 203205 India
KCL Sikandrabad Unit 3	Our SGU located at D-22, UPSIDC Land Industrial Area, Sikandrabad, Gopalpur, Bulandshahr, Uttar Pradesh, 203205 India
KIL Bhabua Unit	Our SGU located at Kurari Karmnasa, Dugrawati Kaimur, Bhabua, Bihar – 821105
KCPL Unit 1 Amethi	Our SGU located at Gata No. 1140, 1142, Village-Nagardeeh, Post-Bhadar, Amethi, UP – 227405
MT	Metric tonnes
MMT	Million metric tonnes
MTPA	Milliontonnes per annum
MMTPA	Million metric tonnes per annum
Net Asset Value per Share	is computed as total equity attributable to owners of the Company divided by weighted average number of shares considered for computing EPS
Net Debt	Net Debt is computed as long-term borrowing plus short-term borrowings minus cash and cash equivalents, other bank balances, current investments and other non-current financial assets (Bank Deposits with remaining maturity of more than twelve months).
Net Debt to Operating EBITDA	Net Debt to Operating EBITDA is calculated as net debt divided by operating EBITDA (excluding Non- Operating Income)
Net Debt to Total Equity	Net Debt to Total Equity is calculated as the net debt divided by the total equity

Term	Description
OPC	Ordinary portland cement. This is a type of cement which is manufactured by inter-grinding gypsum and clinker
Operating EBITDA (excluding Non-Operating Income)	Operating EBITDA (excluding Non- Operating Income) is calculated as restated Profit / (Loss) before share of profit / loss of Joint Ventures & Associates, Exceptional items and Tax minus other Income plus Finance Costs and Depreciation & Amortization expense
Operating EBITDA (excluding Non-Operating Income) Margin	Operating EBITDA (Excl. Non- Operating Income) Margin is computed by dividing Operating EBITDA (Excl. Non- Operating Income) with revenue from operations * 100
Operating EBITDA (excluding Non-Operating Income) per Tonne	Operating EBITDA (Excl. Non- Operating Income) per Tonne is computed by dividing operating EBITDA by total cement sales
PAT	PAT is the restated profit for the period/year as per restated financial statements
PAT Margin	PAT Margin is the restated is profit for the period/year divided by revenue from operations * 100
PBT	PBT (Before Exceptional Items) is Restated Profit / (Loss) before share of profit / loss of Joint Ventures & Associates, Exceptional items and Tax as per restated consolidated financial information
PBT Margin	PBT Margin is computed as Restated Profit / (Loss) before share of profit / loss of Joint Ventures & Associates, Exceptional items and Tax divided by revenue from operations *100
Peer Average	According to the CRISIL Report, peer average includes data related to peers, i.e., JK Lakshmi Cement Limited, JK Cement Limited, Heidelberg Cement India Limited, Nuvoco Vistas Corporation Limited, Birla Corporation Limited and Prism Johnson Limited
POS	Point of sales
PPC	Type of portland cement characterized by the presence of pozzolana particles like flyash and volcanic ash which are added to the OPC in 15% -35% proportion as specified by the BIS standards
R&D	Research and development
Return on Capital Employed (RoCE)	Return on Capital Employed (ROCE) is computed as EBIT as a % of average capital employed. EBIT is calculated by adding finance cost to restated Profit / (Loss) before Exceptional items and Tax (but after share of profit / loss of Joint Ventures & Associates). Average Capital Employed is calculated by averaging the opening and closing balance of capital employed. Capital employed is calculated by adding Total Equity, Long Term Borrowings (including current maturities of long-term borrowings), Short term borrowings and Deferred Tax Liabilities minus Intangible Assets
Return on Equity (RoE)	Return on Equity (ROE) is computed by dividing PAT by the Average Total Equity * 100. Average Total Equity is calculated as the average of the opening and closing balances of the Total Equity
Revenue from Operations	Revenue from Operations is computed as the sum of Revenue from Sale of Cement and other operating income namely Subsidy Income, Trading Income and service income from transportation
Revenue from Operations Growth	Revenue from Operations Growth is computed by dividing Increase in Revenue from Operations in the current period with Revenue from Operations for the previous period *100
SGST	State goods and services tax
SGUs	Satellite grinding units are plants in which clinker is ground and processed to produce finished products such as cement
Total Cement Sales	Total cement sales is computed as sum of cement sales - business to consumer model and cement sales - contract manufacturing model
Total Equity	Total Equity including Non-Controlling Interests as per restated consolidated financial information
VRM	Vertical Roller Mill
VRPM	Vertical Roller Pre-Grinding Mill

Conventional and General Terms or Abbreviations

Term	Description
"₹/ Rs. / Re. / Rupees/ INR"	Indian Rupees
"AGM"	Annual General Meeting of shareholders under the Companies Act, 2013.
"AIF"	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
"Banking Regulation Act"	Banking Regulation Act, 1949 as amended
"BSE"	BSE Limited.
"Category I AIF"	AIFs registered as "Category I alternative investment funds" under the SEBI (Alternative Investment Funds) Regulations, 2012.
"Category I FPI"	FPIs registered as "Category I foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
"Category II AIF"	AIFs registered as "Category II alternative investment funds" under the SEBI (Alternative Investment Funds) Regulations, 2012.
"Category II FPI"	FPIs registered as "Category II foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
"Category III AIF"	AIFs registered as "Category III alternative investment funds" under the SEBI (Alternative Investment Funds) Regulations, 2012.
"CDSL"	Central Depository Services (India) Limited.
"CIN"	Corporate Identity Number.
"CIT"	Commissioner of Income Tax.
"Companies Act"	Companies Act, 1956 and Companies Act, 2013, as applicable.

Term	Description
"Companies Act, 1956"	The erstwhile Companies Act, 1956 along with the relevant rules made thereunder.
"Companies Act, 2013"	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force.
"Contract Labour Act"	The Contract Labour (Regulation and Abolition) Act, 1970.
"COVID-19"	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020
"CSR"	Corporate Social Responsibility.
"Depositories"	NSDL and CDSL.
"Depositories Act"	The Depositories Act, 1996, read with regulations framed thereunder.
"DIN"	Director Identification Number.
"DP ID"	Depository Participant's Identity Number.
"DPIIT"	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act.
"EGM"	Extraordinary General Meeting of the shareholders under the Companies Act, 2013
"Employees Provident Fund Act"	Employees Provident Funds and Miscellaneous Provisions Act, 1952.
"EPS"	Earnings Per Share.
"FCNR"	Foreign currency non-resident account.
"FDI"	Foreign Direct Investment.
"FDI Circular"	The Consolidated Foreign Direct Investment Policy bearing DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, effective from October 15, 2020, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
"FEMA"	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder.
"FEMA NDI Rules"	Foreign Exchange Management (Non-debt Instrument) Rules, 2019.
"Financial Year" or "Fiscal" or "Fiscal Year" or "FY"	The period of 12 months ending March 31 of that particular calendar year and as defined under section 2(41) of the Companies Act, 2013
"FPI(s)"	Foreign portfolio investors as defined under the SEBI FPI Regulations.
"FVCI"	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations.
"Fugitive Economic Offender"	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
"GDP"	Gross domestic product.
"GoI" or "Government" or "Central Government"	The Government of India.
"GST"	Goods and services tax.
"HUF"	Hindu undivided family.
"ICAI"	The Institute of Chartered Accountants of India.
"IFRS"	International Financial Reporting Standards of the International Accounting Standards Board.
"Income Tax Act"	Income- Tax Act, 1961, read with the rules framed thereunder.
"Income Tax Rules"	Income- Tax Rules, 1962.
"Ind AS"	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013.
"Indian GAAP"	Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
"IPO"	Initial public offering.
"IRDAI"	Insurance Regulatory and Development Authority of India
"IST"	Indian Standard Time.
"IT"	Information Technology
"IT Act"	Information Technology Act, 2000
"MBA"	Master's degree in business administration.
"MCA"	Ministry of Corporate Affairs, Government of India.
"MSME"	A micro, small or a medium enterprise defined under the Micro, Small and Medium Enterprises Development Act, 2006
"Mn" or "mn"	Million.
"N.A." or "NA"	Not applicable.
"NAV"	Net asset value.
"NEFT"	National Electronic Fund Transfer.
"NPCI"	National Payments Corporation of India.
"NRE Account"	Non-Resident External account.
"NRI"	A person resident outside India, who is a citizen of India or an overseas citizen of India cardholder within the meaning of section 7(A) of the Citizenship Act, 1955.
"NSDL"	National Securities Depository Limited.
"NSE"	National Stock Exchange of India Limited.
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is

Term	Description
	irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer.
“p.a.”	Per annum.
“P/E Ratio”	Price/earnings ratio.
“PAN”	Permanent account number.
“PAT”	Profit after tax.
“RBI”	Reserve Bank of India.
“Regulation S”	Regulation S under the U.S. Securities Act
“RTGS”	Real time gross settlement.
“R&D”	Research and development.
“SCRA”	Securities Contracts (Regulation) Act, 1956.
“SCRR”	Securities Contracts (Regulation) Rules, 1957.
“SCORES”	Securities and Exchange Board of India Complaints Redressal System
“SEBI”	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
“SEBI Act”	Securities and Exchange Board of India Act, 1992.
“SEBI AIF Regulations”	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
“SEBI FPI Regulations”	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
“SEBI FVCI Regulations”	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
“SEBI ICDR Regulations”	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
“SEBI ICDR Master Circular”	SEBI master circular number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024
“SEBI Insider Trading Regulations”	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
“SEBI Listing Regulations”	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
“SEBI Merchant Bankers Regulations”	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
“SEBI SBEB and Sweat Equity Regulations”	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
“SEBI VCF Regulations”	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996.
“SMS”	Short message service
“State Government”	The government of a state in India.
“Stock Exchanges”	Collectively, BSE and NSE.
“STT”	Securities transaction tax.
“Takeover Regulations”	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
“TAN”	Tax deduction account number.
“TDS”	Tax deducted at source.
“U.S.”/ “U.S.A.”/ “United States”	The United States of America, together with its territories and possessions, any state of the United States of America and the District of Columbia.
“U.S. GAAP”	Generally accepted accounting principles of the United States of America.
“U.S. Securities Act”	U.S. Securities Act of 1933, as amended.
“VCFs”	Venture capital funds as defined in and registered with SEBI under SEBI VCF Regulations.
“Year”/ “Calendar Year”	Unless otherwise references, the 12 month period ending December 31.

Key Performance Indicators (“KPIs”)

KPIs	Definitions of KPIs
GAAP Financial Measures	
Revenue from Operations	Revenue from Operations is computed as the sum of Revenue from Sale of Cement and other operating income namely Subsidy Income, Trading Income and service income from transportation.
PBT (Before Exceptional Items)	PBT (Before Exceptional Items) is Restated Profit / (Loss) before share of profit / loss of Joint Ventures & Associates, Exceptional items and Tax as per restated consolidated financial information.
PAT	PAT is Restated profit for the year/period as per restated financial statements.
Total Equity	Total Equity is Total Equity including Non-Controlling Interests as per restated consolidated financial information.
Basic EPS	Basic EPS is computed as Restated Profit for the year attributable to equity holders of the company divided by the weighted average number of Equity shares outstanding.
Non-GAAP Financial Measures	
Revenue from Operations Growth	Revenue from Operations Growth is computed by dividing Increase in Revenue from Operations in the current period with Revenue from Operations for the previous period *100.
Operating EBITDA (Excl. Non-Operating Income)	Operating EBITDA (Excl. Non- Operating Income) is calculated as restated Profit / (Loss) before share of profit / loss of Joint Ventures & Associates, Exceptional items and Tax minus other Income plus Finance Costs and Depreciation & Amortization expense.
Operating EBITDA (Excl. Non-Operating Income) Margin	Operating EBITDA (Excl. Non- Operating Income) Margin is computed by dividing Operating EBITDA (Excl. Non- Operating Income) with revenue from operations * 100.

KPIs	Definitions of KPIs
PBT Margin	PBT Margin is computed as Restated Profit / (Loss) before share of profit / loss of Joint Ventures & Associates, Exceptional items and Tax divided by revenue from operations *100.
PAT Margin	PAT Margin is Restated profit for the year/period divided by revenue from operations * 100.
Net Debt	Net Debt is computed as long-term borrowing plus short-term borrowings minus cash and cash equivalents, other bank balances, current investments and other non-current financial assets (Bank Deposits with remaining maturity of more than twelve months).
Net Asset Value per Share	Net Asset Value per Share is computed as equity attributable to owners of the company divided by weighted average number of shares considered for computing EPS.
Return on Equity (ROE)	Return on Equity (ROE) is computed by dividing PAT by the Average Total Equity * 100. Average Total Equity is calculated as the average of the opening and closing balances of the Total Equity.
Return on Capital Employed (ROCE)	Return on Capital Employed (ROCE) is computed as EBIT as a % of average capital employed. EBIT is calculated by adding finance cost to restated Profit / (Loss) before Exceptional items and Tax (but after share of profit / loss of Joint Ventures & Associates). Average Capital Employed is calculated by averaging the opening and closing balance of capital employed. Capital employed is calculated by adding Total Equity, Long Term Borrowings (including current maturities of long-term borrowings), Short term borrowings and Deferred Tax Liabilities minus Intangible Assets.
Net Debt to Operating EBITDA	Net Debt to Operating EBITDA is computed as Net Debt divided by Operating EBITDA (Excl. Non-Operating Income).
Net Debt to Total Equity	Net Debt to Total Equity is Computed as Net Debt divided by Total Equity.
Fixed Asset Turnover Ratio	Fixed Asset Turnover Ratio is computed by dividing total sales by average total fixed assets (including right of use assets). Average Total Fixed Assets is calculated by adding the opening Total Fixed Assets and the closing Fixed Total Assets and dividing them by 2. Fixed Asset includes property, plant and equipment and right-of-use assets.
Cement Realisation per tonne	Cement Realisation per tonne is computed as a sum of Revenue from Sale of Cement divided by Total Cement Sales.
Operating EBITDA (Excl. Non-Operating Income) per tonne	Operating EBITDA (Excl. Non- Operating Income) per tonne is computed by dividing Operating EBITDA (Excl. Non- Operating Income) by Total Cement Sales.
Cost of Sales per tonne	Cost of sales per tonne is computed as Revenue from Operating minus Operating EBITDA divided by Total Cement Sales.
Operational Measures	
Total Cement Sales	Total Cement Sales is computed as sum of Cement Sales - Business to Consumer Model and Cement Sales - Contract Manufacturing Model
Installed Grinding Capacity	Installed Grinding Capacity is computed as effective grinding capacity available during the year/period which is prorated based on commissioning/operating time during the period.
Capacity Utilisation	Capacity Utilisation is computed as Total Cement Production divided by the Installed Grinding Capacity available during the year/period, which is prorated based on the date of commissioning/operating time during the period.

OFFER DOCUMENT SUMMARY

The following is a general summary of certain disclosures of the terms of the Offer and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Draft Red Herring Prospectus, Red Herring Prospectus or Prospectus, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including "Risk Factors", "Objects of the Offer", "Our Business", "Industry Overview", "Capital Structure", "The Offer", "Our Promoters and Promoter Group", "Financial Information", "Outstanding Litigation and Material Developments", "Management's Discussion and Analysis of Financial Condition and Results of Operation", "Offer Procedure" and "Main Provision of the Articles of Association" on pages 30, 110, 210, 131, 94, 79, 270, 279, 400, 366, 433, and 452 respectively.

Summary of the primary business of the Company

We are a cement manufacturing company operating through satellite grinding units ("**SGUs**") in the states of Uttar Pradesh and Bihar, specializing in the production of blended cement such as Portland Pozzolana Cement and Composite Cement. We operate through a unique combination of (i) business-to-business contract manufacturing for cement brands ("**Contract Manufacturing Model**"); and (ii) production and marketing of our own consumer brands ("**Business-to-Consumer Model**"). As per the CRISIL Report, we are one of the pioneers in the contract manufacturing of cement in India. As on December 31, 2024, we operate five satellite grinding units ("**SGUs**") with an aggregate cement manufacturing capacity of 3.54 MTPA.

Summary of the industry in which our Company operates

Global cement production in 2023 was 4.1 billion metric tonne. India's per capita cement consumption is 280-330 kg, significantly below the world average of 470-520 kg. India's cement industry has substantial growth potential due to the country's relatively low per capita cement consumption. The government is focused on infrastructure and housing development, through initiatives such as the National Infrastructure Pipeline, PM GatiShakti, and Pradhan Mantri Awas Yojana. Additionally, demographic trends like a growing population, increasing income, and urbanization, as well as a shortage of housing, are expected to support robust growth in the individual housing and real estate sectors. The government's efforts to promote affordable housing through subsidies will also stimulate construction in smaller towns and cities. (*Source: CRISIL Report*)

Name of our Promoters

Our Promoters are Vishal Kanodia, Nupoor Kanodia Beneficiary Trust and Trish Kanodia Beneficiary Trust. For details, see "*Our Promoters and Promoter Group*" on page 270.

Offer size

The following table summarizes the details of the Offer:

Offer of Equity Shares by way of Offer for Sale(1)(2)	Up to 14,913,930 equity shares of face value ₹ 10 each, for cash at a price of ₹[●] each, aggregating up to ₹ [●] million by the Selling Shareholders.

(1) *The Offer has been authorised pursuant to the resolution dated March 22, 2025 passed by the Board. Further, our Board has taken on record the participation of the Selling Shareholders in the Offer for Sale pursuant to its resolution dated March 22, 2025.*

(2) *The Selling Shareholders, confirm that the Offered Shares have been held by them, severally not jointly, for a period of at least one year prior to filing of this Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and accordingly, are eligible for the Offer in accordance with the provisions of the SEBI ICDR Regulations. For details on the authorization by the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures" on page 413.*

The Offer shall constitute [●] % of the fully diluted post-Offer equity share capital of our Company. See "*The Offer*" on page 79.

Objects of the Offer

The Selling Shareholders will be entitled to the entire proceeds of the Offer, in proportion to their respective portion of the Offered Shares, after deducting the Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer. The objects of the Offer are to (i) achieve the benefits of listing the Equity Shares on the Stock Exchanges; and (ii) carry out the Offer for Sale and transfer of up to 14,913,930 Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] million by the Selling Shareholders. For further details, see "*Objects of the Offer*" on page 110.

Aggregate pre-Offer shareholding of our Promoters, members of our Promoter Group and Selling Shareholders as a percentage of our paid-up equity share capital

The aggregate pre-Offer shareholding of our Promoters and members of our Promoter Group as a percentage of the pre-Offer paid-up share capital of the Company is set out below:

S.No	Pre-Offer shareholding as at the date of the price band advertisement			Post-Offer shareholding as at Allotment			
				At the lower end of the price band (₹[●])		At the upper end of the price band (₹[●])	
	Shareholders	Number of Equity Shares	Percentage of the pre- Offer Equity Share capital (%)(1)	Number of Equity Shares (1) (2)	Shareholding (in %)(1) (2)	Number of Equity Shares(1) (2)	Shareholding (in %)(1) (2)
Promoter							
1.	Vishal Kanodia	[●]	[●]	[●]	[●]	[●]	[●]
2.	Nupoor Kanodia Beneficiary Trust*	[●]	[●]	[●]	[●]	[●]	[●]
3.	Trish Kanodia Beneficiary Trust	[●]	[●]	[●]	[●]	[●]	[●]
	Sub- total (A)	[●]	[●]	[●]	[●]	[●]	[●]
Promoter Group							
1.	Vishal Kanodia HUF	[●]	[●]	[●]	[●]	[●]	[●]
2.	Gautam Kanodia*	[●]	[●]	[●]	[●]	[●]	[●]
3.	Khushboo Kanodia	[●]	[●]	[●]	[●]	[●]	[●]
4.	Gautam Kanodia (HUF)*	[●]	[●]	[●]	[●]	[●]	[●]
5.	Manju Kanodia	[●]	[●]	[●]	[●]	[●]	[●]
6.	Saurabh Lohia	[●]	[●]	[●]	[●]	[●]	[●]
7.	Pooja Poddar	[●]	[●]	[●]	[●]	[●]	[●]
	Sub -total (B)	[●]	[●]	[●]	[●]	[●]	[●]
Additional top 10 shareholders							
1.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
3.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
4.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
5.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
6.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
7.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
8.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
9.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
10.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	Sub -total (C)	[●]	[●]	[●]	[●]	[●]	[●]
Total (D=A+B+C)		[●]	[●]	[●]	[●]	[●]	[●]

** Also a Selling Shareholder in the Offer*

*** Based on beneficiary statement dated [●].*

Notes:

(1) Includes all options that have been exercised until date of prospectus and any transfers of equity shares by existing shareholders after the date of the pre-issue and price band advertisement until date of prospectus.

(2) To be updated on the basis of Offer Price of ₹ [●] and subject to finalization of the basis of allotment.

For further details of the Offer, see "*Capital Structure*" beginning on page 94.

Summary of Selected Financial Information

The details of selected financial information as set out under the SEBI ICDR Regulations as at and for the Fiscals 2024, 2023 and 2022 and the nine-months period ended December 31, 2024, derived from the Restated Consolidated Financial Information are as follows:

(in ₹ million, except per share data)

Particulars	For the nine-months ended December 31, 2024	As at and for the Fiscal		
		March 31, 2024	March 31, 2023	March 31, 2022
Equity Share capital	745.70	745.70	745.70	745.70
Net worth(1)	4,983.86	4,002.01	2,863.36	2,308.91
Total Income	7,317.92	9,001.16	6,690.91	4,930.52
Restated profit/(loss) for the year	982.38	1,138.38	554.74	403.55
Earnings per share				
-Basic	13.17	15.27	7.43	5.38
-Diluted	13.17	15.27	7.43	5.38
Net asset value per share (in ₹/share)(2)	66.27	53.10	37.83	30.33
Total borrowings	319.99	149.40	772.68	1,160.52

(1) Net worth" means the aggregate value of paid-up share capital and other equity created out of the profits, 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, derived from the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
(2) Net Asset Value per Share is computed as equity attributable to owners of the company divided by weighted average number of shares considered for computing EPS.

For further details, see "*Restated Consolidated Financial Information*" and "*Other Financial Information*" on pages 279 and 365, respectively.

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

There are no auditor qualifications which have not been given effect to in the Restated Consolidated Financial Information. For further details please see "*Risk Factors - 11. Our Statutory Auditors have included certain qualifications, emphasis of matters in their auditor's report for the Financial Years ended March 31, 2024 March 31, 2023 and March 31, 2022 and the annexures to the auditor's reports as required under the Companies (Auditor's Report) Order, 2020 and as required under section 143(3)(i) of the Companies Act, 2013. If such observations are included in future audit reports or examination reports, the trading price of the Equity Shares may be adversely affected." and "Annexure VI – Restated Consolidated Financial Information"* on page 40 and 304 of this DRHP.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Directors and Promoters, Key Managerial Personnel and Senior Management in accordance with the SEBI ICDR Regulations and the Materiality Policy, as of the date of this Draft Red Herring Prospectus is disclosed below:

Name of Entity/ Individual	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved* (₹ in million)
Company						
By our Company	11	Nil	N.A.	N.A.	Nil	2.13
Against our Company	Nil	13	Nil	N.A.	Nil	141.50
Directors^						
By our Directors	3	Nil	N.A	Nil	Nil	Nil
Against our Directors	2	4	1	Nil	Nil	7.23
Promoters						
By Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against Promoters	Nil	5	Nil	Nil	Nil	7.24
Subsidiaries						
By the Subsidiaries	Nil	Nil	N.A.	N.A.	1	7.32
Against the Subsidiaries	Nil	4	Nil	N.A.	1**	1,444.79
Key Management Personnel						
By Key Management Personnel	Nil	Nil	Nil	N.A.	Nil	Nil
Against Key Management Personnel	Nil	Nil	Nil	N.A.	Nil	Nil
Senior Management						
By Senior Management	Nil	Nil	Nil	N.A.	Nil	Nil
Against Senior Management	Nil	Nil	Nil	N.A.	Nil	Nil

* *To the extent quantifiable.*
^ *the litigation involving Directors has only been disclosed here.*
** *including interest of ₹ 970.81 million calculated till December 31, 2024.*

None of our Group Companies are currently party to any pending litigations which would have a material impact on our Company.

For further details, see "*Outstanding Litigation and Material Developments*" on page 400.

Risk Factors

For details of the risks applicable to us, see "*Risk Factors*" on page 30.

Specific attention of Bidders is invited to the section "*Risk Factors*" on page 30. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. Set forth below are the top 10 risk factors applicable to our Company:

1. We are majorly dependent on four customers, who contributed to 84.55%, 79.61%, 75.71% and 67.48% of our total revenue from operations in the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. If one or more of such customers choose not to source their requirements from us or choose to terminate our agreements, our business, cash flows, financial condition and results of operations may be adversely affected.

2. We do not have long-term cement sale and purchase agreements with two of our customers under the Contract Manufacturing Model, including our largest customer, with which we have a 12 month agreement in KCL Sikandrabad. The absence of such long-term agreements may expose us to increased business uncertainty and reduced revenue predictability which may have an adverse effect on our business, results of operations and financial condition.

3. We are dependent on KIL and KCPL, our Wholly-owned Subsidiaries for our operations and KIL and KCPL contributed to 58.21%, 62.87%, 53.59% and 37.31% of our total revenue from operations in the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. Any disruption in the operations of our subsidiaries could have an adverse impact on our business, financial condition, and results of operations.

4. Our Company and KIL, its Wholly-owned Subsidiary have waived off interest on loans provided in Financial Year 2022-23 and Financial Year 2021-22. Such waiver of interest may lead to a violation of section 186(7) of the Companies Act, 2013 and expose the Company and KIL to financial penalties on certain officers of the Company and KIL who are in default to fines and imprisonment, which may have an adverse impact on the business and financial conditions of our Company including the reputation of our Company.

5. We have in the past entered into and may continue to enter into a substantial amount of related party transactions. Our Company has waived off interest on loans granted to KCPL, our Wholly-owned Subsidiary and KIL, our Wholly-owned Subsidiary has waived off interest on loans granted to KCPL and our Company, respectively, in Financial Year 2021-2022 and 2022-23 and these two related party transactions were not conducted on an arms-length basis. We may continue to enter into related party transactions in the future, and it is likely that our future related party transactions may potentially involve conflicts of interest which may be detrimental to the interest of the Company. We cannot assure you that such transactions, individually or in the aggregate, shall not have an adverse effect on our business, financial condition, and results of operations.

6. There have been two instances of non-compliance with the requirement to appoint a whole-time company secretary under the provisions of Companies Act, 1956 and Companies Act, 2013 and the rules made thereunder, due to delay of 714 days and 305 days in appointing a company secretary in Financial Years 2010-2012 and 2014-15, respectively. There can be no assurance that past instances of non-compliances with statutory requirements will not result in adverse consequences, including but not limited to fines, reputational harm, restrictions on business activities, or impediments to capital raising. Any such outcomes may materially affect our Company's financial condition, business operations, or growth prospects.

7. Our business operations through our Contract Manufacturing Model and our Business-to-Consumer Model are currently concentrated in the states of Uttar Pradesh and Bihar and our inability to expand to new geographies or expand market share in existing geographies could have an adverse effect on our business, results of operations, financial condition and cash flows. Further, any significant social, political, economic or seasonal disruption, natural calamities or civil disruptions in Uttar Pradesh and Bihar could have an adverse effect on our business, results of operations, financial condition and cash flows.

8. We have had instances of delays in payments of statutory dues by our Company and by our Material Subsidiaries in the past. Any delays in payment of statutory dues by our Company and our Material Subsidiaries in future may attract financial penalties from the respective government authorities and in turn may have an adverse impact on our financial condition and cash flows.

9. Our ability to produce cement under the Business-to-Consumer Model is heavily reliant on the timely and sufficient procurement of key raw materials required to produce cement, primarily clinker, fly ash, gypsum, and slag. The cost of these raw materials consumed constitute 70.81%, 67.70%, 64.47% and 62.51% of our total revenue from operations in the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. We depend on third-party suppliers for the supply of raw materials under our Business-to-Consumer Model and on our respective customers under the Contract Manufacturing Model. We do not have firm commitments for supply or exclusive arrangements with any of our third-party suppliers and are required to pay advances from time to time. Any disruption to the timely and adequate procurement of raw materials, or volatility in the prices of raw materials, or shortages of, or delay or disruption in supply of primary raw materials could have an adverse impact on our business, financial condition, and results of operations.

10. A majority of our trademarks and logos, including the trademark for our name and logo, 'Kanodia Cement Limited' are registered in the name of our Promoter, Vishal Kanodia. As of December 31, 2024, our Company is using 22 trademarks and 3 copyrights, out of which 12 trademarks and two copyrights are registered in the name of our Promoter, Vishal Kanodia and we have made application for three trademarks in the name of Vishal Kanodia, out of which two have been opposed and one stands abandoned. Our Promoter, Vishal Kanodia has pursuant to assignment agreements dated December 3, 2024 assigned us the right to use the trademarks and logos. If our Promoter decides to terminate the agreements and prevents us from using such trademarks, we could be required to change our name and logo. Further, if we are unable to maintain and enhance our brands Concrete Gold, HBM (Ghar ka Expert), HBM Gold "Ghar Ka Expert", BigCem Premium Plus, BigCem Cement and Bluestar Cement including our ability to protect our brand through intellectual property, the sales of our products might suffer, which would have a material adverse effect on our results of operations. We may also unintentionally infringe upon the intellectual property rights of others, any misappropriation of which could harm our competitive position.

Summary table of contingent liabilities

The details of our contingent liabilities (as per Ind AS 37) derived from the Restated Consolidated Financial Information are set forth below:

(₹ in million)

Particulars	As on December 31, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Contingent liabilities				
Indirect tax demand disputed by the Group which excludes penalty, if any, as same cannot be measured at this stage	15.80	129.56	-	-
Income tax demand disputed by the Group which excludes penalty, if any, as same cannot be measured at this stage	145.84	98.47	136.37	125.05
Dispute regarding excise cenvat credit	0.69	0.69	13.78	13.78
Claim by a customer disputed by the company				
- Principle amount	11.80	11.80	11.80	11.80
- Interest thereon	970.81	819.92	642.84	488.30
Total	**1,144.94**	**1,060.44**	**804.79**	**638.93**

For further details of our contingent liabilities, see "*Restated Consolidated Financial Information – Note 39 - Contingent liabilities, contingent assets and commitments as identified by the Group*" on page 334.

Summary of related party transactions

A summary of the related party transactions for the Fiscals 2024, 2023 and 2022 and the nine month period ended December 31, 2024, as per Ind AS 24 – Related Party Disclosures read with the SEBI ICDR Regulations and derived from our Restated Consolidated Financial Information is set out below:

(₹ in million)

Name of Related party	Nature of relationship	Nature of transaction	Nine months ended December 31, 2024	For the year ended		
				March 31, 2024	March 31, 2023	March 31, 2022
Vishal Kanodia	Chairman and Managing Director	Purchases of equity shares of subsidiary companies	-	-	0.79	38.61
		Purchases of Fixed asset	-	-	0.13	-
		Purchases of Intangible asset	-	-	0.20	-
		Loan borrowed	-	25.50	-	-
		Loan repaid	-	25.50	-	0.68
		Other Payable	-	-	2.01	-
		Remuneration expense	6.73	1.90	1.80	1.80
		Royalty Expense against Trademarks	0.13	-	-	-
		Repayment of Other Payable	-	2.01	-	-
		Amount received against outstanding balances in amalgamating companies	-	-	-	12.37
Manoj Kedia	Director till September 10, 2024	Remuneration expense	0.56	0.90	0.80	0.52
		Remuneration paid in advance	-	-	-	0.19

Name of Related party	Nature of relationship	Nature of transaction	Nine months ended December 31, 2024	For the year ended		
				March 31, 2024	March 31, 2023	March 31, 2022
		Refund received against old outstanding	-	-	-	0.13
Saurabh Lohia	Director	Purchases of equity shares of a subsidiary company	-	-	0.00	0.02
		Remuneration expense	1.20	0.90	0.90	0.90
		Other advances	-	0.23	-	-
		Advances Given & Received back	-	2.00	-	-
Manju Kanodia	Relatives of Key Managerial Personnel	Purchases of equity shares of a subsidiary company	-	-	0.77	16.13
		Remuneration expense	0.30	1.20	0.42	0.90
		Advance against purchases of property, plant and equipments refunded	-	-	-	13.60
Khushboo Kanodia	Relatives of Key Managerial Personnel	Remuneration expense	0.60	-	0.42	0.90
Gautam Kanodia	Relatives of Key Managerial Personnel	Sale of Equity share of Kanodia Hi-Tech Private Limited	-	1.49	-	-
		Purchases of equity shares of a subsidiary company	-	-	-	29.29
Vishal Kanodia HUF	Relatives of Key Managerial Personnel	Purchases of equity shares of a subsidiary company	-	-	0.78	36.94
		Amount refunded	-	-	-	2.51
Gautam Kanodia HUF	Relatives of Key Managerial Personnel	Advance received against sale of land	-	-	-	2.64
		Refund of advance received against sale of land	-	-	-	1.06
Somia Lohia	Relatives of Key Managerial Personnel	Purchases of equity shares of a subsidiary company	-	-	0.00	-
Pooja Poddar	Relatives of Key Managerial Personnel	Remuneration expense	0.08	0.90	0.60	-
Shivani Kedia	Relatives of Key Managerial Personnel	Remuneration expense	-	-	-	0.10
Kanodia Business Private Limited	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence (*amalgamated with Midpoint Commodeal Private Limited with effect from appointed date April 1, 2021 and effective from November 11, 2022*)	Loan borrowed	-	-	30.61	-
		Loan repaid	-	-	30.61	-
		Loan given	-	-	-	28.81
		Loan received back	-	-	-	47.25
Hygiene Plus Limited (Formerly known as Hygiene Plus Pvt Ltd)	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence	Amount paid on behalf of the related party	-	0.58	-	
		Loan borrowed	-	235.04	170.25	
		Loan repaid	-	367.31	37.99	
		Loan given	192.06	-	335.41	514.31
		Loan received back	192.06	-	449.53	747.49
		Reimbursement of expense incurred by Related Party	-	1.90	-	
		Sale of Goods	-	0.19	-	
		Corporate guarantee given	-	-	-	320.00
		Interest received on loan	1.75	-	-	-
		Loan received back	-	-	24.86	0.20

Name of Related party	Nature of relationship	Nature of transaction	Nine months ended December 31, 2024	For the year ended March 31, 2024	March 31, 2023	March 31, 2022
Blossom Realcon Private Limited	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence	Loan Given	-	-	-	1.35
Fair Hygiene Private Limited	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence	Loan received back	-	-	3.08	-
		Loan Given				0.12
Kanodia Reality Private Limited (formerly known as Sapnasudhansh Infosystem Private Limited)	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence	Expenses Paid	0.31	0.28	-	-
		Sale of Goods and Services	-	1.38	-	-
		Electricity charges	0.35	1.11	-	-
		Rent expense	3.28	4.25	3.60	3.60
		Security deposit given	-	-	-	18.02
		Security refunded received	-	-	37.17	14.41
		Services given	2.36	-	-	-
		Loan given	129.36	-	-	-
		Loan received back	69.50	-	-	-
		Interest Income on loans	0.71	-	-	-
Shree Shyam Services	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence (Ceased to exist with effect from February 18, 2023)	Rent expense	-	-	10.00	12.00
		Purchases of equity shares of a subsidiary company	-	-	0.77	21.42
		Security Deposits refunded back	-	-	19.32	0.60
Trends Advisory Private Limited	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence	Loan repaid	-	16.11	-	7.39
Kanodia Team Private Limited (formerly known as NEO HBM Private Limited)	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence	Loan borrowed	30.20	95.10	62.73	-
		Loan given	30.20	-	73.01	-
		Loan received back	-	-	73.01	-
		Loan repaid	-	108.69	49.13	-
		Purchase of Goods	-	-	0.73	-
		Sale of goods	-	20.82	88.80	-
		Service Received	16.80	17.51	86.83	-
		Supply of Service	15.04	0.00	0.01	-
		Interest Received on term loan	0.31	-	-	
Midpoint Commodeal Private Limited	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence	Loan borrowed	69.61	10.00	581.71	-
		Loan repaid	81.06	544.67	35.59	-
		Loan given	636.42	-	-	-
		Loan received back	636.42	-	-	-
		Interest Income on loans	7.19	-	-	-
		Interest Paid	18.10	-	-	-
Building Paradise Private Limited	Enterprises where KMP or relative of KMP holding directorship or proprietorship or	Purchase of Goods	0.07	0.31	-	-
		Sale of goods	50.22	0.59	-	-
		Service Received	0.09	0.23	-	-
		Interest Income	0.18	5.81	-	-
		Loan Given	18.84	160.15	-	-
		Loan received back	18.84	160.15	-	-

Name of Related party	Nature of relationship	Nature of transaction	Nine months ended December 31, 2024	For the year ended March 31, 2024	March 31, 2023	March 31, 2022
	shareholders having significant influence					
Amaestro Media Private Limited	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence	Purchases of goods	-	-	0.16	-
		Service Received	-	-	1.50	-
Real Value Agrotech Project Private Limited	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence	Loan Given	-	305.65	-	-
		Loan received back	-	305.65	-	-
		Loan repaid	-	-	364.50	-
Amuly Suppliers Private Limited	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence (*amalgamated with Midpoint Commodeal Private Limited with effect from appointed date April 1, 2021 and effective from November 11, 2022*)	Loan repaid	-	-	408.11	31.49
		Loan Taken	-	-	-	439.59
Leoline Developers Private Limited	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence	Loan repaid	-	-	227.00	2.50
		Loan Taken	-	-	-	8.50
Sunup Build Private Limited	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence	Loan given	555.50	-	-	-
		Loan received back	50.00			
		Interest Income on loans	21.52	-	-	-
Kanodia Hi-Tech Private Limited	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence	Subscription of shares	-	1.50	-	-
		Payment made on behalf of Kanodia Hi-tech	4.79	-	-	-
		Received back against above	4.79	-	-	-
		Loan Given	521.70	354.50	-	-
		Loan Received Back	521.70	354.50	-	-
		Interest Income on Loan	7.70	1.12	-	-
Anadi Infotainment Private Limited	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence	Loan given	-	-	-	2.01
		Loan received back	-	-	-	2.01
Kanodia Cement Industries Private Limited	Enterprises where KMP or relative of KMP holding directorship or proprietorship or	Purchase of land	-	-	-	20.93
		Loan received back	-	-	-	0.11

Name of Related party	Nature of relationship	Nature of transaction	Nine months ended December 31, 2024	For the year ended		
				March 31, 2024	March 31, 2023	March 31, 2022
	shareholders having significant influence (struck off with effect September 5, 2023)					
Sunup Infra Reality Private Limited	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence	Loan given	10.00	-	-	-
		Interest Income on loans	0.04	-	-	-
Easy Cargo Solutions Private Limited	Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence	Service Received	8.30	-	-	-
Roop Narain Maloo	Chief Financial Officer and Executive Director (with effect from June 28, 2024)	Remuneration expense	6.10	-	-	-
Shikha Mehra Chawla	Company Secretary and Compliance Officer (with effect from June 30, 2022)	Remuneration expense	0.97	0.45	0.66	-
Satya Prakash Sharma	Chief Financial Officer (with effect from September 30, 2023 till June 23, 2024)	Remuneration expense	0.22	0.37	-	-
Anup Kumar Singh	Chief Financial Officer (with effect from August 12, 2019 till April 10, 2023)	Remuneration expense	-	0.01	0.24	0.04
Santosh Ramanuj	Independent Director	Director Sitting Fees	0.21	0.14	0.12	-
Sanjay Banthia	Independent Director	Director Sitting Fees	0.14	0.15	0.05	-
Abhishek Saxena	Company Secretary (till June 30, 2022)	Remuneration expense	-	-	0.19	0.99
Anju Kumari	Independent Director (with effect from March 12, 2022 till July 29, 2023)	Director Sitting Fees	-	0.02	0.06	-
Preeti	Independent Director (with effect from June 28, 2024 for a period of five years)	Director Sitting Fees	0.04	-	-	-
Sonia Mendiratta	Independent Director (with effect from September 30, 2023 till May 25, 2024)	Director Sitting Fees	-	0.04	-	-

For further details of the related party transactions, see "*Restated Consolidated Financial Information – Note 42"* on page 339.

Details of all financing arrangements

Our Promoters, members of our Promoter Group, our Directors and their relatives have not financed the purchase by any person of securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

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

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

Name	Number of Equity Shares acquired in last one year	Weighted Average Price of Equity Shares acquired in last one year (₹)*
Promoters		
Vishal Kanodia	Nil	Nil
Nupoor Kanodia Beneficiary Trust	Nil	Nil
Trish Kanodia Beneficiary Trust	Nil	Nil
Selling Shareholders		
Gautam Kanodia	Nil	Nil
Swati Kanodia	Nil	Nil
Gautam Kanodia HUF	Nil	Nil
Nupoor Kanodia Beneficiary Trust	Nil	Nil

* *As certified by Singhi & Co., Chartered Accountants, by way of certificate dated* May 22, 2025

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

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

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

Name of the acquirer/ shareholder	Date of acquisition of Equity Shares	Number of Equity Shares acquired*	Face Value per Equity Share (₹)	Acquisition price per Equity Share (In ₹)*
Promoters				
Vishal Kanodia	-	-	-	-
Nupoor Kanodia Beneficiary Trust	-	-	-	-
Trish Kanodia Beneficiary Trust	-	-	-	-
Members of the promoter group				
Pooja Poddar	January 18, 2025	35,587	10.00	N/A
Saurabh Lohia	January 18, 2025	17,793	10.00	N/A
Pooja Poddar	March 11, 2025	17,793	10.00	N/A
Selling shareholders				
Gautam Kanodia	-	-	-	-
Swati Kanodia	-	-	-	-
Gautam Kanodia HUF	-	-	-	-
Nupoor Kanodia Beneficiary Trust	-	-	-	-
Shareholder (with a right to appoint a nominee director)				
Baring Private Equity India Fund 6	March 22, 2025	3,728,483	10.00	254.79

* *As certified by Singhi & Co., Chartered Accountants, by way of certificate dated May 22, 2025*

Average cost of acquisition of Equity Shares for our Promoters and the Selling Shareholders

The average cost of acquisition of Equity Shares for our Promoters and Selling Shareholders is as set out below:

Name	Number of Equity Shares	Average cost of acquisition per Equity Share* (in ₹)
Promoters		
Vishal Kanodia	4,614,540	11.56
Nupoor Kanodia Beneficiary Trust	27,201,717	18.00
Trish Kanodia Beneficiary Trust	29,960,200	18.20
Selling Shareholders		
Gautam Kanodia	4,477,370	11.19
Swati Kanodia	2,242,660	4.70
Gautam Kanodia HUF	2,730	18.20
Nupoor Kanodia Beneficiary Trust	27,201,717	18.00

* *As certified by Singhi & Co., Chartered Accountants, pursuant to the certificate dated May 22, 2025*

The weighted average cost of acquisition of all specified securities transacted in the last eighteen months, one year and three years preceding the date of this Draft Red Herring Prospectus

The weighted average cost of acquisition of all shares transacted in the last eighteen months, one year and three years preceding the date of this Draft Red Herring Prospectus is as follows:

Period	Weighted average cost of acquisition (in ₹)*	Upper end of the price band (₹[●]) is 'X' times the weighted average cost of acquisition**	Range of acquisition price: Lowest price – Highest price (in ₹)**
Last eighteen months	250.02	[●]	[●]
Last one year	250.02	[●]	[●]
Last three years	250.02	[●]	[●]

* *As certified by Singhi & Co., Chartered Accountants, by way of their certificate dated May 22, 2025*

** *Information to be included in the Prospectus.*

Size of the pre-IPO placement and allottees, upon completion of the placement

Our Company is not contemplating a pre-IPO placement.

Issue of equity shares for consideration other than cash or bonus issue in the last one year

Our Company has not issued any Equity Shares in the last one year from the date of this Draft Red Herring Prospectus, for consideration other than cash. For further details, see "*Capital Structure*" on page 94.

Any split/ consolidation of Equity Shares in the last one year

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

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

Our Company has not made any application under Regulation 300(2) of the SEBI ICDR Regulations for seeking exemption from strict compliance with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references to "India" in this Draft Red Herring Prospectus are to the Republic of India, together with 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.

All references herein to the "U.S.", "U.S.A.", or the "United States" are to the United States of America and its territories and possessions.

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

Currency and Units of Presentation

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

Exchange Rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Rupees that have been presented solely to comply with the requirements of SEBI ICDR Regulations. Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and the U.S. Dollar:

(*in ₹*)

Currency	Exchange rate as on			
	December 31, 2024^	March 31, 2024	March 31, 2023	March 31, 2022
1 US$	85.62	83.37	82.22	75.81

Source: Foreign exchange reference rates as available on www.fbil.org.in
Note: Exchange rate is rounded off to two decimal point
^ *The price for the period end refers to the price as on the last trading day of the respective period.*

Such conversion should not be considered as a representation that such currency amounts have been, could have been or can be converted into Rupees at any particular rate, the rates stated above or at all.

Time

Unless otherwise specified, all references to time in this Draft Red Herring Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Financial and Other Data

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

a) the audited special purpose interim consolidated financial statements of the Company and its Subsidiaries for the nine month ended December 31, 2024 prepared in accordance with the Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under Section 133 of the Act and other accounting principles generally accepted in India ("Special Purpose Interim Consolidated Financial Statements") which have been approved by the Board of Directors at their meeting held on March 22, 2025;

b) the audited consolidated financial statements of the Company and its Subsidiaries as at and for the financial year ended March 31, 2024 prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (referred to as "Ind AS") specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on September 18, 2024; and

c) the audited special purpose consolidated financial statements for the financial years ended March 31, 2023 and March 31, 2022 prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (referred to as "Ind AS") specified under Section 133 of the Act, read with the Companies

(Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on March 22, 2025 ("Special Purpose Consolidated Financial Statements").

For further information, see "*Restated Consolidated Financial Information*" on page 279. Our Company's Fiscal commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular Fiscal, unless stated otherwise, are to the 12-month period ended on March 31 of that year.

There are significant differences between IGAAP, Ind AS, U.S. GAAP and IFRS. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For risks in this regard, see *"Risk Factors - Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as US GAAP and IFRS, which may affect investors' assessments of our Company's financial condition."* on page 72. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. The Company is preparing its financial statements in accordance with Indian Accounting Standards (Ind AS), as prescribed by the Ministry of Corporate Affairs (MCA). The company has no requirement to prepare financial statements under any other generally accepted accounting principles (GAAP) other than Ind AS".

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 30, 210 and 366 respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Consolidated Financial Information, derived from our audited financial statements prepared in accordance with the applicable accounting standards described under Section 133 of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, as amended and other accounting principles generally accepted in India, read with provisions of the Companies Act, 2013 and restated in accordance with SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places.

Non-GAAP Financial Measures

This Draft Red Herring Prospectus contains certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like Revenue from Operations Growth, Operating EBITDA (excluding Non- Operating Income), Operating EBITDA (Excluding Non- Operating Income) Margin, PBT Margin, PAT Margin, Net Debt, Net Asset Value per Share, Return on Equity ("ROE"), Return on Capital Employed ("ROCE"), Net Debt to Operating EBITDA, Net Debt to Total Equity, Fixed Asset Turnover Ratio, Cement realization per tonne, cost of sales per tonne, and Operating EBITDA per tonne, and certain other statistical information relating to our operations and financial performance that are not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP (together, "**Non-GAAP financial measures**"). These Non-GAAP financial measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ periods or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP.

We compute and disclose such non-Indian GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. For risks in relation to Non-GAAP financial measures, see "*Risk Factors – Certain Non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. If investors make investment decisions based on non-GAAP financial measures and other statistical information disclosed by us that are inaccurate, we may also face potential lawsuits or disputes with investors or regulators, which could adversely affect our business, reputation, results of operations and financial condition"* on page 67.

Industry and Market Data

Unless otherwise indicated, industry and market data contained in this section is derived from the report dated May 22, 2025 titled *Market Review of Indian Cement Sector* (the "***CRISIL Report***") prepared and issued by CRISIL, which has been exclusively commissioned and paid for by our Company in connection with the Offer pursuant to an engagement letter dated August 2, 2024. A copy of the CRISIL Report is available on the website of our Company at https://www.kanodiacement.co.in/ipo. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant Fiscal. The information included in this section includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. For more information, see "*Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which has been commissioned and paid for by us and any reliance on such information for making an investment decision in the Offer is subject to inherent risks*." on page 65.

Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on page 30.

In accordance with the SEBI ICDR Regulations, the section "*Basis for Offer Price*" on page 112 includes information relating to our peer group. Such information has been derived from publicly available sources. Accordingly, no investment decision should be made solely on the basis of such information.

The CRISIL Report is available on the website of our Company at https://www.kanodiacement.co.in/ipo.

The CRISIL Report is subject to the following disclaimer:

Crisil Intelligence, a division of Crisil Limited, provides independent research, consulting, risk solutions, and data & analytics to its clients. Crisil Intelligence operates independently of Crisil's other divisions and subsidiaries, including, Crisil Ratings Limited. Crisil Intelligence's informed insights and opinions on the economy, industry, capital markets and companies drive impactful decisions for clients across diverse sectors and geographies. Crisil Intelligence's strong benchmarking capabilities, granular grasp of sectors, proprietary analytical frameworks and risk management solutions backed by deep understanding of technology integration, makes it the partner of choice for public & private organisations, multi-lateral agencies, investors and governments for over three decades.

For the preparation of this report, Crisil Intelligence has relied on third party data and information obtained from sources which in its opinion are considered reliable. Any forward-looking statements contained in this report are based on certain assumptions, which in its opinion are true as on the date of this report and could fluctuate due to changes in factors underlying such assumptions or events that cannot be reasonably foreseen. This report does not consist of any investment advice and nothing contained in this report should be construed as a recommendation to invest/disinvest in any entity. This industry report is intended for use only within India.

Notice to Prospective Investors in the United States

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of this Offer, including the merits and risks involved. The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “can”, “could”, “continue”, “expect”, “estimate”, “goal”, “intend”, “may”, “likely”, “objective”, “plan”, “purpose”, “project”, “should” “will”, “will continue”, “will achieve”, “shall” “seek to”, “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. However, these are not the exclusive means of identifying forward looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. For the reasons described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, 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.

These forward-looking statements, whether made by us or a third-party, are based on our current plans, estimates, presumptions and expectations and actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company and Subsidiaries have businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes and changes in competition in our industry and incidents of any natural calamities and/or acts of violence

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

1. We are majorly dependent on four customers, who contributed to 84.55%, 79.61%, 75.71% and 67.48% of our total revenue from operations in the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. If one or more of such customers choose not to source their requirements from us or choose to terminate our agreements, our business, cash flows, financial condition and results of operations may be adversely affected.

2. We do not have long-term cement sale and purchase agreements with two of our customers under the Contract Manufacturing Model, including our largest customer, with which we have a 12 month agreement in KCL Sikandrabad. The absence of such long-term agreements may expose us to increased business uncertainty and reduced revenue predictability which may have an adverse effect on our business, results of operations and financial condition.

3. We are dependent on KIL and KCPL, our Wholly-owned Subsidiaries for our operations and KIL and KCPL contributed to 58.21%, 62.87%, 53.59% and 37.31% of our total revenue from operations in the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. Any disruption in the operations of our subsidiaries could have an adverse impact on our business, financial condition, and results of operations.

4. Our Company and KIL, its Wholly-owned Subsidiary have waived off interest on loans provided in Financial Year 2022-23 and Financial Year 2021-22. Such waiver of interest may lead to a violation of section 186(7) of the Companies Act, 2013 and expose the Company and KIL to financial penalties on certain officers of the Company and KIL who are in default to fines and imprisonment, which may have an adverse impact on the business and financial conditions of our Company including the reputation of our Company.

5. We have in the past entered into and may continue to enter into a substantial amount of related party transactions. Our Company has waived off interest on loans granted to KCPL, our Wholly-owned Subsidiary and KIL, our Wholly-owned Subsidiary has waived off interest on loans granted to KCPL and our Company, respectively, in Financial Year 2021-2022 and 2022-23 and these two related party transactions were not conducted on an arms-length basis. We may continue to enter into related party transactions in the future, and it is likely that our future related party transactions may potentially involve conflicts of interest which may be detrimental to the interest of the Company. We cannot assure you that such transactions, individually or in the aggregate, shall not have an adverse effect on our business, financial condition, and results of operations.

6. There have been two instances of non-compliance with the requirement to appoint a whole-time company secretary under the provisions of Companies Act, 1956 and Companies Act, 2013 and the rules made thereunder, due to delay of 714 days and 305 days in appointing a company secretary in Financial Years 2010-2012 and 2014-15, respectively. There can be no assurance that past instances of non-compliances with statutory requirements will not result in adverse consequences, including but not limited to fines, reputational harm, restrictions on business activities, or impediments to capital raising. Any such outcomes may materially affect our Company’s financial condition, business operations, or growth prospects.

7. Our business operations through our Contract Manufacturing Model and our Business-to-Consumer Model are currently concentrated in the states of Uttar Pradesh and Bihar and our inability to expand to new geographies or expand market share in existing geographies could have an adverse effect on our business, results of operations, financial condition and cash flows. Further, any significant social, political, economic or seasonal disruption, natural calamities or civil disruptions in Uttar Pradesh and Bihar could have an adverse effect on our business, results of operations, financial condition and cash flows.

8. We have had instances of delays in payments of statutory dues by our Company and by our Material Subsidiaries in the past. Any delays in payment of statutory dues by our Company and our Material Subsidiaries in future may attract financial penalties from the respective government authorities and in turn may have an adverse impact on our financial condition and cash flows.

9. Our ability to produce cement under the Business-to-Consumer Model is heavily reliant on the timely and sufficient procurement of key raw materials required to produce cement, primarily clinker, fly ash, gypsum, and slag. The cost of these raw materials consumed constitute 70.81%, 67.70%, 64.47% and 62.51% of our total revenue from operations in the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. We depend on third-party suppliers for the supply of raw materials under our Business-to-Consumer Model and on our respective customers under the Contract Manufacturing Model. We do not have firm commitments for supply or exclusive arrangements with any of our third-party suppliers and are required to pay advances from time to time. Any disruption to the timely and adequate procurement of raw materials, or volatility in the prices of raw materials, or shortages of, or delay or disruption in supply of primary raw materials could have an adverse impact on our business, financial condition, and results of operations.

10. A majority of our trademarks and logos, including the trademark for our name and logo, 'Kanodia Cement Limited' are registered in the name of our Promoter, Vishal Kanodia. As of December 31, 2024, our Company is using 22 trademarks and 3 copyrights, out of which 12 trademarks and two copyrights are registered in the name of our Promoter, Vishal Kanodia and we have made application for three trademarks in the name of Vishal Kanodia, out of which two have been opposed and one stands abandoned. Our Promoter, Vishal Kanodia has pursuant to assignment agreements dated December 3, 2024 assigned us the right to use the trademarks and logos. If our Promoter decides to terminate the agreements and prevents us from using such trademarks, we could be required to change our name and logo. Further, if we are unable to maintain and enhance our brands Concrete Gold, HBM (Ghar ka Expert), HBM Gold "Ghar Ka Expert", BigCem Premium Plus, BigCem Cement and Bluestar Cement including our ability to protect our brand through intellectual property, the sales of our products might suffer, which would have a material adverse effect on our results of operations. We may also unintentionally infringe upon the intellectual property rights of others, any misappropriation of which could harm our competitive position.

For a discussion of factors that could cause our actual results to differ from our expectations, see "*Risk Factors*", "*Our Business*", "*Industry Overview*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 30, 210, 131, and 366, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Forward-looking statements reflect our views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. There can be no assurance to 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 to be a guarantee of our future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on the 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. None of our Company, Directors, the Selling Shareholders, and the BRLMs or 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 regulatory requirements, our Company will ensure that investors in India are informed of material developments from the date of filing of the Red Herring Prospectus until the date of Allotment. Each of the Selling Shareholders shall, severally and not jointly, ensure that the Company is informed of material developments in relation to the statements and undertakings specifically undertaken or confirmed by them in relation to themselves and their respective portion of the Offered Shares in the Red Herring Prospectus until the date of Allotment.

SECTION II: RISK FACTORS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. Prospective investors should read "Forward-Looking Statements" beginning on page 28 for a discussion of the risks and uncertainties related to those statements along with "Risk Factors", "Industry Overview", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 30, 131, 279 and 366, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, included herein is based on or derived from our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Information" beginning on page 279. Please also refer to "Definitions and Abbreviations" on page 1 for certain terms used in this section. The Restated Consolidated Financial Information is based on our audited financial statements and is restated in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations. Our audited financial statements are prepared in accordance with Indian Accounting Standards, which differs in certain material respects with IFRS and U.S. GAAP. For details, see "Risk Factors – Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as US GAAP and IFRS, which may affect investors' assessments of our Company's financial condition." assessments of our Company's financial condition" on page 72.

Unless the context otherwise requires, in this section, references to "we", "us", "our" "our Company" or "the Company" refers to Kanodia Cement Limited and its Subsidiaries on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Market Review of Indian Cement Sector" dated May 22, 2025 (the "**CRISIL Report**", and the date of the **CRISIL** Report, the "**Report Date**") which is exclusively prepared for the purpose of the Offer and issued by CRISIL Market Intelligence & Analytics ("**CRISIL**") and is exclusively commissioned for an agreed fee and paid for by the Company in connection with the Offer. CRISIL was appointed pursuant to an engagement letter entered into with our Company dated August 2, 2024. CRISIL is not related in any other manner to our Company. A copy of the CRISIL Report is available on the website of our Company at https://www.kanodiacement.co.in/ipo until the Bid/ Offer Closing Date. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Further, the CRISIL Report was prepared on the basis of information as of specific dates and opinions in the CRISIL Report may be based on estimates, projections, forecasts and assumptions that may be as of such dates. CRISIL has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and has further advised that it has taken due care and caution in preparing the CRISIL Report based on the information obtained by it from sources which it considers reliable. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. Further, the CRISIL Report is not a recommendation to invest or disinvest in any company covered in the report. Prospective investors are advised not to unduly rely on the CRISIL Report. The views expressed in the CRISIL Report are that of CRISIL. For more information and risks in relation to commissioned reports, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which has been commissioned and paid for by us and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 65. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data" on page 25.*

INTERNAL RISKS

1. ***We are majorly dependent on four customers, who contributed to 84.55%, 79.61%, 75.71% and 67.48% of our total revenue from operations in the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. If one or more of such customers choose not to source their requirements from us or choose to terminate our agreements, our business, cash flows, financial condition and results of operations may be adversely affected.***

   We have consistently derived more than 67% of our total revenue from operations from the sale of products to four customers under the Contract Manufacturing Model for the nine months ended December 31, 2024 and in Fiscal 2024, Fiscal 2023, and Fiscal 2022. The table set forth below provides the revenue contribution and revenue contribution of our four customers as a percentage of our revenue from operations, for the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	Nine months period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	**As a percentage of revenue from operations (%)**	**Revenue contribution (in ₹ million)**	**As a percentage of revenue from operations (%)**	**Revenue contribution (in ₹ million)**	**As a percentage of revenue from operations (%)**	**Revenue contribution (in ₹ million)**	**As a percentage of revenue from operations (%)**
Customer 1*	2,696.77	37.48	3,475.23	39.14	3,629.94	54.56	3,134.95	64.18
Customer 2*	1,440.26	20.02	914.47	10.30	2.14	0.03	Nil	Nil
Prism Johnson#	1,253.32	17.42	295.82	3.33	-	-	-	-
JK Lakshmi^	693.70	9.64	2,382.84	26.84	1,404.61	21.11	161.22	3.30
Total	**6,084.05**	**84.55**	**7,068.36**	**79.61**	**5,036.69**	**75.71**	**3,296.17**	**67.48**

^last dispatch to JK Lakshmi Cement was made on October 20, 2024.
#First dispatch to Prism Johnson Limited was made on January 15, 2024.
**While more than 50% of our revenue from operations originates from our top 4 customers, names of the customers have not been included in the above table as consents for disclosure of certain customer names were not available.*

While we have established relationships with our key customers, such relationships are to a large extent dependent on our ability to regularly meet customer requirements, including price competitiveness, efficient and timely product deliveries, and consistent product quality. In the event we are unable to meet such requirements in the future, it may result in decrease in orders or cessation of business from affected customers and agents. Further, the deterioration of the financial condition or business prospects of these customers could reduce their requirement for our products and could result in a significant decline in the revenues we derive from such customers. We cannot assure you that we will be able to maintain historic levels of business from our significant customers, or that we will be able to significantly reduce customer concentration in the future. If we are unable to replace any or all of such sales to key customers, our business, results of operations and financial condition may be materially and adversely affected.

In addition, we may face instances of customer disassociations in the ordinary course of business. For instance, our customers JK Lakshmi Cement and Heidelberg discontinued their operations with our Company in Fiscal 2025 and we cannot assure you that any of our customers may not discontinue purchasing our products in the future. In addition, any defaults or delays in payments by a major customer or insolvency or financial distress of any major customer may have an adverse effect on business, financial condition and results of operations. Our reliance on a few customers may also constrain our ability to negotiate our arrangements, which may have an impact on our profit margins and financial performance.

2. ***We do not have long-term cement sale and purchase agreements with two of our customers under the Contract Manufacturing Model, including our largest customer, with which we have a 12 month agreement in KCL Sikandrabad. The absence of such long-term agreements may expose us to increased business uncertainty and reduced revenue predictability which may have an adverse effect on our business, results of operations and financial condition.***

We do not have long-term cement sale and purchase agreements for two of our customers under the Contract Manufacturing Model, including for our largest customer with whom we have entered into a short-term cement sale and purchase agreement with a 12 month term, in connection with our SGU located at KCL Sikandrabad. This lack of contractual stability may lead to fluctuations in sales volumes, risk of reduced customer retention, and challenges in forecasting future revenue streams. Though we have developed long-term relationships with certain customers, in the absence of long-term agreements, there can be no assurance that our existing customers will continue to avail our services and that may have an adverse effect on our business, results of operations and financial condition. The table below sets out details of the average duration of our relationship with our top customers:

Particulars	Period of association
JK Lakshmi*	2012 - 2024
Customer 1^	2018 - present
Customer 2^	2018 - present
Prism Johnson#	2024 - present

**Last order by JK Lakshmi was placed on October 20, 2024.*
#First dispatch to Prism Johnson Limited was made on January 15, 2024.
^names of the customers have not been included in the above table as consents for disclosure of certain customer names were not available.

For details on the revenue contribution of our customer, please see, "*Risk Factors- We are dependent on four customers under the Contract Manufacturing Model, who contributed to 84.55%, 79.61%, 75.71% and 67.48% of our total revenue from operations in the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. If one or more of such customers choose not to source their requirements from us or choose to terminate our* *agreements, our business, cash flows, financial condition and results of operations may be adversely affected.*" on page 30. Any failure to retain these customers and/or negotiate and execute contracts with such customers on terms that are commercially viable, could adversely affect our business, financial condition and results of operations. Additionally, without long-term agreements, we may face increased competition from other suppliers, as customers may seek to switch providers based on pricing, service offerings, or other factors. The absence of long-term agreements could also limit our ability to negotiate favorable terms with suppliers and we are exposed to risks of lower sales volume or lower price realization on such volumes depending on prevailing market conditions, as a result of such short-term arrangements.

3. ***We are dependent on KIL and KCPL, our Wholly-owned Subsidiaries for our operations and KIL and KCPL contributed to 58.21%, 62.87%, 53.59% and 37.31% of our total revenue from operations in the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. Any disruption in the operations of our subsidiaries could have an adverse impact on our business, financial condition, and results of operations.***

As on December 31, 2024, we operate five SGUs across Sikandrabad (*western Uttar Pradesh*), Amethi *(eastern Uttar Pradesh*) and Bhabua (*Bihar*) with an aggregate cement manufacturing capacity of 3.54 MTPA. Our SGU in Amethi *(eastern Uttar Pradesh*) is operated through our Wholly-owned Subsidiary KCPL and our SGU in Bhabua (*Bihar*) is operated through our Wholly-owned Subsidiary KIL. Further, our Company, through its Wholly-owned Subsidiary, KCPL, is in the process of expanding our production capacity by setting up two SGUs in Pratapgarh (*Eastern Uttar Pradesh*) and Bulandshahar (*Western Uttar Pradesh*). The table below sets forth details of the revenue contribution from our Wholly-owned Subsidiaries:

Particulars	**Nine months period ended December 31, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue contribution (in ₹ million)	**As a percentage of revenue from operations (%)**	**Revenue contribution (in ₹ million)**	**As a percentage of revenue from operations (%)**	**Revenue contribution (in ₹ million)**	**As a percentage of revenue from operations (%)**	**Revenue contribution (in ₹ million)**	**As a percentage of revenue from operations (%)**
KCPL	2,076.46	28.86	2,795.56	31.48	1,320.53	19.85	Nil	Nil
KIL	2,111.84	29.35	2,786.99	31.39	2,244.44	33.74	1,822.34	37.31
Total	**4,188.30**	**58.21**	**5,582.55**	**62.87**	**3,564.97**	**53.59**	**1,822.34**	**37.31**

We depend and expect to continue to depend on our Wholly-owned Subsidiaries for a substantial portion of our total revenue from operations. Any decrease in revenues from operations attributable to KIL and KCPL will result in a consequent decrease in our consolidated revenue from operations and impact our profitability. As of the date of this Draft Red Herring Prospectus, KCPL and KIL are Wholly-owned Subsidiaries of our Company. There can be no assurance that we will continue to retain this shareholding. Any dissociation of KCPL and KIL or any dilution in the shareholding or any disruption in the operations, including loss of control, adverse changes in the financial condition such as possible bankruptcy or liquidation or other financial hardship could have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.

4. ***Our Company and KIL, its Wholly-owned Subsidiary have waived off interest on loans provided in Financial Year 2022-23 and Financial Year 2021-22. Such waiver of interest may lead to a violation of section 186(7) of the Companies Act, 2013 and expose the Company and KIL to financial penalties on certain officers of the Company and KIL who are in default to fines and imprisonment, which may have an adverse impact on the business and financial conditions of our Company including the reputation of our Company.***

Our Company waived off interest of ₹ 83.41 million in Financial Year 2022-23 and ₹ 50.92 million (*before taking into account ₹ 2.73 million waived off by other related parties on loans granted to the Company*) in Financial Year 2021-22, on loans granted to KCPL, our Wholly-owned Subsidiary and other related parties. Further, KIL, our Wholly-owned Subsidiary, waived off interest of ₹ 38.57 million in Financial Year 2022-23 and ₹ 12.42 million in Financial Year 2021-2022 on a loan granted to KCPL, our Wholly-owned Subsidiary and our Company. These waivers of interest may lead to a violation of Section 186(7) of the Companies Act, 2013 which provides that *"no loan shall be given under this section at a rate of interest lower than the prevailing yield of 1 year, 3 year, 5 year or 10 year Government Security closest to the tenor of the loan*". Interest at the rate of 8.25% per annum was charged on the loans advanced, however such interest was subsequently waived and the waiver of interest was approved by the respective boards of our Company, KCPL and KIL.

The Statutory Auditors of the Company have in their audit report for 2021-22 and 2022-23 under the CARO Report highlighted the following qualifications with respect to violation of Section 186(7) if the Companies Act, 2013. For further details, please refer to "*Risk Factors – Our Statutory Auditors have included certain qualifications, emphasis of matters in their auditor's report for the Financial Years ended March 31, 2024 March 31, 2023 and March 31, 2022 and the annexures to the auditor's reports as required under the Companies (Auditor's Report) Order, 2020 and as required under section 143(3)(i) of the Companies Act, 2013. If such observations are included in future audit reports or examination* *reports, the trading price of the Equity Shares may be adversely affected.*" on page 40. Further, Section 186(13) of the Companies Act, 2013 provides that any violation of Section 186, may expose the Company to financial penalties of up to ₹ 5.00 lakhs and every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to two years and with fine which may extend to one lakh rupees. The term 'officer in default' has been defined under section 2(60) of Companies Act, 2013 to mean *inter-alia* the whole-time director, key managerial personnel, and any other person on whose advice the board of directors is accustomed to act at the time of the commission of the offence. As per the definition of the 'officer in default' the members of the erstwhile board of directors including our director and current promoter, Vishal Kanodia, and certain current and erstwhile directors, key managerial personnel and members of the senior management amongst others or any other person on whose advise the board of directors was accustomed to act will be liable for imprisonment and fine for violation of Section 186(7) of the Companies Act, 2013. Our Company and KIL have pursuant to its letters dated January 24, 2025 ("**Letters**") intimated the Registrar of Companies, Uttar Pradesh at Kanpur of the auditor's qualifications in the financial statements for the Financial Years 2021-22 and 2022-23 regarding the waiver of interest which may lead to a violation of section 186(7) of the Companies Act, 2013. The Registrar of Companies, Uttar Pradesh at Kanpur has provided an acknowledgement to the Letters dated February 12, 2025. Further, no interest has been waived off from Financial Year 2023-24 onwards.

However, if the RoC or any other governmental or regulatory authority initiates a separate legal action against the Company, its promoter, directors, KMPs etc., in connection with the violation of Section 186 (7) of the Companies Act, 2013, it may have an adverse impact on the business and financial conditions of our Company including reputation of the Company.

5. ***We have in the past entered into and may continue to enter into a substantial amount of related party transactions. Our Company has waived off interest on loans granted to KCPL, our Wholly-owned Subsidiary and KIL, our Wholly-owned Subsidiary has waived off interest on loans granted to KCPL and our Company, respectively, in Financial Year 2021-2022 and 2022-23 and these two related party transactions were not conducted on an arms-length basis. We may continue to enter into related party transactions in the future, and it is likely that our future related party transactions may potentially involve conflicts of interest which may be detrimental to the interest of the Company. We cannot assure you that such transactions, individually or in the aggregate, shall not have an adverse effect on our business, financial condition, and results of operations.***

We have entered into transactions with related parties in the past and we may, from time to time, enter into related party transactions in the future. These related party transactions include, *inter alia,* sale of goods, interest received, loan given, sale of service, purchase of goods and expenses paid. Except as mentioned below, all such transactions have been conducted on an arm's length basis, in accordance with the Companies Act and applicable law:

(i) Our Company waived interest of ₹ 83.41 million in Financial Year 2022-23 and ₹ 50.92 million (before taking into account ₹ 2.73 million waived off by other related parties on loans granted to the Company) in Financial Year 2021-22, on a loan granted to KCPL, our Wholly-owned Subsidiary and other related parties which was in violation of Section 186 of the Companies Act, 2013.

(ii) KIL, our Wholly-owned Subsidiary, waived interest of ₹ 38.57 million in Financial Year 2022-23 and ₹ 12.42 million in Financial Year 2021-2022 on a loan granted to KCPL, our Wholly-owned Subsidiary and our Company which was in violation of Section 186 of the Companies Act, 2013.

For further details, please refer to, " *Risk Factors - Our Company and KIL, its Wholly-owned Subsidiary have waived off interest on loans provided in Financial Year 2022-23 and Financial Year 2021-22. Such waiver of interest may lead to a violation of section 186(7) of the Companies Act, 2013 and expose the Company and KIL to financial penalties on certain officers of the Company and KIL who are in default to fines and imprisonment, which may have an adverse impact on the business and financial conditions of our Company including the reputation of our Company"* on page 32.

The table below sets out the details of related party transactions for the periods each of the years set out below:

(in ₹ million unless otherwise specified)

Particulars	Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Related Party - Asset transactions	9.58	5.79	59.93	226.21
Total Assets	6,773.92	5,817.78	5,000.61	4,984.30
as a % of Total Assets	0.14%	0.10%	1.20%	4.54%
Related Party - Revenue transactions	122.80	29.91	88.81	-
Total income	7317.92	9001.16	6690.91	4930.52
as a % of Total income	1.68%	0.33%	1.33%	0.00%
Related Party - Expense transactions	64.54	30.66	109.08	21.75

Particulars	Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total Expenses	6032.54	7533.61	5930.22	4359.81
as a % of Total Expenses	1.07%	0.41%	1.84%	0.50%
Related Party – borrowings availed/(Repaid) (Net)	(11.45)	(696.64)	(307.63)	406.04
Total borrowings	319.99	149.40	772.68	1160.52
as a % of Total borrowings	(3.58)	(466.29)	(39.81)	(34.99)
Related Party – Loans given/(received back) (Net)	575.35	Nil	(142.05)	(250.45)
Total Loans	575.35	-	-	142.05
as a % of Total Loans	100.00%	-	-	-176.31%

We cannot assure you that we will receive similar terms in our related party transactions in the future, and that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that our future related party transactions may potentially involve conflicts of interest which may be detrimental to us. We cannot assure you that such transactions, individually or in the aggregate, shall not have an adverse effect on our business, financial condition, and results of operations. For details of the related party transactions see "*Restated Consolidated Financial Information – Note 42*" on page 339.

6. ***There have been two instances of non-compliance with the requirement to appoint a whole-time company secretary under the provisions of Companies Act, 1956 and Companies Act, 2013 and the rules made thereunder, due to delay of 714 days and 305 days in appointing a company secretary in Financial Years 2010-2012 and 2014-15, respectively. There can be no assurance that past instances of non-compliances with statutory requirements will not result in adverse consequences, including but not limited to fines, reputational harm, restrictions on business activities, or impediments to capital raising. Any such outcomes may materially affect our Company's financial condition, business operations, or growth prospects.***

Our Company was required to appoint a company secretary from December 18, 2010 under Section 383A of the Companies Act, 1956. However, our Company only appointed a company secretary on November 30, 2012 resulting in a delay of 714 days and a consequent non-compliance with Section 383A of the Companies Act, 1956. Further, the position of company secretary in our Company became vacant on May 1, 2014. Pursuant to Section 203(4) of the Companies Act, 2013, such a vacancy is required to be filled within six months. However, our Company appointed a company secretary only on March 2, 2015, resulting in a delay of 305 days and a consequent non-compliance with Section 203(4) of the Companies Act, 2013. Our Company has filed a suo-moto compounding applications dated April 19, 2025 with the Regional Director, Northern Region, New Delhi for regularization of the said non-compliances and for the delay in appointment of the company secretary and in the event that any fine or penalty is liable to be paid in relation to such non-compliance for the delayed appointment of the company secretary, the same shall be paid by our Company and our officer in default. There can be no assurance that past instances of non-compliance with statutory requirements will not result in adverse consequences, including but not limited to fines, reputational harm, restrictions on business activities, or impediments to capital raising. Any such outcomes may materially affect our Company's financial condition, business operations, or prospects.

7. ***Our business operations through our Contract Manufacturing Model and our Business-to-Consumer Model are currently concentrated in the states of Uttar Pradesh and Bihar and our inability to expand to new geographies or expand market share in existing geographies could have an adverse effect on our business, results of operations, financial condition and cash flows. Further, any significant social, political, economic or seasonal disruption, natural calamities or civil disruptions in Uttar Pradesh and Bihar could have an adverse effect on our business, results of operations, financial condition and cash flows.***

Our business operations through our Contract Manufacturing Model and our Business-to-Consumer Model are concentrated in the states of Uttar Pradesh and Bihar, where we currently operate five SGUs in Sikandrabad (*Western Uttar Pradesh*), Amethi (*Eastern Uttar Pradesh*) and Bhabua (*Bihar*). The demand of cement in Uttar Pradesh and Bihar has been consistently growing. The demand in Uttar Pradesh has grown at a CAGR of 6-7% over the past five years to reach 46-47 MMT and is expected to grow at a 7-8% CAGR over the next five years to reach 66-68 MMT in Fiscal 2029, led by affordable housing, infrastructure and industrial and commercial segment. (*Source: CRISIL Report*) To capitalize on this trend, we intend to expand our production by establishing both our upcoming SGUs in Uttar Pradesh – one in Pratapgarh (*Eastern Uttar Pradesh*) and second in Bulandshahar (*Western Uttar Pradesh*) through our Wholly-owned Subsidiary, KCPL. Further, we also intend to strengthen our position as the preferred contract manufacturing partner in the expanding cement markets of Uttar Pradesh and Bihar and leverage our distribution network to increase the market share and presence of our brands under the Business-to-Consumer Model.

However, our reliance on the growth of our business in Uttar Pradesh and Bihar exposes us to significant risks if we are unable to expand into new geographies or increase our market share in these existing or new geographies. The cement market is highly competitive, with several well-established players, making it challenging for us to differentiate and grow our presence in these fragmented markets. If we fail to achieve successful expansion or if our efforts to capture additional market share in these geographies fall short, it could lead to slower revenue growth and a decline in profitability and cash flows. Additionally, expanding into new geographies presents various risks, such as navigating unfamiliar regulatory landscapes, building new distribution channels, and managing logistical complexities. A failure to expand effectively could constrain our growth potential, place significant pressure on our financial performance, and undermine our long-term stability and market position.

Further, any significant social, political, economic, or seasonal disruptions, as well as natural calamities or civil unrest in these states, could materially adversely affect our operations. Disruptions such as political instability, regulatory changes, labour strikes, or changes in local economic conditions could result in delays, increased costs, or restrictions on our ability to conduct business effectively. Further, natural disasters such as floods, earthquakes, or severe weather conditions could disrupt transportation, supply chains, and production processes, leading to delays and additional operational costs. Civil disruptions or unrest in these regions could also affect the safety and security of our personnel, the integrity of our facilities, and the continuity of our manufacturing operations.

Given the concentration of our activities in Uttar Pradesh and Bihar, any adverse event in these regions could have a disproportionate impact on our overall business, results of operations, financial condition, and cash flows. Such disruptions could hinder our ability to meet customer demand, fulfil contracts, or maintain efficient operations, ultimately affecting our growth prospects and financial performance.

8. ***We have had instances of delays in payments of statutory dues by our Company and by our Material Subsidiaries in the past. Any delays in payment of statutory dues by our Company and our Material Subsidiaries in future may attract financial penalties from the respective government authorities and in turn may have an adverse impact on our financial condition and cash flows.***

Our Company is required to pay certain statutory dues including provident fund contributions and employee state insurance contributions as indicated in the tables below.

The table below sets forth the details of the delays in statutory dues payable by our Company and our subsidiaries for the periods indicated below:

By our Company:

(₹ in million)

Nature of Statutory Dues	For the nine-months ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount for which payment was delayed	Number of Days	Amount for which payment was delayed	Number of Days	Amount for which payment was delayed	Number of Days	Amount for which payment was delayed	Number of Days
Tax Collected at Source	-	-	-	-	0.12	4 to 273	0.92	1 to 502
Tax Deduction at Source - Salary	-	-	-	-	0.82	4 to 81	0.35	26 to 30
Tax Deduction at Source- other than Salary	0.72	29 to 61	0.33	28 to 60	2.78	4 to 358	3.38	1 to 160
Provident Fund	1.08	1 to 32	0.40	1 to 2	0.07	9 to 9	0.32	7 to 41
Employees State Insurance	0.01	2 to 19	0.02	1 to 2	0.02	1 to 164	0.04	2 to 69
Income Tax (including Advance Tax)	19.83	13 to 89	-	-	32.79	15 to 230	26.68	170 to 351
Goods and Service Tax	-	-	59.10	1 to 2	75.60	1 to 8	201.25	1 to 10

By our subsidiary (KIL)

(₹in million)

Nature of Statutory Dues	For the nine-months ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount for which payment was delayed	Number of Days	Amount for which payment was delayed	Number of Days	Amount for which payment was delayed	Number of Days	Amount for which payment was delayed	Number of Days
Tax Deduction at Source - Salary	-	-	0.06	6 to 80	0.02	6 to 38	0.27	1 to 1
Tax Deduction at Source- other than Salary	-	-	2.51	6 to 428	2.12	1 to 152	2.99	1 to 410
Provident Fund	0.10	5 to 5	0.16	1 to 1	0.41	1 to 41	0.65	1 to 16
Income Tax (including Advance Tax)	22.03	85 to 89	172.14	67 to 179	54.67	15 to 180	87.90	226 to 443
Goods and Service Tax	-	-	11.13	1 to 1	-	-	119.26	1 to 8
Professional Tax	-	-	-	-	-	-	0.12	1 to 11

By our subsidiary (KCPL)

(₹ in million)

Nature of Statutory Dues	For the nine-months ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount for which payment was delayed	Number of Days	Amount for which payment was delayed	Number of Days	Amount for which payment was delayed	Number of Days	Amount for which payment was delayed	Number of Days
Tax Deducted at Source- Salary	-	-	-	-	0.07	1 to 31	0.18	1 to 11
Tax Deducted at Source- Other than Salary	0.02	20 to 30	10.09	27 to 82	0.28	1 to 109	0.14	1 to 82
Provident Fund	0.04	7 to 7	0.02	1 to 1	0.01	2 to 32	-	-
Employees State Insurance	0.00	2 to 2	0.00	1 to 2	0.00	1 to 60	-	-
Income Tax (including Advance Tax)	-	-	8.49	90 to 90	-	-	-	-
Goods and Service Tax	-	-	24.08	1 to 1	0.76	6 to 15	0.90	1 to 33

If we are unable to pay our statutory dues on time, we could be subject to interest charges and may also attract financial penalties from the respective government authorities which may have an adverse impact on our financial condition and results of operations.

9. ***Our ability to produce cement under the Business-to-Consumer Model is heavily reliant on the timely and sufficient procurement of key raw materials required to produce cement, primarily clinker, fly ash, gypsum, and slag. The cost of these raw materials consumed constitute 70.81%, 67.70%, 64.47% and 62.51% of our total revenue from operations in the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. We depend on third-party suppliers for the supply of raw materials under our Business-to-Consumer Model and on our respective customers under the Contract Manufacturing Model. We do not have firm commitments for supply or exclusive arrangements with any of our third-party suppliers and are required to pay advances from time to time. Any disruption to the timely and adequate procurement of raw materials, or volatility in the prices of raw materials, or shortages of, or delay or disruption in supply of primary raw materials could have an adverse impact on our business, financial condition, and results of operations.***

Our ability to produce cement is heavily reliant on the timely and sufficient procurement of key raw materials required to produce cement, primarily clinker, fly ash, gypsum, and slag. For the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, the total cost of raw material consumed was ₹ 5,095.27 million, ₹ 6,011.28 million, ₹ 4,288.85 million and ₹ 3,053.57 million and accounted for 84.46%, 79.79%, 72.32% and 70.04% of our total expenses, respectively. We depend on third-party suppliers for the supply of raw materials under our Business-to-Consumer Model and on our respective customers under the Contract Manufacturing Model. We do not have firm commitments for supply or exclusive arrangements with any of our third-party suppliers and are required to pay advances from time to time. The table below provides a detailed break-up of the cost of procuring raw material for manufacturing blended cement:

(*₹ in million*)

Particulars	Nine-months ended December 31, 2024			Fiscal 2024			Fiscal 2023			Fiscal 2022		
	Amount	% of revenue from operations	% of total expenses	Amount	% of revenue from operations	% of total expenses	Amount	% of revenue from operations	% of total expenses	Amount	% of revenue from operations	% of total expenses
Cost of raw materials consumed	5,095.27	70.81	84.46	6,011.28	67.70	79.79	4,288.85	64.47	72.32	3,053.57	62.51	70.04

Clinker is the most critical raw material in our manufacturing process of blended cement and any interruption or delay in the procurement of clinker could adversely affect our production capabilities, leading to a reduction in our output or delays in fulfilling customer order For our operations under the Contract Manufacturing Model, our key customers supply clinker as per the terms of procurement which are incorporated within the cement sale and purchase agreements. If (i) our customers experience operational, financial, or logistical challenges that prevent them from supplying clinker in accordance with the agreed terms of the cement sale and purchase agreements, or (ii) if these agreements are modified or negotiated, it could disrupt our production process. Such disruptions may lead to delays in production schedules, increased operational costs, and an inability to meet customer demand. For the nine-months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, our total procurement of clinker was ₹ 2,990.53 million, ₹ 4,355.37 million, ₹ 3,785.43 million and ₹ 2,629.25 million and the clinker procured from our key customers accounted for 83.54%, 71.13%, 46.00% and 46.85% of the total clinker procured, respectively. The risk of procurement of clinker is also relevant for our operations under the Business-to-Consumer Model as we procure clinker from open market suppliers.

Fly ash, a by-product of coal based thermal power plants, is the second most consumed raw material in the production of blended cement and constitutes 15-35% of blended cement. (*Source: CRISIL report*) We have long term arrangements and tenders with prominent suppliers including public sector undertakings and participate in tenders floated by coal-based power plants and private companies generating fly ash which need to dispose the fly ash as part of their ESG obligations. Gypsum is available as a natural product primarily sourced from Rajasthan, and it is also derived from chemical plants. (*Source: CRISIL report*) Slag is a by-product of the steel-making process, produced during the separation of molten steel from impurities in steel furnaces. (*Source: CRISIL report*) We procure gypsum and slag from open market suppliers for both our business models.

The table below sets forth the contribution of our top three, five and 10 suppliers to our cost of raw material consumed for the periods indicated below:

Particulars	Nine months ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (*₹ in million*)	% of cost of raw material consumed	Amount (*₹ in million*)	% of cost of raw material consumed	Amount (*₹ in million*)	% of cost of raw material consumed	Amount (*₹ in million*)	% of cost of raw material consumed
Top three suppliers*	2,106.80	41.35	2,672.98	44.47	2,363.40	55.11	1,574.38	51.56
Top five suppliers*	2,859.40	56.12	3,591.50	59.75	3,150.91	73.47	2,114.90	69.26
Top 10 suppliers*	3,481.29	68.32	4,729.50	78.68	3,900.45	90.94	2,785.83	91.23

**While more than 50% of our revenue from operations originates from our top 10 suppliers, we have obtained consents from JK Lakshmi Cement Limited, KJS Cement (I) Limited, Prism Johnson Limited, JK Cement Limited, Shri Govind Polytex Private Limited and Jaidayal Hitex Private Limited and the names of certain suppliers from whom consents for disclosure of names were not available have not been disclosed.*

Furthermore, as we typically do not have exclusive arrangements with our suppliers, our suppliers could engage with our competitors and prioritize supplies of their other customers, which could adversely impact our ability to procure a sufficient quantity of raw materials at competitive rates. Any disruptions or delays in securing a consistent and reliable supply of clinker, gypsum, or fly ash could significantly impact our production capabilities and operational efficiency. Further, fluctuations in the price of these raw materials could adversely affect our cost structure and profitability. The prices of clinker, gypsum, fly ash and slag are influenced by various factors, including global supply and demand dynamics, transportation costs, regulatory changes, and market conditions. A significant increase in the prices of these raw materials, or volatility in their availability, could lead to higher production costs, adversely affecting our margins.

Further, as we source our raw materials from third parties, our supply chain may be interrupted by circumstances beyond our control. Poor quality roads and other transportation-related infrastructure problems, inclement weather and road accidents may disrupt the transportation of raw materials. Additionally, if we experience any delays in receiving raw materials due to supply chain disruptions, transportation bottlenecks, or issues with our suppliers, it could lead to production delays, impacting our ability to meet customer demand on time. This could damage customer relationships and potentially result in lost sales or contractual penalties.

While we usually maintain 2 to 10 weeks of inventory for all our primary raw materials, we may face instances of shortage of raw material in a limited manner. During such periods of shortages in raw materials, we may not be able to manufacture our products according to our pre-determined time frames, at our previously estimated product costs, or at all, which may adversely affect our business, results of operations, cash flows and reputation. While we have not faced any instances of shortage of raw material in the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, we cannot assure you that such instances may not occur in the future. Further, in cases where the holding period of the raw material exceeds the average holding period, we may be required to have additional working capital coverage, for the purposes of maintaining such raw materials which may increase our raw material cost.

10. ***A majority of our trademarks and logos, including the trademark for our name and logo, 'Kanodia Cement Limited' are registered in the name of our Promoter, Vishal Kanodia. As of December 31, 2024, our Company is using 22 trademarks and 3 copyrights, out of which 12 trademarks and two copyrights are registered in the name of our Promoter, Vishal Kanodia and we have made application for three trademarks in the name of Vishal Kanodia, out of which two have been opposed and one stands abandoned. Our Promoter, Vishal Kanodia has pursuant to assignment agreements dated December 3, 2024 assigned us the right to use the trademarks and logos. If our Promoter decides to terminate the agreements and prevents us from using such trademarks, we could be required to change our name and logo. Further, if we are unable to maintain and enhance our brands Concrete Gold, HBM (Ghar ka Expert), HBM Gold "Ghar Ka Expert", BigCem Premium Plus, BigCem Cement and Bluestar Cement including our ability to protect our brand through intellectual property, the sales of our products might suffer, which would have a material adverse effect on our results of operations. We may also unintentionally infringe upon the intellectual property rights of others, any misappropriation of which could harm our competitive position.***

Our Company, through the Business-to-Consumer Model, sells products under the brands Concrete Gold, HBM (Ghar ka Expert), HBM Gold "Ghar ka expert", BigCem Premium Plus, BigCem Cement and Bluestar Cement. Our brands may be negatively impacted by various factors, some of which are beyond our control, such as our ability to, effectively manage the quality of our products and address customer grievances; increase brand awareness among existing and potential customers; adopt new technologies or adapt our systems to user requirements or emerging industry standards; and protect the intellectual property related to our brands. Our failure to protect, strengthen and enhance our existing brands may result in decreased revenue, loss of customers, and in turn adversely affect our business, financial condition and results of operations.

As on December 31, 2024, the following trademarks in respect of the names of our brands and logos have been registered with the Registrar of Trademarks in India to protect our intellectual property:

S. No.	Trademark	Class	Owner	Assignee	Status
1.	Kanodia (*with VG group device*)	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
2.		19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
3.	Kanodia Group	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
4.	Kanodia Cement	19	Kanodia Cement Limited	-	Registered
5.	BigCem Cement	19	Kanodia Cement Limited	-	Registered
6.	Kanodia BigCem	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
7.	Kanodia Concrete Gold	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
8.	Kanodia Premium Plus	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
9.	BigCem Build Solid	19	Kanodia Cement Limited	-	Registered

S. No.	Trademark	Class	Owner	Assignee	Status
10.		19	Kanodia Cement Limited	-	Registered
11.	BigCem Premium Plus	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
12.	Concrete Gold	19	Vishal Kanodia	-	Opposed
13.		19	Vishal Kanodia	-	Opposed
14.	HBM (Ghar Ka Expert)	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
15.		19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
16.	HBM Gold "Ghar Ka Expert"	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
17.		19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
18.	Bluestar Cement	19	Bluestar Cement Limited	-	Opposed
19.	BCLBLUESTAR	19	Bluestar Cement Limited	-	Opposed
20.	BigCem Build Solid	1	Kanodia Cement Limited	-	Registered
21.		1	Kanodia Cement Limited	-	Registered
22.	KG Bluestar Classic	19	Vishal Kanodia	-	Abandoned*

**Our Promoter, Vishal Kanodia had made an application for the registration of the trademark, KG Bluestar Classic' dated December 29, 2022. However, the status of the application stands abandoned as on the date of the DRHP.*

As on December 31, 2024, the following copyrights in respect of the names of our brands and logos have been registered to protect our intellectual property:

S. No.	Copyright Title	Owner	Assignee	Status
1.	Kanodia Group	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
2.	BigCem Build Solid	Kanodia Cement Limited	-	Registered
3.	Concrete Gold	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered

The trademarks for our name, 'Kanodia Cement Limited' 'Kanodia (*with VG group device*)', 'Kanodia Group', 'Kanodia BigCem', 'Kanodia Concrete Gold', 'Kanodia Premium Plus', 'BigCem Premium Plus', 'HBM (Ghar Ka Expert)' and 'HBM Gold "Ghar Ka Expert"', and logos, , , and and the copyrights for 'Kanodia Group' and 'Concrete Gold' is registered in the name of our Promoter, Vishal Kanodia. Further, our Promoter, Vishal Kanodia has made applications for three trademarks, 'Concrete Gold' and its logo which have been opposed and 'KG Bluestar

Classic', the status of which stands abandoned as of the date of the DRHP. Our Company continues to make use of such opposed and abandoned trademarks for the selling and branding of our products. As of December 31, 2024, our Company is using 22 trademarks and 3 copyrights, out of which 12 trademarks and two copyrights are registered in the name of our Promoter, Vishal Kanodia and made applications for three trademarks in the name of Vishal Kanodia, out of which two have been opposed and one stands abandoned. Our Promoter, Vishal Kanodia has pursuant to assignment agreements dated December 3, 2024 allowed us and subsidiaries to use the trademarks and logos. The assignment agreements are valid for a period of 10 years from the effective date of the agreements and are automatically renewable for a successive period of 10 years, unless either party provides a 12 month written revocation notice. If our Promoter decides to terminate the agreements and not allow us to use such trademarks, we could be required to change our name and logo. Such change in name and logo will result in us having to incur expenses and to establish our new name and logo with our customers, which could take time and management attention for significant periods, which could adversely affect our business and financial condition.

We cannot assure you that such registration of our trademarks, design or patents will be granted to us in a timely manner, or at all. As a result, we may not be able to prevent infringement of our trademarks, designs or patents and a passing off action may not provide sufficient protection until such time that such registration is granted. Any damage to our brand or our reputation may result in withdrawal of business by our existing customers or our intermediaries as well as loss of new business from potential customers and arrangements with new active trade dealers, sub-dealers and any other potential intermediaries. Furthermore, negative publicity may result in an increase in regulatory scrutiny of our industry practices as well as an increase in litigation claims, which may further increase our costs of doing business and affect our profitability. Negative publicity may also influence market perception of our business and affect our ability to maintain our credit ratings. Accordingly, any harm to our brand and reputation may have an adverse effect on our business, results of operations, cash flows and financial condition.

11. ***Our Statutory Auditors have included certain qualifications, emphasis of matters in their auditor's report for the Financial Years ended March 31, 2024 March 31, 2023 and March 31, 2022 and the annexures to the auditor's reports as required under the Companies (Auditor's Report) Order, 2020 and as required under section 143(3)(i) of the Companies Act, 2013. If such observations are included in future audit reports or examination reports, the trading price of the Equity Shares may be adversely affected.***

Our Statutory Auditors have included certain emphasis of matters in their auditor's report for the year ended March 31, 2024, March 31, 2023, and March 31, 2022 and the annexure to the auditor's reports on Companies (Auditor's Report) Order, 2020 ("**CARO**"), in respect of our Company and our Subsidiaries:

a) Related to Consolidated Financial Statements of Kanodia Cement Limited [Other than CARO] - Audit Qualifications

Period/Year	Details of Qualification
Financial year ended March 31, 2023*	I) The Group has not accounted for SGST subsidy income of Rs. 79.66 million under VAT Reimbursement - Bihar Industrial Incentive Policy 2011 as in the opinion of the management, there is no certainty about its quantum and realization. This has consequent impact on the profit for the year and reserve and surplus as at the year end to the extent amount not accounted for. II) The Company has waived interest of Rs. 20.36 million on loan granted to related parties which is not in compliance with Section 186 of the Companies Act, 2013.This has also impact on the profit for the year and reserve and surplus as at the year end to the extent amount waived off.

**The above qualifications are also forming part of the relevant standalone financials of the Company or its subsidiaries.*

b) Related to Standalone Financial Statements of Kanodia Cement Limited [Other than CARO] - Audit Qualifications

Period/Year	Details of Qualification
Financial year ended March 31, 2023	The Company has waived interest of Rs. 83.41 million on loan granted to M/s Kanodia Cem Private Limited (wholly owned subsidiary company) and other related parties which is not in compliance with Section 186 of the Companies Act, 2013. This has also impact on the profit for the year and reserve and surplus as at the year end to the extent amount waived off.

c) Related to Kanodia Infratech Limited [Other than CARO] - Audit Qualifications

Period/Year	Details of Qualification
Financial year ended March 31, 2023	The Company has waived interest of Rs. 38.57 million on loan granted to M/s Kanodia Cem Private Limited (fellow subsidiary company) and M/s Kanodia Cement Limited (Holding Company) which is not in compliance with section 186 of the Companies Act, 2013. This has also impact on the profit for the year and reserve and surplus as at the year end to the extent amount waived off.

d) Emphasis of Matter-Summary

Remarks
Kanodia Infratech Limited: For the year ended March 31, 2024, March 31, 2023 and March 31, 2022 We draw attention to note no. 34 of the Ind AS financial statements (for the year ended March 31, 2023: note no. 27.1 of the financial statements and for the year ended March 31, 2022: note no. 27.1 of the financial statements) regarding a case filed by a customer against the Company for alleged breach of contractual terms which has been disputed by the Company before the High Court of Delhi. Based on the High Court of Delhi instruction matter was referred for arbitration. Arbitrator has held the Company liable to pay principal sum of Rs. 498.39 million and interest thereon. The Company has challenged the aforesaid arbitration award before the Single Judge bench of the High Court which has been decided partly in the favour of the Company by set aside the award of Rs. 40.00 million. The Company has further challenged the matter before the Double bench of High Court of Delhi. The Double bench of High Court has granted stay on the operation of the award till the matter is finally disposed off by the Court. The Company has accounted for liability for principal amount aggregating Rs. 455.99 million (including Rs. 9.40 million towards arbitration costs) in earlier years. Principal amount of Rs. 11.80 million and interest of Rs. 819.92 million (for the year ended March 31, 2023: Rs. 642.84 million and for the year ended March 31, 2022: Rs. 488.30 million) have not been accounted for and shown as contingent liability in the Ind AS financial statements. The Company's legal counsel has given opinion that there are reasonable probabilities of favorable decision. Our opinion is not qualified in respect of above matter.

CARO Observations-Summary

e) For the year ended March 31, 2024

<table>
<tr><th>Clause</th><th>Remarks</th></tr>
<tr><td>Clause (i)(a)(A)</td><td>Kanodia Cement Limited and Kanodia Infratech Limited: For the year ended March 31, 2024

The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment except in cases of old assets where the same is in process of updation.</td></tr>
<tr><td>Clause (i)(b)</td><td>Kanodia Cement Limited and Kanodia Infratech Limited: For the year ended March 31, 2024

As represented us, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years, which in our opinion, is at reasonable intervals having regard to the size of the Company and nature of its property, plant and equipment. In accordance with this programme, property, plant and equipment were physically verified during the year for which reconciliations with records is under process. As informed to us, the discrepancies on such physical verification would not be material.</td></tr>
<tr><td>Clause (i)(c)</td><td>Kanodia Cement Limited: For the year ended March 31, 2024

Based on the records examined by us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the Ind AS standalone financial statements are held in the name of the Company except the followings:

<table>
<tr><th>Description of property</th><th>Gross carrying value (Rs. million)</th><th>Held in the name of</th><th>Whether promoter, director or their relative or employee</th><th>Period held (i.e., dates of capitalisation provided in range)</th><th>Reason for not being held in the name of the Company</th></tr>
<tr><td rowspan="2">Leasehold Land</td><td>7.17</td><td>Bluestar Cement Limited</td><td>No</td><td rowspan="5">January 13, 2021</td><td rowspan="5">These immovable properties acquired from erstwhile companies that were amalgamated with the company pursuant to National Company Law Tribunal Order dated January 13, 2021. The name change in the favor of company is pending.</td></tr>
<tr><td>20.79</td><td>Durgashree Brick Private Limited</td><td>No</td></tr>
<tr><td rowspan="3">Freehold Land</td><td>15.29</td><td>Durgashree Brick Private Limited</td><td>No</td></tr>
<tr><td>28.40</td><td>Rinam Trading Private Limited through Saurabh Lohia</td><td>Yes</td></tr>
<tr><td>2.50</td><td>Maharaja Retailers Pvt. Limited</td><td>No</td></tr>
</table>
</td></tr>
</table>

f) For the year ended March 31, 2023 and March 31, 2022

Clause	Remarks
Clause (i)(a)(A)	**Kanodia Cement Limited: For the year ended March 31, 2023 and Kanodia Infratech Limited and Kanodia Cem Private Limited: For the year ended March 31, 2023 and March 31, 2022** The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment except in cases of old assets where the same is in process of updation.
Clause (i)(b)	**Kanodia Cement Limited and Kanodia Infratech Limited: For the year ended March 31, 2023** As represented us, the Company has a regular program of physical verification of its property, plant and equipment by which they are verified in a phased manner over a period of three years which is reasonable having regard to the size of the

Clause	Remarks

Company and their nature. However, no physical verification of property, plant, and equipment, as per program, were conducted during the year.

Kanodia Cement Limited, Kanodia Infratech Limited and Kanodia Cem Private Limited : For the year ended March 31, 2022

The property, plant and equipment were not physically verified during the year by the management. In our opinion all property, plant and equipment should be physically verified over a period of three years.

Clause (i)(c)

Kanodia Cement Limited: For the year ended March 31, 2023 and March 31, 2022

Based on the records examined by us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) and included in property, plant & equipment are held in the name of the Company except the followings:

Description of property	Gross carrying value (Rs. million)	Held in the name of	Whether promoter, director or their relative or employee	Period held (i.e., dates of capitalisation provided in range)	Reason for not being held in the name of the Company
Leasehold Land	7.20	Bluestar Cement Limited	No	January 13, 2021	These immovable properties acquired from erstwhile companies that were amalgamated with the company pursuant to National Company Law Tribunal Order dated January 13, 2021. The name change in the favor of company is pending.
	20.90	Durgashree Brick Private Limited	No		
Freehold Land	15.29	Durgashree Brick Private Limited	No		

Kanodia Infratech Limited: For the year ended March 31, 2023 and March 31, 2022

Based on the records examined by us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) and included in property, plant & equipment are held in the name of the Company except the followings:

Description of property	Gross carrying value (Rs. million)	Held in the name of	Whether promoter, director or their relative or employee	Period held (i.e., dates of capitalisation provided in range)	Reason for not being held in the name of the Company
Freehold Land	2.29	Title deed not available at that time			

Clause (ii)(a)

Kanodia Cement Limited and Kanodia Infratech Limited: For the year ended March 31, 2023 and March 31, 2022 and Kanodia Cem Private Limited: For the year ended March 31, 2022

The Company has not conducted physical verification of inventories during the year.

Clause (ii)(b)

Kanodia Cement Limited: For the year ended March 31, 2023

The Company having borrowing facilities from a bank on the basis of security of current assets which have been closed during the year, the amount shown in quarterly returns or statements for the Jun' 22 and Sept' 22 quarter were derived from the unaudited and provisional books of account. The details with respect to trade receivable and trade payable submitted in statement for the quarter ended June 30, 2022 and September 30, 2022 are in agreement with books of account, however, inventory valuations are not maintained in books of account therefore management has calculated valuation manually and submitted with the bank. As regards the disclosure of discrepancies, if any, were not made due to the unfinished summary of reconciliation in this regard.

Clause (iii)(a)

Kanodia Cement Limited: For the year ended March 31, 2022

Based on the books of account examined by us and according to information and explanation given to us, the Company has granted loans or provided advances in the nature of loans, or stood guarantee, or provided security during the year to the followings:

Particulars	Guarantees (₹ in million)	Security (₹ in million)	Loans (₹ in million)	Advance in nature of loans (₹ in million)
Aggregate amount granted/provided during the year:				
- Subsidiaries	-	-	1,193.79	-
- Joint Ventures / Associates	-	-	-	-
- others	320.00	-	546.60	-

<table>
<tr><th>Clause</th><th>Remarks</th></tr>
<tr><td></td><td>

Balance outstanding as at balance sheet date:				
- Subsidiaries	-	-	655.09	-
- Joint Ventures / Associates	-	-	-	-
- others	370.00	-	142.05	-

Kanodia Infratech Limited: For the year ended March 31, 2022

Based on the books of account examined by us and according to information and explanation given to us, the Company has granted unsecured loan of ₹ 990.20 million to holding company and a fellow subsidiary company during the year and balance outstanding as on balance sheet date was ₹ 173.00 million. The Company has not provided any advance in the nature of loans, or stood guarantee, or provided security during the year.

Kanodia Cem Private Limited: For the year ended March 31, 2022

Based on the books of account examined by us and according to information and explanation given to us, the Company has granted unsecured loan of ₹ 324.41 million to holding company during the year and no balance was outstanding as on balance sheet date. The Company has not provided any advance in the nature of loans, or stood guarantee, or provided security during the year.
</td></tr>
<tr><td>Clause (iii)(b)</td><td>

Kanodia Cement Limited: For the year ended March 31, 2023

In our opinion and according to the information and explanation given to us, the terms and conditions of the loan granted and investment made, during the year are, prima facie, not prejudicial to the Company's interest. However, the Company has waived off the interest of Rs. 83.41 million on the above loans which is prejudicial to the Company's interest. The company has also outstanding guarantee, given in earlier year, on the behalf of two related parties for availing loan facility without charging any guarantee commission which is in our opinion, prima facie, prejudicial to the Company's interest.

Kanodia Cement Limited: For the year ended March 31, 2022

In our opinion and according to the information and explanation given to us, the terms and conditions of the loan granted and investment made, during the year are, prima facie, not prejudicial to the Company's interest. However, the company has given guarantee on the behalf two entities for availing loan facility for which guarantee commission have not been charged which is prima facie, prejudicial to the Company's interest.

Kanodia Infratech Limited: For the year ended March 31, 2023

In our opinion and according to the information and explanation given to us, the terms and conditions of the loans granted during the year are, prima facie, not prejudicial to the Company's interest. However, the Company has waived off interest of Rs. 38.57 million on above loans which is prejudicial to the Company's interest.
</td></tr>
<tr><td>Clause (iii)(c)</td><td>

Kanodia Cement Limited: For the year ended March 31, 2023

The schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount was regular. The Company has waived off interest of Rs. 83.41 million on loan granted to related parties.

Kanodia Cement Limited: For the year ended March 31, 2022

The schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount was regular. The Company has waived interest of ₹ 50.92 million loan granted to related parties.

Kanodia Infratech Limited: For the year ended March 31, 2023

The schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount was regular. The Company has waived off the interest of Rs. 38.57 million on loan granted to M/s Kanodia Cem Private Limited (fellow subsidiary company) and M/s Kanodia Cement Limited (Holding Company).

Kanodia Infratech Limited: For the year ended March 31, 2022

The schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount was regular. The Company has waived interest of ₹ 12.42 million on loan granted to M/s Kanodia Cem Private Limited (fellow subsidiary company).

Kanodia Cem Private Limited: For the year ended March 31, 2022

The schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount was regular. The Company has waived interest of ₹ 2.32 million on loan granted to M/s Kanodia Cement Limited (Holding company).
</td></tr>
<tr><td>Clause (iv)</td><td>

Kanodia Cement Limited: For the year ended March 31, 2023
</td></tr>
</table>

Clause	Remarks
	According to information and explanation given to us and based on audit procedure performed by us, the Company has complied with provisions of section 185 and 186 of the Companies Act, 2013 with respect to loan granted and investment made during the year except to the extent of waiving off interest of Rs. 83.41 million accrued on loans granted to related parties. No security under section 185 and no guarantee and security under section 186 of the Companies Act,2013 have been given during the year. **Kanodia Cement Limited: For the year ended March 31, 2022** According to information and explanation given to us and based on audit procedure performed by us, the Company has complied with provisions of section 185 and 186 of the Companies Act, 2013 with respect to loan granted, investment made and guarantee given during the year except filing of relevant resolution with the Registrar of the Companies. No security under section 185 and no guarantee and security under section 186 of the Companies Act,2013 have been given during the year. **Kanodia Infratech Limited: For the year ended March 31, 2023** According to information and explanation given to us and based on audit procedure performed by us, the Company has complied with provisions of section 186 of the Companies Act, 2013 with respect to loan granted during the year except to the extent of waiving off interest of Rs. 38.57 million accrued on loans granted to related parties. No loan or guarantee or security under section 185 and no investment or guarantee and security under section 186 of the Companies Act, 2013 have been given during the year. **Kanodia Infratech Limited and Kanodia Cem Private Limited: For the year ended March 31, 2022** According to information and explanation given to us and based on audit procedure performed by us, the Company has complied with provisions of section 186 of the Companies Act, 2013 with respect to loan granted during the year except filing of relevant resolution with the Registrar of the Companies. No loan or guarantee or security under section 185 and no investment or guarantee and security under section 186 of the Companies Act,2013 have been given during the year.
Clause (v)	**Kanodia Cement Limited: For the year ended March 31, 2022** The Company has not accepted any deposit or amount which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. However, the Company has taken advances of ₹ 16.23 million towards for sale of its properties during 2020-2021 which were repaid during the year after expiry of one year but before expiry of agreed term of the agreement.
Clause (vii)(a)	**Kanodia Cement Limited and Kanodia Infratech Limited: For the year ended March 31, 2023** According to the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Employee State Insurance, Provident Fund, Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value Added tax, Cess and other statutory dues as applicable, with the appropriate authorities except delay in payment of Goods and Service Tax, Provident fund and Tax deducted at source. There were no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable. **Kanodia Cement Limited: For the year ended March 31, 2022** According to the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value Added tax, Cess and other statutory dues as applicable, with the appropriate authorities except delay in payment of Goods and Service Tax, Provident fund and Tax deducted at source. There was no undisputed outstanding statutory dues as at the year end for a period of more than six months from the date they became payable except advance Income-tax of ₹ 17.75 million. **Kanodia Infratech Limited: For the year ended March 31, 2022** According to the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value Added tax, Cess and other statutory dues as applicable, with the appropriate authorities except delay in payment of Goods and Service Tax, Provident fund and Tax deducted at source. The provisions relating to Employees' State Insurance are not applicable to the Company. There was no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable except advance Income-tax of ₹ 30.17 million.
Clause (xiii)	**Kanodia Cement Limited: For the year ended March 31, 2022** According to the information and explanation given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable except that the company has given guarantee on the behalf two entities for availing loan facility without charging guarantee commission and details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Accounting Standards.
Clause (xi)(a)	**Kanodia Infratech Limited and Kanodia Cem Private Limited: For the year ended March 31, 2022**

Clause	Remarks
	Based upon the audit procedures performed and the considering the principles of materiality outline in Standards on Auditing for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management during the course of audit except an instance of ₹ 1.00 million, discovered by the Company where cash withdrawn from bank was robbed by some outsiders.
Clause (xvii)	**Kanodia Cem Private Limited: For the year ended March 31, 2022** The Company has incurred cash loss of ₹ 0.67 million in current year however no cash loss was incurred in the immediately preceding financial year.

g) Observations on Internal Financial Controls - Summary

Particulars	Remarks
Opinion	**Kanodia Cement Limited and Kanodia Infratech Limited: For the year ended March 31, 2023 and March 31, 2022** In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023/March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India however the same needs to be further strengthened.
Opinion	**Kanodia Cem Private Limited: For the year ended March 31, 2022** In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India however the same needs to be further strengthened.
Emphasis of Matter	**Kanodia Cement Limited and Kanodia Infratech Limited: For the year ended March 31, 2023 and March 31, 2022 and Kanodia Cem Private Limited: For the year ended March 31, 2022** We draw attention that the Company has defined risk control matrix of various process basis Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India but the same is required to be further strengthened by incorporating more controls related to entity level controls, process level controls and controls related to financial statements review and closure process.

For further details and treatment please see *"Restated Consolidated Financial Information – Annexure VI*" on page 304.

The audit reports issued by our statutory auditors for the respective financial years are not modified in respect of the above matters and there is no impact (financial or otherwise) of such comments by statutory auditors. However, there can be no assurance that the audit reports for any future fiscal periods will not contain such matters or that such matters will not otherwise affect our results of operations in such future periods, as well as our financial condition, and the trading price of the Equity Shares. Investors should consider these qualifications, remarks and observations of our Statutory Auditors in evaluating our financial condition, results of operations and cash flows.

12. There are outstanding litigations pending against us, our Subsidiaries, Directors and Promoters, which, if determined adversely, could affect our operations. We could suffer significant litigation expenses in defending these claims and could be subject to significant damage, compensation, or other remedies, which could adversely affect our reputation, business, results from operations, financial conditions and cash flows.

In the ordinary course of business, our Company, Subsidiaries, the individual Promoters and Directors are involved in certain legal proceedings which are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation set out below includes details of criminal proceedings, tax proceedings, statutory and regulatory actions including disciplinary actions by the SEBI or stock exchanges and material pending civil litigation. Our Company has adopted a Materiality Policy for disclosure of relevant outstanding litigations involving our Company, Subsidiaries, Group Companies, Directors or Promoters.

The table below lists out the details of the litigations disclosed in the Draft Red Herring Prospectus in accordance with our Materiality Policy:

Name of Entity/ Individual	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved* (₹ in million)
Company						
By our Company	11	Nil	N.A.	N.A.	Nil	2.13
Against our Company	Nil	13	Nil	N.A.	Nil	141.50
Directors^						
By our Directors	3	Nil	N.A	Nil	Nil	Nil
Against our Directors	2	4	1	Nil	Nil	7.23
Promoters						
By Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against Promoters	Nil	5	Nil	Nil	Nil	7.24
Subsidiaries						
By the Subsidiaries	Nil	Nil	N.A.	N.A.	1	7.32
Against the Subsidiaries	Nil	4	Nil	N.A.	1**	1,444.79
Key Management Personnel						
By Key Management Personnel	Nil	Nil	Nil	N.A.	Nil	Nil
Against Key Management Personnel	Nil	Nil	Nil	N.A.	Nil	Nil
Senior Management						
By Senior Management	Nil	Nil	Nil	N.A.	Nil	Nil
Against Senior Management	Nil	Nil	Nil	N.A.	Nil	Nil

* *To the extent quantifiable.*

^ *the litigation involving Directors has only been disclosed here.*

** *including interest of ₹ 970.81 million calculated till December 31, 2024.*

There can be no assurance that these legal proceedings shall be decided in favour of our Company, Directors or Promoters or Group Companies, as the case may be, or that no further liability shall arise out of these proceedings. Further, such legal proceedings could divert management time and attention and consume financial resources. Any adverse outcome in any of these proceedings may adversely affect our profitability and reputation and may have an adverse effect on our results of operations and financial condition. For further details of certain material legal proceedings involving our Company, our Promoters, our Directors and our Group Companies, see "*Outstanding Litigation and Material Developments*" beginning on page 400.

13. ***Our applications to increase the number of operational days for our SGUs at KCL Sikandrabad Units 1, 2, and 3 is pending approval from the Uttar Pradesh Pollution Control Board. If we do not receive this approval in time or at all, our capacity utilization levels may be affected which may have a material adverse effect on our business performance, financial condition, results of operations and cash flows.***

The environmental approvals from the Uttar Pradesh Pollution Control Board for our SGUs at KCL Sikandrabad Unit 1, 2, and 3 dated January 11, 2014, stipulate the capacity limits based on an assumption of 300 working days in a year. For the nine months ended December 31, 2024, the capacity utilization at our KCL Sikandrabad Unit 1, 2, and 3 on an aggregate basis exceeded the prescribed capacity limits outlined in the environmental clearance granted by the Uttar Pradesh Pollution Control Board. As per the certificate of the independent chartered engineer dated May 22, 2025, our capacity utlilization at KCL Sikandrabad – Unit 1, 2 and 3 as on December 31, 2024 was 111.06% with an actual production of 699,657.85 MT, compared to the prescribed capacity of 630,000.00 MT (*not calculated on an annualized basis*). We have made applications upto May 21, 2025 to the Uttar Pradesh Pollution Control Board to increase the number of days for which we are allowed to operate our SGUs located at KCL Sikandrabad Unit 1, 2, and 3 and also to speciy the production quantity per annum accordingly. There can be no assurance that we will be able to obtain this approval in a timely manner or at all. Any delay or refusal in obtaining such approval may restrict our ability to operate these units at optimal levels, resulting in underutilization of our installed capacity. This may limit our production output, reduce economies of scale, and adversely impact our ability to meet customer demand, which in turn could negatively affect our revenues, profitability, and overall cash flows. In addition, continued regulatory uncertainty may impact our planning and operational efficiency. Exceeding the prescribed capacity could potentially lead to non-compliance with regulatory requirements, which may result in penalties, fines, or other legal actions. Additionally, non-compliance could jeopardize our ability to operate at the current capacity or result in the suspension or revocation of our environmental clearance. Such actions would negatively impact our production capabilities, limit future expansion, and expose the company to reputational and financial risks.

14. ***Our Company and KIL, our Wholly-owned Subsidiary have provided unsecured loans to our Group Companies, Sunup Build Private Limited, Sunup Infra Reality Private Limited, Kanodia Reality Private Limited, Blossom Realcon Private Limited, Fair Hygiene Private Limited and Hygiene Plus Limited which operate in sectors that are not aligned with our***

principal line of business. These unsecured loans have been provided without security or collateral. The absence of tangible security may limit our ability to recover funds in the event of a default or financial distress of the borrower. In the event of non-performance or delayed repayment of such loans, our Company and its subsidiary could face disruptions in cash flow, reduced availability of internal funds for operational or strategic use, and increased provisioning requirements, all of which could negatively impact our profitability and financial stability.

Our Company and KIL, our Wholly-owned Subsidiary have provided unsecured loans to our Group Companies, Sunup Build Private Limited, Sunup Infra Reality Private Limited, Kanodia Reality Private Limited, Blossom Realcon Private Limited, Fair Hygiene Private Limited and Hygiene Plus Limited which operate in sectors that are not aligned with our principal line of business. These unsecured loans are repayable within a span of 5 years carrying interest rate of 8.25% up to March 31, 2024 and 11.00% thereafter. The aggregate outstanding loans as at December 31, 2024 amounts to ₹575.35 million, as at March 31, 2024 amounts to ₹ Nil, as at March 31, 2023 amounts to ₹ Nil and as at March 31, 2022 amounts to ₹ 142.05 million. These unsecured loans have been provided without security or collateral. The absence of tangible security may limit our ability to recover funds in the event of a default or financial distress of the borrower. For further details, please see "*Restated Consolidated Financial Information – Note 6*" on page 393. The table below sets forth details of unsecured loans provided to our Group Companies.

(in ₹ million)

Particulars	**Amount of unsecured loans provided to the Group Companies**			
	Decemeber 31, 2024	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Kanodia Cement Limited				
Hygiene Plus Limited	-	-	-	114.12
Blossom Realcon Private Limited	-	-	-	24.86
Fair Hygiene Private Limited	-	-	-	3.08
Kanodia Infratech Limited				
Kanodia Reality Private Limited	59.86	-	-	-
Sunup Build Private Limited	505.50	-	-	-
Sunup Infra Reality Private Limited	10.00	-	-	-
Kanodia Hi-tech Private Limited	-	-	-	-
Total	**575.35**	**-**	**-**	**142.05**

Furthermore, the Group Companies to which loans have been extended operate in sectors where we may not have sufficient expertise or visibility to accurately assess the financial health, operational performance, or risk profile of those businesses. This may impair our ability to conduct ongoing credit monitoring or to take timely corrective actions, should any adverse developments occur. In the event of non-performance or delayed repayment of such loans, our Company and its subsidiary could face disruptions in cash flow, reduced availability of internal funds for operational or strategic use, and increased provisioning requirements, all of which could negatively impact our profitability and financial stability. There can be no assurance that the Group Companies to which we have extended such loans will be able to meet their repayment obligations in a timely manner, or at all, which could have a material adverse effect on our business, financial condition, results of operations, and cash flows.

15. ***We have leased land located in Sikandrabad, Uttar Pradesh, where our KCL Sikandrabad Units 1, 2 and 3 operate, from the U.P. State Industrial Development Corporation Limited ("UPSIDC"). We have not complied with certain prior consent requirements under the lease agreements with UPSIDC for the aforesaid mentioned units. This failure to comply with the lease terms could result in UPSIDC exercising its right to cancel the lease agreement. The loss of access to this SGU would disrupt our manufacturing capabilities, leading to a halt or severe reduction in production volumes. Furthermore, without access to this key SGU, we may face significant financial and operational setbacks, including the need to secure alternative manufacturing facilities or incur additional costs in relocating operations.***

We have leased plots located in Sikandrabad, Uttar Pradesh, where our KCL Sikandrabad Unit 1, 2 and 3 operates, from the U.P. State Industrial Development Corporation Limited ("**UPSIDC**"). As per the lease agreement with UPSIDC, we are required to obtain prior written consent from UPSIDC for any changes to our memorandum and articles of association, capital structure, or shareholding pattern. We have sought consent and intimated the UPSIDC through a letter dated April 2, 2025. We have not yet obtained this consent for alterations made to our memorandum and articles of association, capital structure, or shareholding pattern. This failure to comply with the lease terms could result in UPSIDC exercising its right to cancel the lease agreement. Such cancellation could lead to the immediate loss of our business operations at this critical SGU, which is central to our production capacity. The loss of access to this SGU would disrupt our manufacturing capabilities, leading to a halt or severe reduction in production volumes. This disruption could also delay the fulfilment of customer orders, damaging our reputation and customer relationships. Furthermore, without access to this key SGU, we would face significant financial and operational setbacks, including the need to secure alternative manufacturing facilities or incur additional costs in relocating operations.

16. ***We depend on adequate and uninterrupted availability of power from the grid for our operations and we do not have back-up power arrangements for running our SGUs. Our total power expenses constituted 5.46%, 5.08%, 5.29% and 6.31% of our revenue from operations for the nine-months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2023, respectively. Any disruption to the supply of power or increase in power costs could disrupt our manufacturing operations, which could adversely affect our results of operations.***

The cement industry is power-intensive, and we require adequate and uninterrupted supply of power for our operations. We primarily source the power required by our SGUs from state distribution companies (DISCOMs) and open access suppliers. The table below sets forth a summary of the source of our power requirements for the period indicated:

(as % of our power requirements)

Source of power	Nine-months ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
State distribution companies (DISCOMs)	66.85	77.29	90.05	84.96
Open access suppliers	33.15	22.71	9.95	15.04

Given that a majority portion of our power requirements are met through state electricity boards, any fluctuation in supply, tariff changes, changes in government policies, regulations can impact our operations. Further, there may be disruptions in power supply due to natural calamities or scarcity of power supply at our SGUs from time to time. While we have not faced any such instances in the last three Fiscals other than in the ordinary course of business, prolonged disruptions in the availability of power and fuel could require us to suspend our operations.

The table below sets forth our power expenses for the periods indicated:

(in ₹ million unless otherwise indicated)

Particulars	Nine-months ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Power expenses	392.97	450.65	352.18	308.29
Power expenses as a percentage of revenue from operations *(in %)*	5.46%	5.08%	5.29%	6.31%
Power expenses as a percentage of total expenses (in %)	6.51%	5.98%	5.94%	7.07%

The costs incurred for power and electricity under our Contract Manufacturing Model is charged back to the customers as per the terms specified in the respective cement sale and purchase agreements. If we exceed our consumption of power beyond the terms specified in the respective cement sale and purchase agreements, we will be liable to incur such incremental costs towards the additional number of units consumed. Any increase in such power costs could impact our profitability and margins.

17. ***Our SGUs located in Uttar Pradesh and Bihar are entitled to certain incentives and subsidies under the Post-COVID-19 Accelerated Investment Promotion Policy for Economically Backward Regions of the State-2020 in Uttar Pradesh and the Bihar Industrial Incentive Policy, 2011, respectively and any change in these incentives and subsidies applicable to us may affect our financial condition, profitability and cash flow.***

We are eligible to avail certain incentives and subsidies under government schemes from the state governments of Uttar Pradesh and Bihar (where our SGUs are located), through the post-COVID-19 Accelerated Investment Promotion Policy for Economically Backward Regions of the State-2020 in Uttar Pradesh and the Bihar Industrial Incentive Policy, 2011, respectively. Under the post-COVID-19 Accelerated Investment Promotion Policy for Economically Backward Regions of the State - 2020 in Uttar Pradesh, our Company is eligible to claim up to 300% of the eligible capital investment ("**ECI**") incurred at KCPL Unit 1 – Amethi (*Eastern Uttar Pradesh*), over a 15-year period. This incentive is provided as an SGST refund, allowing us to claim up to 70% of the net SGST deposited with the government of Uttar Pradesh annually, subject to an annual ceiling of 20% of the ECI.

Further, under the Bihar Industrial Incentive Policy, 2011 our Company is eligible to claim up to 300% of the ECI incurred in the set-up of the KIL Bhabua Unit in Bihar, over a 10-year period. This incentive is provided as an SGST refund, allowing us to claim up to 80% of the net SGST deposited with the government of Bihar annually, without any annual ceiling on the ECI.

Additionally, at our SGU in Sikandrabad (Western Uttar Pradesh), instead of state GST subsidy, we were eligible for interest-free loans from the Uttar Pradesh Finance Corporation and have availed the same.

The table below provides details of the incentives availed by us:

Unit/Manufacturing Entity	Policy	Classification of Project	Overall Ceiling as a % of ECI	Annual % ceiling of net SGST*	Annual ceiling as a % of ECI	Tenure of eligibility
KCPL Unit 1 - Amethi	Post-COVID-19 Accelerated Investment Promotion Policy for Economically Backward Regions of the State-2020	Mega Project - Bundelkhand and Poorvanchal	300%	70%	20%	15 Years
KIL Bhabua Unit	Bihar Industrial Incentive Policy – 2011	Large Project	300%	80%	NA	10 Years

The table below provides details of the incentives availed by us for the periods indicated:

(in ₹ million, unless otherwise indicated)

Particulars	Nine months ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Subsidies availed from the government of Bihar	227.07	271.94	187.29	145.17
Subsidies availed from the government of Uttar Pradesh	126.88	121.86	-	-
Total subsidies availed	353.95	393.80	187.29	145.17
Subsidies as a percentage of revenue from operations	4.92%	4.44%	2.82%	2.97%

The incentives availed by our Company have been issued under the government gazette and include a general incentive given to all manufacturing companies. These policies include a sunset period which is specified under the respective policies. While there have no such instances in the past, there can be no assurance that we will either be eligible to receive or continue to enjoy these benefits, as the case may be, in the future or will be able to obtain timely disbursement of such benefits. Governments may unilaterally withdraw or amend such schemes with retrospective effect which may result in the incentives under such schemes to be discontinued. Further, governments may also delay in the disbursement of incentives and benefits under such schemes. Further, any change in policy or regulations may impact the continuance of these schemes or other government lead initiatives. If such incentives expire, are withdrawn or adversely amended, or if there are any substantial delays in disbursements under such schemes, our financial condition and cash flow could be adversely affected.

18. ***As on December 31, 2024, we operate five SGUs located in Sikandrabad (Western Uttar Pradesh), Bhabua (Bihar) and Amethi (Eastern Uttar Pradesh), with an aggregate cement manufacturing capacity of 3.54 MTPA. Our continued operations at our satellite grinding units ("SGUs") are critical to our business and any disruption, breakdown or shutdown of our SGUs may have a material adverse effect on our business, financial condition, results of operations and cash flows.***

As on December 31, 2024, we operate five SGUs in Sikandrabad (*Western Uttar Pradesh*), Bhabua (*Bihar*) and Amethi (*Eastern Uttar Pradesh*), with an aggregate cement manufacturing capacity of 3.54 MTPA. The following table provides details of our SGUs as on December 31, 2024:

SGU	Location of SGU	Commencement of commercial production	Installed Capacity (MT) as on December 31, 2024
KCL Sikandrabad – Unit 1, 2 and 3	Sikandrabad (*Western Uttar Pradesh*)	Unit 1 – 2011 Unit 2 – 2013 Unit 3 - 2016	840,000*
KIL Bhabua Unit	Bhabua (*Bihar*)	2016	1,200,000*
KCPL Unit 1 Amethi	Amethi (*Eastern Uttar Pradesh*)	2022	1,500,000*

**On an annualized basis.*

Our continued operations at our SGUs are critical and play a key role in the production and supply of cement. Any disruptions, breakdown or shutdown of our SGUs, due to, *inter alia*, (i) breakdown or failure of equipment, (ii) disruption in power supply or processes, (iii) performance below expected levels of efficiency, (iv) obsolescence, (v) labour disputes, (vi) infectious diseases (such as the COVID-19 pandemic), and (vii) political instability, could result in the disruption of a significant portion of our manufacturing abilities, significant delays in the transport of our products and raw materials and/or otherwise adversely affect our business, results of operations, financial condition, cash flows and future prospects. Such disruptions may lead to delays in meeting customer demand, increased production costs, or a reduction in overall output.

Our business is dependent upon our ability to manage our SGUs, which are subject to various operating risks. Any significant malfunction or breakdown of our machinery, our equipment, our IT systems or any other part of our manufacturing processes or systems may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to maintain, repair our machinery, equipment, IT systems or any other part of our manufacturing processes or systems in a timely manner or at all, our operations may need to be suspended until we procure the appropriate machinery, equipment or systems to replace them. While there have been no such major instances in the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, we cannot assure you that such instances may not occur in the future. In addition, we may be required to carry out planned shutdowns of our facilities for maintenance, inspections and testing, or may shut down certain facilities for capacity expansion and equipment upgrades. In the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, we have spent ₹ 5.76 million, ₹ 9.76 million, ₹ 24.02 million and ₹ 27.91 million, respectively, towards general repair and maintenance of our plant and machinery. We cannot assure you that such general repair and maintenance costs for our machinery will not increase in the future which could have a material adverse effect on our business, results of operations, financial condition, cash flows and future prospects.

If our SGUs are unable to operate efficiently or are forced to shut down for any extended period, it could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Additionally, the repair or replacement of equipment, as well as potential downtime, may result in significant unplanned capital expenditures, further straining our financial resources. Although we have not experienced any significant disruptions at our SGUs in the past, we cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to adverse events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shutdown of our operations or the under-utilisation of our plants, which in turn may have an adverse effect on our business, results of operations and financial condition.

19. ***The aggregate capacity utilization of our SGUs was 60.23%, 49.23%, 37.13% and 46.10% for the nine-months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022. Any underutilization of our SGUs and an inability to effectively utilize our SGUs could have an adverse effect on our business, future prospects and future financial performance.***

The table below sets forth the installed production capacity and the capacity utilization at each of our Manufacturing Facilities for the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

SGU	Commencement of commercial production	For the nine-months ended December 31, 2024			For the year ended March 31, 2024			For the year ended March 31, 2023			For the year ended March 31, 2022		
		Installed capacity (MT)	Actual Production (MT)	Capacity utilisation (%)	Installed capacity (MT)	Actual Production (MT)	Capacity utilisation (%)	Installed capacity (MT)	Actual Production (MT)	Capacity utilisation (%)	Installed capacity (MT)	Actual Production	Capacity utilisation (%)
KCL Sikandrabad – Units 1, 2 and 3	Unit 1 – 2011 Unit 2 – 2013 Unit 3 - 2016	630,000.00*	699,657.85	111.06%**	840,000.00	664,912.75	79.16%	840,000.00	535,992.70	63.81%	840,000.00	593,551.95	70.66%
KIL Bhabua Unit	2016	900,000.00^	464,961.60	51.66%	1,200,000.00	561,553.00	46.80%	1,200,000.00	396,525.90	33.04%	1,200,000.00	346,925.00	28.91%
KCPL Unit 1 Amethi	2022	1,125,000.00#	434,423.15	38.62%	1,500,000.00	516,370.65	34.42%	1,125,000.00$	242,721.60	21.58%	-	-	-
Aggregate utilisation		**2,655,000.00**	**1,599,042.60**	**60.23%**	**3,540,000.00**	**1,742,836.40**	**49.23%**	**3,165,000.00**	**1,175,240.20**	**37.13%**	**2,040,000.00**	**940,476.95**	**46.10%**

Source: Certificate from the Independent Chartered Engineer, Adroit Technical Services Private Limited dated May 22, 2025.

**Effective capacity available for the nine-month period ended December 31,2024 prorated based on annual capacity. The aggregate annualized installed grinding capacity for the three above-mentioned units is 840,000 MT.*

*** The consent to operate granted to our Company for KCL Sikandrabad Unit -1, 2 and 3 dated January 11, 2024 are valid till December 31, 2028. These approvals were granted for operating the facilities for 300 working days in a year. However, the Company has exceeded the number of working days on which Unit 1, Unit 2 and Unit 3 were operated i.e. 360 working days. Accordingly, the Company has submitted an applications dated May 21, 2025to the Uttar Pradesh Pollution Control Board, seeking an approval for additional installed capacity pursuant to increase in the number of operational days from 300 to 360 working days per year.*

^ Effective capacity available for the nine-month period ended December 31,2024 prorated based on annual capacity. The annualized installed grinding capacity for the KIL Bhabua Unit is 1,200,000 MT.

 # Effective capacity available for the nine-month period ended December 31,2024 prorated based on annual capacity. The annualized installed grinding capacity for the KCPL Amethi Unit 1 is 1,500,000 MT.

$ Effective capacity available for the year ended March 31, 2023, prorated based on unit commencing operations on July 1, 2022

Further, the table below sets forth details of our proposed expansion plans:

Proposed Plant Location	Region	Installed Cement Grinding Capacity (MTPA)
KCPL Unit 2 - Pratapgarh	Eastern Uttar Pradesh	2.50
KCPL Unit 3 – Sikandrabad, Bulandshahar	Western Uttar Pradesh	2.50
Total Proposed Capacity Expansion		**5.00**
Current Cement Grinding Capacity		**3.54**
Total Post Expansion Capacity		**8.54**

The capacity utilization data mentioned above is not indicative of future capacity utilization rates, which is dependent on various factors, including availability of raw materials, demand for our services and products, customer preferences, our ability to manage our inventory and implement our growth strategies. Further, while our KIL Bhabua Unit operates on a fixed lease rental model and is not affected by lower capacity utilization, underutilization of our manufacturing capacities over extended periods, or significant underutilization in the short-term, could materially and adversely impact our business, growth prospects and future financial performance. Periods of low capacity utilization may lead to inefficient use of resources, higher per-unit production costs, and reduced profitability. Additionally, prolonged underutilization could hinder our ability to achieve economies of scale, delay our ability to meet market demand, and negatively affect our overall competitiveness. If we are unable to effectively manage or mitigate underutilization, it could result in lost revenue opportunities, impaired cash flow, and hinder our long-term growth objectives.

20. ***We depend on our distribution network for the sale and distribution of our products under our own brands through the Business-to-Consumer Model. As on December 31, 2024, we have a distribution network of 28 sales promoters, 118 dealers and 519 points of sales / retailers in Western Uttar Pradesh. Any disruption in our distribution network could adversely affect our business and results of operations.***

Our ability to sell and distribute products under our own brands through the Business-to-Consumer Model is entirely reliant on our distribution network. We distribute our products under our own brands through the business to consumer model to our end customers comprising individual home builders and contractors and other builders through a network of dealers, sales promoters and retailers. The table below provides the details of revenue from our Business-to-Consumer Model for the periods indicated:

(in ₹ million unless otherwise indicated)

Particulars	Nine months ended December 31, 2024		Fiscal					
			2024		2023		2022	
	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations
Revenue from operations through the Business-to-Consumer Model	733.37	10.19	1,159.99	13.06	955.90	14.37	1,117.79	22.88

As on December 31, 2024, we have a distribution network of 28 sales promoters, 118 dealers and 519 points of sales / retailers in Western Uttar Pradesh. The table below provides details of our distribution network:

Particulars	As on December 31, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Dealers	118	104	107	173
Sales Promoters	28	26	32	29
Retailers	519	564	540	941

Further, we have no exclusivity arrangements with our dealers, sales promoters and retailers and they may prioritise the distribution of the products of our competitors over ours, and we may not be able to meet our demand forecasts which could have an adverse impact on our operations. While we have not faced instances in the past, in the event we fail to engage adequate dealers, or fail to establish relationships with new dealers, our sales volumes may be affected which could have an adverse effect on our business and results of operation. Any disruption or inefficiency in our distribution network, whether due to logistical challenges, transportation issues, or operational setbacks, could significantly affect our ability to reach customers in a timely and cost-effective manner. Such disruptions could lead to delays in product availability, reduced sales, or customer dissatisfaction, all of which could adversely impact our business, financial condition, and results of operations.

21. ***We are in the process of expanding our production capacity by setting up two SGUs in Pratapgarh (Eastern Uttar Pradesh) and Bulandshahar (Western Uttar Pradesh) through our Wholly-owned Subsidiary, KCPL with a cement grinding capacity of 2.50 MTPA at each SGU. The expansion of our SGUs are critical to our growth strategy and are expected to enhance our production capacity and market reach. Our financial condition and business prospects could be materially and adversely affected if we do not complete our greenfield expansions as planned or if they experience delays.***

We are in the process of expanding our SGUs by setting up two SGUs in Pratapgarh (*Eastern Uttar Pradesh*) and Bulandshahar (*Western Uttar Pradesh*) over the coming years with a cement grinding capacity of 2.50 MTPA at each SGU. The proposed SGUs will be equipped with vertical rolling mills and railway sidings for the first time. We are yet to place orders for the machinery required for the proposed SGUs. The table below sets forth details of our proposed expansion plans:

Proposed Plant Location	Region	Plant Type	Expansion Type	Installed Grinding Capacity (MTPA)
KCPL Unit 2 - – Pratapgarh	Eastern Uttar Pradesh	SGU with railway siding	Greenfield	2.50
KCPL Unit 3 - Bulandshahar	Western Uttar Pradesh	SGU with railway siding	Greenfield	2.50
Total Proposed Capacity Expansion				**5.00**
Current Cement Grinding Capacity				**3.54**
Total Proposed Post Expansion Capacity				**8.54**

These expansion projects are critical to our growth strategy and are expected to enhance our production capacity and market reach. However, any delays or challenges in the timely completion of these SGUs or at all, due to factors such as regulatory approvals, construction delays, equipment sourcing, commissioning of the SGUs, or unforeseen technical issues could hinder our expansion plans and limit our ability to capitalize on anticipated growth opportunities. Further, since the proposed SGUs will feature vertical rolling mills and railway sidings for the first time, this will require specialized skills to operate and maintain, which may present operational and logistical risks related to commissioning and installation of the vertical rolling mills and railway sidings. These include potential challenges in integrating new equipment, skilled personnel and the need for specialized infrastructure. Additionally, since orders for the necessary machinery and infrastructure have not yet been placed, there is a risk of delays in procurement and installation, which could further impact the timeline and cost projections. Such delays could adversely affect our business, financial condition, and results of operations, as well as our ability to meet increasing market demand. Furthermore, any unforeseen challenges in the execution of these projects, such as regulatory hurdles, supply chain disruptions, technical difficulties, or inflationary pressures on construction costs could lead to cost overruns, increasing the financial burden associated with these expansions.

22. ***We have partially acquired 6.42 acres land as on December 31, 2024 for our proposed SGU at KCPL, Bulandshahar (Western Uttar Pradesh) and are still in the process of acquiring the remaining 15 - 25 acres of land for the proposed SGU at KCPL, Bulandshahar (Western Uttar Pradesh). Any failure or delay in the acquisition of land or the ability to lease such land at acceptable costs or on commercially reasonable terms may adversely affect our business, results of operations and financial condition.***

We are in the process of expanding our SGUs by setting up SGU at KCPL - Bulandshahar (*Western Uttar Pradesh*) with a cement grinding capacity of 2.50 MTPA. We will require substantial amount of land for setting-up our SGUs. We have partially acquired land for our proposed SGU at KCPL – Bulandshahar *(Western Uttar Pradesh)* and are still in the process of acquiring the remaining land for our proposed SGU. As on December 31, 2024, for our proposed SGU at KCPL – Bulandshahar *(Western Uttar Pradesh)* we have acquired 6.42 acres of land and we will further require up to 15-25 acres of land. The table below sets forth details of the land acquired for the proposed expansion:

Proposed Plant Location	Region	Plant Type	Land acquisition as on 31 December 2024	Land to be Acquired
KCPL Unit 3 – Sikandrabad, Bulandshahar	Western Uttar Pradesh	SGU	6.42 acres	15 - 25 acres

The cost of acquiring land on a freehold basis for our manufacturing facilities may be higher than we estimated and is subject to a number of factors, including the type of land being acquired, market prices, the level of economic development in the area where the land is located and government regulations pertaining to the price of land, among others. In addition, we may face significant opposition to the construction of our facilities from local communities, tribes, non-government organizations and other parties. Such opposition or circumstances may be beyond our control. If we are unable to acquire the required amount of land for expanding our manufacturing facilities, the viability and efficiency of such projects may be affected. In addition, any inability to complete the acquisition of the necessary land in a timely manner may cause construction delays. The occurrence of any such event could have an adverse effect on our business, results of operations, financial condition, cash flow and future business prospects.

23. ***The agricultural land available for acquisition, needs to be converted into non-agricultural (NA) land in India before it can be used by our Company and an inability to acquire, or convert such land from agricultural to non-agricultural land, may adversely affect our business, results of operations and financial condition.***

The land that is available for acquisition, is originally classified as agricultural, and needs to be converted into non-agricultural (NA) land in India before it can be used by our Company. For instance, at KCL Unit-1 – Sikandrabad, 380 square meters of freehold land being 1.79% of the total 21,240 square meters of freehold land is currently classified as agricultural land and it will need to be classified as non-agricultual land before it can be used by our Company. The process of obtaining the necessary regulatory approvals for land conversion may encounter delays or complications, which could disrupt the Company's project timelines. Furthermore, the Company may face legal challenges during the conversion process, potentially resulting in disputes, fines, or additional costs. We cannot assure you that we will be able to complete such conversions in a timely manner, at acceptable costs and/or on commercially reasonable terms, without opposition or relocation and resettlement costs, or at all.

24. ***We have entered into agreements with certain banks and other lenders for short-term and long-term borrowings. As of March 31, 2025, we had total borrowings of ₹ 543.47 million. Our inability to repay our loans or comply with certain restrictive covenants of the loan agreements may materially affect our financial condition, business and prospects.***

We have entered into agreements with certain banks and other lenders for short-term and long-term borrowings. As of March 31, 2025, we had total borrowings (consisting of long-term borrowings and short-term borrowings) of ₹ 543.47 million. 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 altering our capital structure and change in management and change in constitutional documents. For further details, see "*Financial Indebtedness*" on page 398. As of date of this Draft Red Herring Prospectus, we have obtained necessary consents from, and made necessary intimation to, our lenders as required under our loan documentation, for undertaking the Offer and related actions.

We may default on the financial covenants contained in our financing agreements if our results of operations do not meet our plans. Upon breach of any financial or other covenants contained in any of our financing agreements, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. We may be forced to sell some or all of our assets, if we do not have sufficient cash or credit facilities to make repayments which may adversely affect our business and operations. If we are unable to repay our outstanding indebtedness, or if we are unable to obtain additional financing on terms acceptable to us, our business, results of operations and financial condition may be adversely affected.

Any failure to comply with the conditions and covenants in our financing agreements or the creation of additional encumbrances that is not waived by our lenders or guarantors or otherwise cured or occurrence of a material adverse event could lead to an event of default and consequent termination of our credit facilities, foreclosure on our assets, acceleration of all amounts due under such facilities or trigger cross-default provisions under certain of our other financing agreements, any of which could adversely affect our business financial condition, cash flows and credit rating.

25. ***We have certain contingent liabilities in our financial statements, which if they materialize, may adversely affect our financial condition.***

As of the nine-months ended December 31, 2024, March 31, 2024, 2023 and 2022, our contingent liabilities that have not been provided for were as follows:

(in ₹ million unless otherwise indicated)

Particulars	Nine-months ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Contingent liabilities (not provided for) in respect of:				
Indirect tax demand disputed by the Group which excludes penalty, if any, as same can not be measured at this stage	15.80	129.56	-	-
Income tax demand disputed by the Group which excludes penalty, if any, as same can not be measured at this stage	145.84	98.47	136.37	125.05
Dispute regarding excise cenvat credit	0.69	0.69	13.78	13.78
Claim by a customer disputed by the company				
- Principle amount	11.80	11.80	11.80	11.80
- interest thereon	970.81	819.92	642.84	488.30

Our contingent liabilities may become actual liabilities and if a significant portion of these liabilities materialise, it could have an adverse effect on our business, financial condition and results of operations. There can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current Fiscal or in the future and that our existing contingent liabilities will not have material adverse effects on our business, financial condition and results of operations. For details regarding our contingent liabilities, see "*Financial Information – Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Contingent Liabilities and Off-Balance Sheet Arrangements*" and " *– There are outstanding litigations pending against us, our Subsidiaries, Directors and Promoters, which, if determined adversely, could affect our operations. We could suffer significant litigation expenses in defending these claims and could be subject to significant damage, compensation, or other remedies, which could adversely affect our reputation, business, results from operations, financial conditions and cash flows"* beginning on pages 279, 393 and 45, respectively.

26. ***Certain immovable properties acquired by our Company pursuant to the scheme of amalgamation are yet to be transferred in the name of our Company. We cannot assure you that the change in title will be completed in a timely manner or at all.***

Our Company entered into a Scheme of Amalgamation with Sargam Dealer Private Limited, Maharaj Retailers Private limited, Rinam Trading Private Limited, Rinam Dealmark Private Limited, Bluestar Cement Limited and Vevant Cement Works Private Limited which was sanctioned by the National Company Law Tribunal, Allahabad by way of its order dated January 13, 2021. Pursuant to the Scheme of Arrangement, the following immovable properties were acquired from erstwhile companies that were amalgamated into our Company. However, the change in name favour our Company is still pending.

Description of property	Gross carrying value as of March 31, 2024 (₹ million)	Held in the name of	Reason for not being held in the name of the Company
Leasehold land	7.17	Bluestar Cement Limited	These immovable properties were acquired from erstwhile companies that were amalgamated with the Company pursuant to National Company Law Tribunal Order dated January 13, 2021. The name change in the favour of Company is pending.
Leasehold land	20.79	Durgashree Brick Private Limited*	
Freehold Land	15.29	Durgashree Brick Private Limited*	
Freehold Land	2.50	Manaraja Retailers Private Limited	
Freehold Land	28.40	Rinam Trading Private Limited through Saurabh Lohia	

** name changed to Vevant Cement*

We cannot assure you that the change in title will be completed in a timely manner or that we will not face any legal or regulatory impediments in this process. Any delay or failure in securing clear and marketable title to these properties may adversely impact our ability to fully utilize or transact with respect to such properties, and may also expose us to potential disputes or claims, thereby adversely affecting our business, operations, and financial condition.

27. ***Our Company has received a whistle-blower complaint on May 22, 2024 from a former independent director on our Board, Sonia Mendiratta, alleging non-compliance with the provisions of the Companies Act, 2013. While our Company has taken note of these recommendations and has strengthened its internal control procedures accordingly, any future concerns or complaints regarding corporate governance practices, non-compliance with laws, or inadequate disclosures could significantly harm our reputation, disrupt operations, and adversely affect our business, financial condition, and prospects.***

Our Company has received a whistleblower complaint from our former independent director, Sonia Mendiratta, alleging non-compliance with the provisions of the Companies Act, 2013 and concerns regarding corporate governance practices. The complaint, dated May 22, 2024, was filed by Ms. Mendiratta, who served on the Board from September 30, 2023, until May 22, 2024. The complaint raised issues regarding certain corporate governance practices, including the approval of resolutions via informal channels such as WhatsApp, which undermines the transparency and accountability of the decision-making process. It also highlighted concerns related to the lack of adequate disclosures, including the refusal to disclose details of related party transactions before the board of directors.

In response to the complaint, our Company appointed Corporate Professionals, an independent agency, to assess the allegations and verify compliance with applicable laws. Corporate Professionals issued an observation report on October 19, 2024, after reviewing the complaint, analyzing relevant documents, and seeking clarifications from members of the Board. Based on their findings, the agency recommended several corrective actions to improve our compliances with the Companies Act, including ensuring formal communication with directors through email or other official channels, maintaining proof of documents delivered to directors, circulating meeting materials well in advance, and properly documenting consents for documents circulated at shorter notice.

Our Company has taken note of these recommendations and has strengthened its internal control procedures accordingly. As of the date of this Draft Red Herring Prospectus, there are no outstanding whistleblower complaints in our Company's records. However, any future concerns or complaints regarding corporate governance practices, non-compliance with laws, or inadequate disclosures could significantly harm our reputation, disrupt operations, and adversely affect our business, financial condition, and prospects.

28. The attrition rate for our Company's employees for the nine-months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 was 30.56%, 36.92%, 23.40% and 8.33%, respectively. High or increased attrition rate among our workforce could adversely affect our operational efficiency and business performance.

As of December 31, 2024, our workforce comprised 149 permanent employees on our pay roll and 258 contractual employees. Our employee benefits expense comprising payments made to all the personnel on our payroll and engaged in our operations (apart from contract labour), for nine months ended December 31, 2024, and for Fiscals 2022, 2023 and 2024 is stated below:

Particulars	Nine-month period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ in million	% of total revenue from operations	Amount (₹ in million	% of total revenue from operations	Amount (₹ in million	% of total revenue from operations	Amount (₹ in million	% of total revenue from operations
Employee benefits expense	154.61	2.15	153.13	1.72	118.57	1.78	68.32	1.40

The table below sets forth consolidated information on our attrition rates for permanent employees for the period stated:

Particulars	Nine-months ended December 31, 2024	As of/for the year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Key Managerial Personnel and Senior Management				
Number of Key Managerial Personnel	4	5	5	5
Attrition Rate (Key Managerial Personnel)	66.67%	20.00%	20.00%	0.00%
Total staff				
Total staff employed (Company)	82	62	68	26
Attrition Rate	30.56%	36.92%	23.40%	8.33%
Total staff employed (Subsidiaries)	70	51	42	91
Attrition Rate	50.39%	35.64%	70.92%	21.16%
Total staff employed (Consolidated)	152	113	110	117
Attrition	36.63%	36.57%	43.77%	16.84%

29. The orders placed under cement supply agreements under the Contract Manufacturing Model may be modified or terminated leading to lower lifting of the cement manufactured, which may have an adverse effect on our business, financial condition and results of our operations. Further, if we are unable to accurately forecast customer demand for our products under the Business-to-Consumer Model, we may not be able to maintain optimum inventory levels resulting in additional strain on our resources. Further, any defaults or delays in payment by a significant portion of our customers, may have an adverse effect on our cash flows, results of operations and financial condition.

Our business is exposed to significant risks related to the timing, modification, and cancellation of orders placed by our customers under the Contract Manufacturing Model. The clients under the Contract Manufacturing Model customarily place orders at the beginning or end of each month, Clients may modify or cancel orders, or modify the terms of their existing orders leading to lower-lifting of cement manufactured, which can disrupt our production schedules, impact inventory management, and create financial uncertainty. Such changes can result in reduced revenue and potential inefficiencies, as we may not be able to align production volumes with actual demand.

Further, our business under the Business-to-Consumer Model relies heavily on accurately forecasting customer demand for our cement products to ensure that we maintain optimal inventory levels. Accurate demand forecasting is essential for balancing production, storage, and delivery capacities. If we fail to accurately predict customer demand, it could result in either overstocking or understocking of our products, both of which could have significant adverse effects on our business. Overstocking could lead to high inventory holding costs, including storage and insurance expenses, and an increased risk of product obsolescence, especially in markets with fluctuating demand. Conversely, understocking could result in supply shortages, delays in fulfilling customer orders, and the inability to meet market demand, potentially leading to a loss of customer trust and business opportunities. For instance, no physical verification of inventory was conducted by the management in Financial Year 2022 and 2023.

Inaccurate demand forecasting may arise due to a variety of factors, such as changes in market conditions, customer preferences, or macroeconomic factors. For example, fluctuations in the construction and infrastructure sectors, where our products are primarily used, can be difficult to predict, especially in a volatile economic environment. Any failure to anticipate changes in these sectors could result in discrepancies between the products we produce and the actual products customers require. As a result, we may face inefficiencies in our production process and struggle to align our supply chain with real-time market demands, leading to operational disruptions and higher costs.

Additionally, inadequate inventory management could strain our resources and reduce our ability to respond effectively to market shifts. For example, if we have excess inventory, we may be forced to allocate significant working capital to carry costs or even discount products to move surplus stock. On the other hand, insufficient inventory could lead to production stoppages, lost sales, and a weakened competitive position in the market. Maintaining an efficient and responsive inventory management system is critical to our operations, and any misalignment with actual demand could have a material adverse impact on our financial performance, operational efficiency, and long-term growth prospects.

30. ***Any downgrading of our credit rating by a credit rating agency may increase interest rates for our future borrowings, which would increase our cost of borrowings, and adversely affect our ability to borrow on a competitive basis.***

Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. A decrease in these credit ratings could limit our access to capital markets and increase our borrowing costs, which could materially and adversely affect our financial condition and operating results. The table below sets out the credit ratings assigned to our long-term bank facilities and our short term bank facilities for the periods set out below:

Date of the credit rating letter	Long term rating	Short term rating	Rating watch/outlook for long term and short term rating
March 25, 2025	Crisil A	Crisil A1	Stable
January 18, 2024	Crisil A -	N/A	Stable
April 3, 2023	CARE BBB +	N/A	Stable
March 30, 2022	CARE BBB	N/A	Stable

While we have not had any credit rating downgrades in the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, our credit rating may be downgraded in the future due to various factors, including factors which may be beyond our control. Any future downgrade of our credit ratings may increase interest rates for refinancing our future borrowings, which would increase our cost of borrowings, and may have an adverse effect on our future issuances of debt and our ability to borrow on a competitive basis. If any of these risks materialise, it could have a material adverse effect on our business, reputation, results of operations and financial condition.

31. ***We rely primarily on third-party insurance policies to insure our operations-related risks. Our insurance coverage includes among others, burglary, standard fire and special perils insurance, machinery breakdown insurance and group mediclaim insurance. While for the nine-month period ended December 31, 2024 our insurance coverage was 221.36%, we did not maintain any insurance coverage prior to March 31, 2024. If our insurance coverage is inadequate, in the future, we may not have sufficient insurance coverage to cover our economic losses as well as certain other risks, including those pertaining to litigation and claims by third parties. The occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events not covered by insurance policies, could materially harm our financial condition and future results of operations.***

Our insurance coverage includes among others, burglary, standard fire and special perils insurance, machinery breakdown insurance and group mediclaim insurance. We face the risk of loss resulting from product liability, contractual, and other lawsuits, whether or not such claims are valid. In addition, our insurance may not be adequate to cover such claims or may not be available to the extent we expect. While no such incident has occurred in the nine-months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, we cannot assure you that such an instance may not occur in the future. For details of the insurance policies that we maintain, see "*Our Business – Insurance*" on page 236. A successful claim that exceeds or is not covered by our policies could require us to pay substantial sums. Our Company has maintained various insurance policies, in amounts that we believe are commercially appropriate. The table below sets out the total insured net assets as well as the percentage of insurance coverage as of the nine-months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

The table below sets forth our insurance cover as a percentage of total assets for the periods indicated:

Particulars	Nine months ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Insurance Coverage (in ₹ million)	8,689.97	3.70	1.43	55.55
Net Assets as per Restated Financials (in ₹ million)	3,925.72	3,725.13	3,696.91	3,486.86

Particulars	Nine months ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Percentage of insurance coverage (in %)	221.36%	0.10%	0.04%	1.59%

We did not maintain any insurance coverage prior to Fiscal 2024. As of December 31, 2024 while we maintain insurance policies that we believe are customary for companies operating in our industry and which are necessary for our business, we do not maintain insurance coverage for damages that may occur during the course of transportation or inward freight of raw materials. This lack of coverage exposes us to potential financial risks arising from any damage, loss, or delays during the transportation of our products and the transportation of raw materials, which could disrupt our operations, increase costs, and negatively affect our ability to meet production targets and deliver on customer commitments. Our principal types of insurance coverage include, *inter alia*, burglary insurance policy, general insurance policy, fire insurance policy, commercial general liability policy and motor vehicle insurance policy. Although, we attempt to obtain coverage for and mitigate our liability for damages arising from negligent acts, errors or omissions through insurance policies, our liability may sometimes not be covered as a result of the limitations of liability set forth in our insurance policies. In such event, our insurance policies may not protect us from liability for damages, which may lead to financial liability and other adverse consequences.

Further, while we believe that adequate insurance coverage shall be available in the future, there can be no assurance that such coverage shall be available at costs and terms acceptable to us or that such coverage shall be adequate with respect to future claims that may arise. If we are not able to adequately insure against the risks we face, or the insurance coverage we have taken is inadequate to cover our losses, our business, financial condition and results of operations could be adversely affected. In addition, our insurance policies are subject to annual review, and there can be no assurance that we shall be able to renew these policies on similar or otherwise acceptable terms, or at all. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have an adverse effect on our financial condition, results of operations and cash flows.

32. ***We are dependent on the performance of the cement industry for our Contract Manufacturing Model. We rely on the demand for our products from customers in various sectors such as infrastructure, housing and industrial/ commercial sectors for our operations under our Business-to-Consumer Model. Any downturn in the cement industry or the sectors that consume our products, could have an adverse impact on our business, growth and results of operations.***

Our operations under our Contract Manufacturing Model are dependent on the overall performance of the cement industry. Additionally, our operations under the Business-to-Consumer Model rely on the demand for our products from key sectors, including infrastructure, housing, and industrial/commercial sectors. As of Fiscal 2024, the end-user sector mix in cement demand share comprised housing (56-58%), infrastructure (29-31%), and industrial/commercial (13-15%). (*Source: CRISIL Report*)

- *Housing:* according to the CRISIL Report, over the past five years, the share of housing in overall cement demand declined primarily due to slow economic growth, weak demand, buyer unaffordability and high inventory.

- *Infrastructure:* according to the CRISIL Report, while the infrastructure segment is expected to remain the key demand driver, a marginal rise of 4% in capex for core infrastructure ministries for Fiscal 2025BE over Fiscal 2024RE is expected to slow down demand growth of the segment to 9-10% in Fiscal 2025, as against 18.00-19.00% growth in Fiscal 2024. However, according to the CRISIL Report, the moderation is on a high base and the overall quantum of capex allocation is still high.

- *Industrial and commercial:* according to the CRISIL Report, this sector was significantly impacted by the COVID-19 pandemic. The depressed utilisation and stretched financials of players led to the deferral of planned capex for Fiscals 2021 and 2022, as companies looked to conserve cash in uncertain times.

While we have not been adversely impacted by such events in the past, in the event of any future overall economic slowdown, adverse change in budgetary allocations across housing, infrastructure and industrial/commercial sectors, or any change in government policies or priorities, we may face lower demand for our products or be required to lower the price of our products. This in turn could adversely impact our business prospects and our financial performance.

33. ***Our Corporate Office, Registered Office and a portion of the land on which our SGUs are located, are situated on leased premises. There can be no assurance that these lease agreements shall be renewed upon termination or that we shall be able to obtain other premises on lease on same or similar commercial terms, which could adversely affect our business, results of operations, financial conditions and cash flows***

We own the land for our SGUs located at KCPL Unit 1Amethi, and KIL Bhabua Unit, and we have leased the land for our Corporate Office from M/S Kanodia Reality Private Limited (*formerly known as Sapnasudhansh Infosystem Private Limited*), which is a part of our Promoter Group, and the land for our Registered Office and our SGUs located at KCL Sikandrabad – Unit 1, 2 and 3 from UPSIDC. The details of these are set out below:

S. No	Property	Location	Nature of holding	Term of Lease
1.	Corporate Office	A-21, Sector-16, Noida -201301, India	On Rent	11 months (*beginning on June 1, 2024*)
2.	Registered Office	D-19, UPSIDC Land Industrial Area, Sikandrabad, Gopalpur, Bulandshahr, Uttar Pradesh, 203205 India	Lease from UPSIDC	86 years (*beginning on April 19, 2009*)
	KCL Sikandrabad Unit 1		Partly leased from UPSIDC	
3.	KCL Sikandrabad Unit 1	D-18, UPSIDC Land Industrial Area, Sikandrabad, Gopalpur, Bulandshahr, Uttar Pradesh, 203205 India	Partly leased from UPSIDC	90 years (*beginning on August 1, 1996*)#
4.	KCL Sikandrabad Unit 2	C-57, UPSIDC Land Industrial Area, Sikandrabad, Gopalpur, Bulandshahr, Uttar Pradesh, 203205 India	Partly leased from UPSIDC	83 years (*beginning on March 31, 2012*)
5.	KCL Sikandrabad Unit 3	D-22 UPSIDC Land Industrial Area, Sikandrabad, Gopalpur, Bulandshahr, Uttar Pradesh, 203205 India	Partly leased from UPSIDC	90 years (*beginning on April 15, 2006*)^

 # Our Company was allotted the land on March 3, 2015
^ Our Company was allotted the land on March 3, 2015

Our leases may expire in ordinary course. We cannot assure you that we shall continue to be able to operate out of our existing premises or renew our existing leases at favorable terms or at all. Any such event may adversely impact our operations and cash flows and may divert management attention from our business operations. In case of any encumbrance or adverse impact or deficiency in the title of the owners or development rights from whose premises we operate, breach of the contractual terms of any lease, or if any of the owners of these premises do not renew the agreements under which we occupy the premises, or if they seek to renew such agreements on terms and conditions unfavourable to us, or if they terminate our agreements, we may suffer a disruption in our operations and shall have to look for alternate premises. In the event of relocation, we may be required to obtain fresh regulatory licenses and approvals. Until we receive these, we may suffer disruptions in our operations and our business which may adversely affect our financial condition.

34. Our restated profit for the nine-months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 was ₹ 982.38 million, ₹ 1,138.38 million, ₹ 554.74 million and ₹ 403.55 million, respectively. Our historical performance is not indicative of our future growth or financial results and if we fail to implement our strategies, our business, results of operations and prospects could be adversely affected.

We have experienced high growth in the past three Financial Years and the nine-months ended December 31, 2024, details of which are set out below:

Particulars	Nine months ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations (₹ in million)	7,195.62	8,879.07	6,652.78	4,884.54
Revenue growth (YoY%)	NA	33.46%	36.20%	NA*
Operating EBITDA (including non-operating income) (₹ in million)	1,301.71	1528.36	916.55	667.17
Operating EBITDA margin (excluding non-operating income) (%)	18.09%	17.21%	13.78%	13.66%
Restated profit for the year (₹ in million)	982.38	1,138.38	554.74	403.55
Restated profit for the year margin (%)	13.65%	12.82%	8.34%	8.26%

** Not calculated as Audited Revenue from Operations for FY21 is not available under Indian Accounting Standards (Ind-AS)*

The increase in the annual installed capacity and consistent capacity utilization in each of last three fiscal years allowed the Company and its subsidiaries to meet the growing demand of both the existing and new customers. This increase in capacity has allowed the Company to accept and execute more orders from existing and new customers, leading to an increase in the revenue from operations.

There is no assurance that we will experience such growth in future fiscal years. The dependency on a limited number of top customers, along with the challenges of sustaining similar capacity expansions and high product volumes, presents risks to maintaining this trajectory. Fluctuations in customer demand, market dynamics, and competitive pressures could also adversely impact revenue growth in subsequent years.

35. ***We may not be successful in implementing our growth strategies. Any failure in such implementation may have an adverse effect on our future business growth, acquiring new clients, results of operations and financial condition.***

As part of our growth strategies, we plan to capitalise on industry tailwinds through greenfield capacity expansions, continue to strengthen relationships for our contract manufacturing business, leverage distribution network to increase market share and presence of our brands under the Business-to-Consumer Model and increase capacity utilisation to improve operational efficiency and implement cost reduction measures. For details, see "*Our Business –Our Strategies*" on page 223. The implementation of our strategies may require significant investments in resources, including capital, technology, and human capital. If we are unable to effectively allocate or manage these resources, it could result in inefficiencies, cost overruns, or delays that would hinder our ability to realize the full benefits of our strategic initiatives. In particular, our expansion plans, product development initiatives, and market penetration strategies are all subject to various risks that may affect their success, including delays in execution, changes in customer demand, or regulatory challenges. There is no assurance that our growth strategies will be successful. To manage and support our growth, we must enhance our existing operational and administrative systems, as well as our financial and management controls. All these endeavours will require substantial management attention and efforts, and significant additional expenditures. If we fail to expand at a pace as we plan, we may face capacity and financial constraint in the future which may adversely affect our business, financial condition and results of operations.

36. ***We are dependent on third-party contract labour and as of December 31, 2024 we hired 258 contract labourers for several aspects relating to our non-core manufacturing activities. Any disruption in the supply of contract labour, lack of timely availability of labour or our inability to control the cost of our contract labour could adversely affect our business, results of operations, financial conditions and cash flows.***

We engage significant contract labour depending on our requirements and are required to comply with various laws and regulations in connection with engaging contractual labour in our operations. The number of contract labour that we engage varies from time to time based on the nature and extent of work and as of December 31, 2024 we hired 258 contract labourers.

We enter into arrangements with contractors for the recruitment of contract labour as per our requirements for a fixed period of time. There is no assurance that we may be able to renew these arrangements on a timely basis or at all. We do not have direct control over the timing or quality of the services and supplies provided by such third parties. Contractors hired by us may be unable to provide the requisite manpower on a timely basis, or at all, or may be subjected to disputes with their personnel, which, in turn, may affect production at our Manufacturing Facilities and timely delivery of our products to our customers. Our operations are dependent on a large pool of contract labours and an inability to access adequate contract labour at reasonable costs may adversely affect our business prospects and results of operations

Our Company does not engage such contract labours directly, but we may still be held responsible for any wage payments to be made to such contract labours in the event of default by the independent contractors. While the amount paid in such an event can be recovered from the independent contractor, any significant requirement to fund the wage requirements of the engaged labourers or delay in recovering such amounts from the independent contractors may have an adverse effect on our cash flows and results of operations. Any disruption to the supply of such labour for our Manufacturing Facilities or our inability to control the composition and cost of our contract labour could adversely affect our business, results of operations, financial condition and cash flows.

37. ***Our manufacturing operations are significantly dependent on the cooperation and continued support of our workforce. We may be subject to industrial unrest, slowdowns and increased employee costs, which may adversely affect our business and results of operations.***

Our manufacturing operations are significantly dependent on the cooperation and continued support of our workforce. Strikes or work stoppages by our workforce at our SGUs could halt our production activities and disrupt our distribution channels which could impact our ability to deliver customer orders in a timely manner or at all, which could adversely affect the results of our operations and reputation. We do not have any labour unions at any of our manufacturing facilities and there have been no disruptions to our manufacturing operations as on the date of this Draft Red Herring Prospectus and last three Fiscals on account of labour-related disputes including strikes, lockouts, or collective bargaining arrangements. However, there can be no assurance that we will not experience work disruptions in the future due to disputes or other problems with our workforce.

Any such event, at our current SGUs or at any new SGUs that we may commission or acquire in the future, may adversely affect our ability to operate our business and serve our customers, and impair our relationships with certain key customers and suppliers, which may adversely impact our business and financial condition.

38. ***Our Promoter, Vishal Kanodia, our Director, Saurabh Lohia and our former director and current employee, Manoj Kedia have provided personal guarantees for certain loans availed from the Uttar Pradesh government under the Audyogik Nivesh Protsahan Yojana – 2012 through the Uttar Pradesh Financial Corporation and invocation of such***

guarantees may adversely affect their personal financial standing, potentially impact our Company's governance, and harm our business, financial condition, and reputation.

Set forth below are details of the personal guarantees provided by our Promoter, Vishal Kanodia and our Director, Saurabh Lohia and our former director, Manoj Kedia for certain loans availed from the Uttar Pradesh government under the Audyogik Nivesh Protsahan Yojana – 2012 through the Uttar Pradesh Financial Corporation:

Sr. No.	Particulars	Nature of Relationship/ Interest in the Company	Sanctioned Amount (₹ in million)	Amount (₹ in million) Outstanding as on March 31, 2025
1	Personal guarantee given by Vishal Kanodia for Uttar Pradesh Government under "Audyogik Nivesh Protsahan Yojana -2012" through Uttar Pradesh Financial Corporation	Director	45.30	45.30
2	Vishal Kanodia, Saurabh Lohia and Vikram Agarwal (*former employee*) – Uttar Pradesh Government under "Audyogik Nivesh Protsahan Yojana -2012" through Uttar Pradesh Financial Corporation	Director	12.54	12.54
3	Vishal Kanodia, Saurabh Lohia and Manoj Kedia (*former Director*) – Uttar Pradesh Government under "Audyogik Nivesh Protsahan Yojana -2012" through Uttar Pradesh Financial Corporation	Director	87.84	87.84
4	Vishal Kanodia, Saurabh Lohia and Manoj Kedia (*former Director*) – Uttar Pradesh Government under "Audyogik Nivesh Protsahan Yojana -2012" through Uttar Pradesh Financial Corporation	Director	24.98	24.98
5	Vishal Kanodia, Saurabh Lohia and Manoj Kedia (*former Director*) – Uttar Pradesh Government under "Audyogik Nivesh Protsahan Yojana -2012" through Uttar Pradesh Financial Corporation	Director	42.24	42.24
6	Vishal Kanodia, Saurabh Lohia and Manoj Kedia (*former Director*) - Uttar Pradesh Government under "Audyogik Nivesh Protsahan Yojana -2012" through Uttar Pradesh Financial Corporation	Director	106.61	106.61
7	Vishal Kanodia, Saurabh Lohia and Manoj Kedia (*former Director*) - Uttar Pradesh Government under "Audyogik Nivesh Protsahan Yojana -2012" through Uttar Pradesh Financial Corporation	Director	182.45	182.45
8	Vishal Kanodia, Saurabh Lohia and Manoj Kedia (*former Director*) - Uttar Pradesh Government under "Audyogik Nivesh Protsahan Yojana -2012" through Uttar Pradesh Financial Corporation	Director	20.57	20.57

The outstanding balances reflect the actual amount of loans outstanding as on March 31, 2025 and have been disclosed without considering the impact of Ind-AS 20 and Ind-AS 109.

In the event of any delay, default, or breach by our Company in meeting the repayment or compliance obligations under the terms of such loans, the UPFC may enforce the personal guarantees provided by the aforementioned individuals. Such enforcement could result in significant financial liability for them in their personal capacities. This may not only affect their individual financial positions and ability to meet personal obligations but may also impair their continued involvement and focus on the management and strategic direction of our Company.

39. Our business is subject to seasonal variations and cyclicality on account of lower demand for our products during the monsoon season and higher demand of our products in the last Fiscal quarter, on account of year-end incentives, that could result in fluctuations in our results of operations. As a result of such fluctuations, our sales and results of operations may vary by fiscal quarter, and the sales and results of operations of any given fiscal quarter may not be relied upon as indicators of the sales or results of operations of other fiscal quarters or of our future performance.

Our business is subject to seasonal variations on account of lower demand for our products during the monsoon season, and higher demand of our products in the last Fiscal quarter, on account of year-end incentives. The table below shows our total sales volumes of cement for each quarter of Fiscals 2022, 2023 and 2024 and the nine months ended December 31, 2024 which shows the variance in sales volume:

(in MT)

Particulars	Fiscal							
	2025*		2024		2023		2022	
	Volume (*in MT*)	Volume (*in %*)	Volume (*in MT*)	Volume (*in %*)	Volume (*in MT*)	Volume (*in %*)	Volume (*in MT*)	Volume (*in %*)
Fiscal quarter ended June 30	574,045.75	35.90	404,947.20	23.23	224,005.95	19.06	234,570.90	24.95
Fiscal quarter ended September 30	494,650.30	30.93	380,239.60	21.82	303,617.45	25.84	217,299.20	23.11

Particulars	Fiscal							
	2025*		2024		2023		2022	
	Volume (*in MT*)	**Volume (*in %*)**	**Volume (*in MT*)**	**Volume (*in %*)**	**Volume (*in MT*)**	**Volume (*in %*)**	**Volume (*in MT*)**	**Volume (*in %*)**
Fiscal quarter ended December 31	530,346.55	33.17	418,276.85	24.00	294,751.90	25.08	228,725.65	24.32
Fiscal quarter ended March 31	-	-	539,372.75	30.95	352,839.90	30.02	259,699.20	27.62

**The data on volume (in MT) and volume (in %) is based on the nine months period ending December 31, 2024.*

According to the CRISIL Report, the cement industry is highly cyclical in nature and depends largely on the economic growth of the country. There is a high degree of correlation between the GDP growth and the growth in cement consumption. During the monsoon season, construction activity is curtailed and we may continue to incur fixed costs, but our revenue from the sale of our products may be delayed or reduced. Such seasonality in demand may lead to volatility in cement pricing which may require us to reduce our product prices to remain competitive in the market. For instance, according to the CRISIL Report, in the third quarter of Fiscal 2022, demand took an unexpected hit because of unseasonal rains, labour unavailability due to the wedding season, sand availability issues in some states, and onset of the festive season, translating into a decline of approximately 4% year-on-year for the quarter. Further, with the monsoon receding, inflationary pressures easing, real estate and affordable housing gaining traction as well as pick-up in infrastructure project execution ahead of the general elections in 2024, demand for cement grew at approximately 10% in the third quarter of Fiscal 2023, and at an overall level in Fiscal 2023, infrastructure continued its strong growth momentum, led by government spending, according to the CRISIL Report. In Fiscal 2024, the pre-election boost to the infrastructure and housing segments and the growth in the industrial and commercial segments led to an overall rise in cement demand of 11% according to the CRISIL Report. As a result of such fluctuations, our sales and results of operations may vary by fiscal quarter, and the sales and results of operations of any given fiscal quarter may not be relied upon as indicators of the sales or results of operations of other fiscal quarters or of our future performance.

40. Our manufacturing operations require individuals to work with heavy machinery, high temperatures and at significant heights in our SGUs and storage silos, which inherently present risks to the health and safety of our employees, contractors, and others in the vicinity. Any accidents, injuries, or safety violations related to the handling of hazardous materials and heavy machinery could have a material adverse impact on our business, operational continuity, and financial performance.

Our manufacturing operations require individuals to work with heavy machinery, high temperatures and at significant heights in our SGUs and storage silos, which inherently present risks to the health and safety of our employees, contractors, and others in the vicinity. The nature of our business includes activities that can be dangerous, such as handling raw materials, operating complex equipment, and managing high-risk processes in cement production. These activities could cause potential harm and injury due to human errors or machine malfunctions. We are subject to operating risks associated with handling of hazardous materials such as the possibility of spills and leakages from containers, fire, and the discharge or release of toxic or hazardous substances, which in turn may cause personal injury, property damage and environmental contamination.

While we have had no such incidents in the past, we cannot assure you that such incidents may not occur in the future. An accident or injury that occurs in the course of our operations could result in disruptions to our business and have legal and regulatory consequences and we may be required to compensate such individuals or incur other costs and liabilities, any and all of which could adversely affect our reputation, business, prospects, financial condition and results of operations. Further, there can be no assurance that our insurance policies will provide adequate coverage in the event of a legal claim.

41. The cement industry in which we operate in is highly competitive. Our business may face significant competition from both domestic as well as international companies. Failure to effectively compete with our competitors with respect to our products and supporting services, pricing or distribution, could have a material adverse effect on our business, financial condition, cash flows and results of operations.

The cement industry in which we operate in is highly competitive. Our business may face significant competition from domestic companies. Few of our competitors may win market share from us by providing lower cost products to our customers, with or without adversely affecting their profit margins or by offering technologically advanced products or services.

According to the CRISIL Report, the Indian cement industry is highly fragmented with the presence of a few large players and several medium- sized and small players. However, according to the CRISIL Report, the top five players in central India – UltraTech Cement, Birla Corporation, Adani Group, JK Cement, JK Lakshmi Cement and Heidelberg Cement account for approximately 68% of the total market share in Fiscal 2024. According to the CRISIL Report, over the past five years, the sector has witnessed an unparalleled surge in mergers and acquisitions, resulting in the transfer of 106-108 MTPA of capacity, of which 95-97 MTPA have been acquired by large players (capacity ≥ 25 MTPA).

We are one of the fastest growing cement manufacturers in India in terms of increase in installed grinding capacity, from Fiscal 2014 to Fiscal 2024, our installed grinding capacity grew at a CAGR of 22.12%, compared to the industry average of 7.31% and a peer average of 9.64%. (*Source: CRISIL Report*) We were one of the fastest growing cement manufacturing companies in terms of growth in revenue from operations from Fiscal 2022 to Fiscal 2024, with our revenue from operations growing at a CAGR of 34.83%, as compared to the industry average of 13.69% and peer average of 12.60% respectively during this period. (*Source: CRISIL Report*) While our Contract Manufacturing Model is insulated from market pressures on account of our cement sale and purchase agreements, we may not be able to grow or maintain our market share. Current and future competitors may introduce new and more competitive products and accompanying supporting services, adopt more aggressive pricing policies, increase production capacities, make strategic acquisitions or establish cooperative relationships among themselves or with third parties, thereby increasing their ability to address the needs of our target customers. Our competitors may also have access to captive or cheaper sources of raw materials and/or power and fuel, which are the key inputs in our manufacturing processes. This would enable them to produce these products at lower costs which in turn would result in an increase in their profitability.

In addition, if our competitors provide better commissions or incentives to our dealers, have better brand recognition, longer operating histories, larger marketing budgets or better localised knowledge of the regional market, it could result in our dealers favouring the products of our competitors. Failure to effectively compete with our competitors with respect to our products and supporting services, pricing or distribution, could have a material adverse effect on our business, financial condition, cash flows and results of operations. Our profitability and competitiveness also depend on our ability to respond to technological advances and emerging industry standards in the cement industry in a cost-effective and timely basis. Changes in technology may make newer cement manufacturing equipment more competitive than ours thus requiring us to incur additional capital expenditure to compete. If we are unable to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our business and financial performance could be adversely affected.

42. ***We track certain operational metrics with internal systems and tools. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation.***

We track certain operational metrics, including transaction volumes and key business metrics such as EBIT, EBITDA, EBITDA Margin, PAT Margin, Return on Equity, Return on Capital Employed, Net Debt, Net Debt to EBITDA, Net Debt to Equity, Net Fixed Assets Turnover Ratio and Net Asset Value (per Equity Share) among others, with internal systems and tools which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. Our internal systems and tools have a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics. If the internal systems and tools we use to track these metrics undercount or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring how our platforms are used across large populations. In addition, limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, results of operations and financial condition would be adversely affected.

43. ***We may be required to change certain of our marketing and brand building strategies to comply with the guidelines issued by the Central Marks Department – III on August 28, 2020 which may lead to additional advertisement and publicity expenses.***

We are typically required to seek a license under the Bureau of Indian Standards Act, 2016 (“**BIS Act**”) to use or apply the standard mark and adhere to the quality requirements and conditions of the license as set out in the BIS Act which needs to be renewed periodically. The Central Marks Department - III issued the Central Marks Department – III on August 28, 2020 (“**Guidelines**”) to curb the various objective and subjective claims made by cement manufacturers on cement bags or packages and in advertisements, which are not prescribed or verifiable or backed by any relevant Indian standard and are likely to mislead consumers regarding the quality of the product. While we haven’t had to change our marketing and brand building strategies pursuant to such guidelines in the past, we may be required to make certain changes in the future to comply with such guidelines which may lead to additional advertisement and publicity expenses. For further details of laws applicable to our Company and approvals relating to our business and operations, see *“Key Regulations and Policies”* beginning on page 240.

44. ***Our business involves the storage, processing, and handling of various raw materials, work products, and finished goods as part of our cement manufacturing operations. Improper storage, processing and handling of our raw materials, work products and products could damage our inventories and, as a result, lead to product liability claims which may have an adverse effect on our business, results of operations and cash flows.***

Our business involves the storage, processing, and handling of various raw materials, work products, and finished goods as part of our cement manufacturing operations. Improper storage, handling, or processing of these materials could result in damage to our inventories, including spoilage, contamination, or deterioration, which could render the materials unsuitable for use in production or sale. Such incidents may lead to production delays, increased costs, or loss of inventory, adversely impacting our ability to meet customer demand and fulfill orders on time. Additionally, damaged or compromised raw materials and finished products could result in additional financial losses, including the need for reordering materials, replacing inventory, or incurring higher costs associated with disposing of unusable products. This could strain our resources and disrupt our supply chain, further affecting our operational efficiency. The improper handling of materials could also lead to safety risks, regulatory violations, or environmental concerns, which could result in penalties, reputational damage, or operational shutdowns.

For instance, on February 15, 2023, our customer, Anjum Bano filed a product liability claim alleging that the CG Gold Cement purchased was defective, leading to the development of cracks and water leakage. On April 20, 2023, a mutual settlement was reached wherein our Company agreed to provide 40 bags of CG Gold Cement to Anjum Bano, while the latter agreed not to pursue any further legal action against us in relation to this matter. As on the date of filing of this draft red herring prospectus, there are no material outstanding litigations in this regard involving our Company or our Subsidiaries. There is no assurance that product liability claims against us will not arise whether due to substandard quality or other causes and such claims could result in legal costs, reputational damage, and possible compensation expenses, all of which could negatively impact our financial condition.

45. ***Our business depends on our ability to successfully obtain payments from our customers for our products. There is no guarantee that we will accurately assess the creditworthiness of our customers, and actual losses on amounts due to us from customer could differ from those that we currently anticipate. Our inability to collect receivables in time or at all and default in payment from our customers could result in the reduction of our revenue, profits and affect our cash flows.***

Cash collection trends measured by days outstanding have a material impact on our cash flows. In general, an increase in bad debts or aged debtors leads to greater usage of operating working capital and increased interest costs. We provide our customers with credit period typically ranging from 0-30 days as part of our standard payment terms. The table below sets forth our trade receivables and allowance for doubtful debts as of the dates stated:

Particulars	Nine-months ended December 31, 2024	As of the year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Trade receivables	369.70	363.46	445.25	501.31
Trade receivables turnover ratio	18.66	20.98	13.66	12.86
Trade receivables days	19.56*	14.98	24.43	37.46
Trade Receivables ageing schedule of undisputed trade receivables – considered good				
Outstanding for less than 6 months	365.96	360.05	441.05	492.16
Outstanding for more than 6 months	3.74	3.41	4.20	9.15

** Annualized*

Our business depends on our ability to successfully obtain payments from our customers for our products. Late payments or failure to settle outstanding dues could cause liquidity problems, hampering our ability to meet operational and capital expenditure requirements. Furthermore, payment defaults by major clients could severely impact our revenue and profitability, forcing us to take additional measures to recover dues, including legal action or renegotiating terms, which may result in additional costs or strained business relationships. There is no guarantee that we will accurately assess the creditworthiness of our customers, and actual losses on amounts due to us from customer could differ from those that we currently anticipate. In the past we have made a provision worth ₹ 1.14 million for expected credit loss for outstanding dues from our customers during the nine months period ended December 31, 2024. If one or more of our customers were to become insolvent or otherwise be unable or unwilling to pay for their orders, our results of operations, cash flows and financial condition could be adversely affected. Furthermore, an increase in bad debts or in defaults by our customers may compel us to utilize greater amounts of our operating working capital and result in increased interest costs, thereby adversely affecting our results of operations and cash flows.

46. ***We are exposed to operational risks, including fraud, petty theft and embezzlement, which may adversely affect our reputation, business, financial condition, results of operations and cash flows.***

We may be subject to instances of fraud, misappropriation, unauthorised acts and misconduct by our representatives, employees or labourers which may go unnoticed for certain periods of time before corrective action is taken. Further, we employ third parties for certain operations including to perform ancillary operations including civil, electrical and mechanical works and housekeeping activities and accordingly, we are exposed to the risk of theft and embezzlement. In addition, we may be subject to regulatory or other proceedings in connection with such acts by our representatives and employees, which could adversely affect our goodwill. Such instances could also adversely affect our reputation, brand, business, results of operations and financial condition. Even when we identify such instances and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such instances of fraud, misappropriation, unauthorised acts and misconduct by our representatives and employees.

47. ***Our ability to pay dividends in the future will depend on our future earnings, cash flows, working capital requirements, capital expenditures, financial condition and restrictive covenants of our financing arrangements. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Company's shareholders consistent with our past practices, or at all.***

    Our Company did not declare any dividend for nine months ended December 31, 2024, or for Fiscal 2024, Fiscal 2023 and Fiscal 2022. Our Board of Directors has approved and adopted a dividend policy in their meeting held on March 22, 2025. Any dividends to be declared and paid in the future are required to be recommended by our Company's Board of Directors and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013, as amended.

    For further information, see "*Dividend Policy*" on page 278, the amount of our future dividend payments, if any, will depend on our future earnings, cash flows, financial condition, working capital requirements, capital expenditures, restrictive covenants of our financing arrangements, applicable Indian legal restrictions and other factors. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Company's shareholders consistent with our past practices, or at all. We may decide to retain all of our future earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. 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 will attract dividend distribution tax at rates applicable from time to time. As a result, we may not declare dividends in the foreseeable future. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

48. ***We are subject to various laws, regulations, approvals and licenses required in the ordinary course of business, including environmental, health and safety laws and other regulations. Any failure to obtain or retain them in a timely manner may materially adversely affect our operations.***

    We are subject to safety, health, labour, and environmental regulations in India. These regulations impose controls on air and water pollution, noise pollution, hazardous waste management and handling. Environmental laws and regulations in India have become and continue to be more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. As on the date of this Draft Red Herring Prospectus, our Subsidiaries have applied for renewal of the following approvals but they have not been received:

    A. ***KCPL:***

       Metrology Certificate for the Grinding unit at Gata No. 1140, 1142, Nagardeeh, Bhadar, Amethi – 201301

    B. ***KIL:***

       Fire Certificate for the unit located at Plot no. 208, 209, 210, Kuraru Karmnasha, Durgawati, Karmnasha, 821105

       We are also subject to the laws and regulations governing employees in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour, work permits, payments of various employee benefits such as gratuity, bonuses, provident fund contribution, and compensation for accidents suffered by labourers. There is a risk that we may fail to comply with such regulations, which could lead to enforced shutdowns of our plants, and other sanctions. For further details of laws applicable to our Company and approvals relating to our business and operations, see *"Key Regulations and Policies"* beginning on page 240.

       Any failure to obtain or retain the necessary approvals, licenses, or permits in a timely manner could result in delays, fines, or penalties, which may disrupt our operations and affect our ability to meet production targets. Additionally, changes in regulatory requirements or delays in regulatory approvals could lead to increased compliance costs or operational disruptions, potentially impacting our competitiveness in the market. In particular, environmental regulations related to emissions, waste management, and resource usage could require us to make significant investments in technology, infrastructure, or processes to meet new standards. Failure to comply with these evolving requirements may expose us to reputational damage, legal liabilities, and other risks that could materially adversely affect our business, financial condition, and results of operations.

49. ***Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which has been commissioned and paid for by us and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.***

Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the CRISIL Report or extracts of the CRISIL Report prepared by CRISIL MI&A, which is not related to our Company, Directors, Promoters, KMPs, SMPs or the Book Running Lead Managers. We commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Offer. All such information in this Draft Red Herring Prospectus indicates the CRISIL Report as its source. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the CRISIL Report should be read taking into consideration the foregoing.

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. Industry sources do not guarantee the accuracy, adequacy or completeness of the data. Further, the CRISIL Report is not a recommendation to invest / disinvest in any company covered in the CRISIL Report. Accordingly, you 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 Draft Red Herring Prospectus based on, or derived from, the CRISIL Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the CRISIL Report before making any investment decision regarding the Offer. See "*Industry Overview*" on page 131. For the disclaimers associated with the CRISIL Report, see "*Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation- Industry and Market Data*" on page 25.

50. The Offer Price, market capitalisation to revenue multiple and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing.

Our market capitalisation (based on the Offer Price) to revenue (Fiscal 2024) multiple is [●] times; our market capitalisation (based on the Offer Price) to price to earnings ratio (based on profit after tax for Fiscal 2024) is [●] at the upper end of the Price Bank.

The Offer Price will be determined by our Company in consultation with BRLMs based on various factors and assumptions. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with Book Running Lead Managers through the Book Building Process, and will be based on numerous factors, including factors as described under "*Basis for Offer Price*" beginning on page 112 and may not be indicative of the market price for the Equity Shares after the Offer. Accordingly, the Offer Price, multiples and ratio may not be indicative of the market price of the Equity Shares on listing or thereafter. The factors that could affect the market price of the Equity Shares include, among other, broad market trends, our financial performance and results post-listing, and other factors beyond our Company's control.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The relevant financial parameters based on which the Price Band would be determined, shall be disclosed in the advertisement that would be issued for publication of the Price Band. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, announcements by us or our competitors of significant acquisitions, strategic alliances, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. As a result, the market price of the Equity Shares 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.

51. The success of our business depends substantially on our strong management, including our Promoters, Directors, Key Managerial Personnel and Senior Management, and on our operational workforce. Our inability to retain them or to recruit highly skilled technical personnel that are necessary for our business could adversely affect our business.

Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Key Managerial Personnel and our Senior Management as well as our ability to attract and retain skilled personnel. Any loss of our Promoters, Directors, Key Managerial Personnel, Senior Management or our ability to attract and retain them and other skilled personnel could adversely affect our business, financial condition and results of operations. We depend on the management skills and guidance of our Promoters for development of business strategies, monitoring their successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Directors, Key Managerial Personnel and our Senior Management. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Key Managerial Personnel or Senior Management are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our business, financial condition and results of operations could be adversely affected.

In addition, we may require a long period of time to hire and train replacement personnel when personnel with technical expertise terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining personnel with technical expertise that our business requires. In the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, our Company's attrition rate was 26.28%, 31.75%, 21.05% and 40.00% respectively. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition.

There is significant competition for management and other skilled personnel in the cement manufacturing industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. In the event that we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and results of operations may be adversely affected. For further details, see "*Our Management*" on beginning page 253.

52. ***Land title in India can be uncertain and we may not be able to identify or correct defects or irregularities in title to the land which we own or intend to acquire in connection with the development of our manufacturing facilities and grinding units.***

There is no central title registry for real property in India and the documentation of land records in India has not been fully computerized. Property records in India are generally maintained at the state and district level and in local languages and are updated manually through physical records. Therefore, property records may not be available online for inspection or updated in a timely manner, or may be illegible, untraceable, incomplete or inaccurate in certain respects, or may have been kept in poor condition, which may impede title investigations or our ability to rely on such property records. In addition, title insurance is not commercially available in India to guarantee title or development rights in respect of land. The difficulty of obtaining title guarantees in India means that title records provide only for presumptive rather than guaranteed title. The original title to lands may often be fragmented and the land may have multiple owners.

Further, non-executed or improperly executed, unregistered or insufficiently stamped conveyance instruments in a property's chain of title, unregistered encumbrances in favour of third parties, rights of adverse possessors, ownership claims of family members of prior owners or third parties, or other defects that a purchaser may not be aware of can affect title to a property. As a result, potential disputes or claims over title to the land on which our current manufacturing facilities and grinding units are located or the manufacturing facilities and grinding units that we plan to construct may arise. Any defects in, or irregularities of, title may result in loss of development or operating rights over land.

53. ***Certain Non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. If investors make investment decisions based on non-GAAP financial measures and other statistical information disclosed by us that are inaccurate, we may also face potential lawsuits or disputes with investors or regulators, which could adversely affect our business, reputation, results of operations and financial condition.***

Certain Non-Generally Accepted Accounting Principles ("Non-GAAP") measures presented in this Draft Red Herring Prospectus such as Revenue from Operations Growth, Operating EBITDA (Excluding Non- Operating Income), Operating EBITDA (Excluding Non- Operating Income) Margin, PBT Margin, PAT Margin, Net Debt, Net Asset Value per Share, Return on Equity ("ROE"), Return on Capital Employed ("ROCE"), Net Debt to Operating EBITDA, Net Debt to Total Equity, cement realisation per tonne, Operating EBITDA (Excl. Non-operating income) per tonne, cost of sales per tonne and Fixed Asset Turnover Ratio are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP measures, and other statistical and other information relating to our operations and financial performance, may not be computed on the basis of any standard methodology that is applicable across the industry and, therefore, a comparison of similarly titled Non-GAAP measures or statistical or other information relating to operations and financial performance between companies may not be possible. Other companies may calculate the Non-GAAP measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, we compute and disclose them as our Company's management believes that they are useful information in relation to our business and financial performance.

In addition, these Non-GAAP financial measures are not standardized terms, hence a direct comparison of these Non-GAAP financial measures between companies may not be possible. However, such information may not be computed on the basis of any standard methodology that is applicable across the industry and may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS. Such information may also not be comparable to titled measures presented by other companies and may have limited usefulness as a comparative measure. If investors make investment decisions based on non-GAAP financial measures and other statistical information disclosed by us that are inaccurate, we may also face potential lawsuits or disputes with investors or regulators, which could adversely affect our business, reputation, results of operations and financial condition.

54. ***Our Promoters, certain of our Directors, Key Managerial Personnel, Senior Management and Promoter Group may have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.***

Our Promoters, Directors, Key Managerial Personnel and Senior Management may be deemed to be interested to the extent of Equity Shares held by them and by members of our Promoters Group, as well as to the extent of any dividends, perquisites, employee stock options or other distributions on such Equity Shares. Vishal Kanodia who is the Promoter of the Company also has an interest in the promotion or formation of our Company. For further details, see "*Capital Structure*", "*Our Promoters and Promoter Group*", "*Offer Document Summary- Summary of Related Party Transactions*" and "*Our Management*" beginning on pages 94, 270, 18 and 253, respectively.

55. ***Some of our Directors and Promoters may have interest in entities, which are in businesses similar to ours and this may result in conflict of interest with us.***

As of the date of this Draft Red Herring Prospectus, some of our Directors and Promoters are interested in certain members of the Promoter Group, that are engaged in the same business as ours.

Further, our Promoter may become involved in ventures that may potentially compete with our Company. The interests of our Promoters may conflict with the interests of our other Shareholders and our Promoters may, for business considerations or otherwise, cause our Company to take actions, or refrain from taking actions, in order to benefit themselves instead of our Company's interests or the interests of its other Shareholders and which may be harmful to our Company's interests or the interests of our other Shareholders, which may materially adversely impact our business, financial condition, results of operations and cash flows.

We cannot assure you that our Directors and our Promoter Group and our Group Companies will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in the future. In such event, our business, financial condition and results of operations may be adversely affected. For details, see "*Our Management – Interest of Directors*", "*Our Promoters and Promoter Group – Interests of our Promoters*" and "*Our Group Companies – Common pursuits between our Group Companies and Our Company*" on pages 258, 271 and 276, respectively.

56. ***We will not receive any proceeds from the Offer for Sale. The Selling Shareholders will receive the Net Proceeds from the Offer for Sale.***

The Offer consists of an Offer for Sale. The Selling Shareholders shall be entitled to the Net Proceeds from the Offer for Sale, which comprise proceeds from the Offer for Sale net of Offer expenses shared by the Selling Shareholder, and our Company will not receive any proceeds from the Offer for Sale.

57. ***We may be exposed to the risks of significant breaches of data security, and malfunctions or disruptions of information technology systems which may have an adverse effect on our business and results of operations.***

We have deployed information technology systems and accounting system to support our business processes, including sales, order processing, production, procurement, inventory management, quality control, product costing, human resources, distribution and finance. These technology initiatives are intended to increase productivity and operating efficiencies, they may not achieve such intended results. These systems may be potentially vulnerable to data security breaches, whether by employees or others, which may result in unauthorized persons getting access to sensitive data. Such data security breaches could lead to the loss of data related to our products and services and other proprietary information could be compromised. These systems are also susceptible to outages due to telecommunications failures, natural disasters, computer viruses or malware, break-ins and similar events. While we have not had any such incidents or data breaches in the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, we cannot assure you that incidents may not occur in the future. Effective response to such disruptions or malfunctions shall require effort and diligence on the part of our third-party distribution partners and employees to avoid any adverse effect to our information technology systems.

External Risks

58. ***A slowdown in economic growth in India could cause our business to suffer.***

Our performance and the growth of our business are dependent on the health of the overall Indian economy. Any slowdown or perceived slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could also adversely affect our business, financial condition, results of operations and prospects.

India's economy could be adversely affected by a general rise in interest rates or inflation, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

The Indian economy is also influenced by economic development and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves and exchange rate fluctuations may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business, financial condition, results of operations and prospects.

India has experienced instances of social, religious and civil unrest and hostilities between neighboring countries from time to time. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy negatively.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our expansions; 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, like application of GST; political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries; occurrence of natural or man- made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India or its financial services sectors.

Any slowdown or perceived slowdown in the economic growth of the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, financial condition and results of operations, and the price of the Equity Shares.

59. Our business is affected by global economic conditions, which may have an adverse effect on our business, financial condition, results of operations and prospects

Our business depends substantially on global economic conditions. Financial turmoil in Asia, U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Financial disruptions may occur and could harm our business, results of operations and financial condition.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Financial markets and the supply of credit could continue to be negatively impacted by ongoing concerns surrounding the sovereign debts and/or fiscal deficits of several countries in Europe, the possibility of further downgrades of, or defaults on, sovereign debt, concerns about a slowdown in growth in certain economies and uncertainties regarding the stability and overall standing of the European Monetary Union.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and indirectly in the Indian economy in general. Any worldwide financial instability could influence the Indian economy. In response to such developments, legislators and financial regulators in the United States, Africa and other jurisdictions, including India, have implemented several policy measures designed to add stability to the financial markets. In addition, any increase in interest rates by the United States Federal Reserve will lead to an increase in the borrowing costs in the United States which may in turn impact global borrowing as well. Furthermore, in several parts of the world, there are signs of increasing retreat from globalization of goods, services and people, as pressure for the introduction of a protectionist regime is building and such developments could adversely affect Indian exports. However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current adverse conditions in the global credit markets continue or if there is any significant financial disruption, this could have an adverse effect on our business, results of operations and financial condition. Recent developments in the ongoing conflict between Russia and Ukraine and in the state of Israel has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, adversely impact availability of natural gas, increase in supply chain, logistics times and costs, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India.

A prolonged war or a protracted period of hostilities may lead to global economic disturbances. If we are unable to successfully anticipate and respond to changing economic and market conditions, our business, results of operations and financial condition and prospects may be adversely affected.

60. Upon listing, we may be subject to additional costs/unanticipated expenses arising from the obligations that a listed public company has to comply with, under the applicable regulatory framework in India.

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed public company, we shall incur legal, accounting, insurance and other expenses that we have not incurred as an unlisted public company, including costs associated with listed company reporting and corporate governance requirements. We expect that rules and regulations shall increase our legal and financial compliance costs and make some activities more time-consuming and costly, although we are currently unable to estimate these costs with any degree of certainty. Laws and regulations could also make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. Laws and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees or as our senior management. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting, fines, sanctions and other regulatory action and potentially civil litigation. Any such action could adversely affect our business, financial condition and results of operations and cash flow.’

For instance, we shall be subject to the Listing Regulations which shall require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a publicly listed company, we shall need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention shall be required. As a result, our management’s attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition, results of operations, and cash flows. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but there can be no assurance that we shall be able to do so in a timely and efficient manner.

61. Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, cyclones, storms, tsunamis, fires, explosions, flooding, and/or earthquakes), epidemics, pandemics such as COVID-19, and man-made disasters, including acts of war, military actions, terrorist attacks, and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition, and results of operations.

Developments in the ongoing conflict between Russia and Ukraine has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, adversely impact availability of natural gas, increase in supply chain, logistics times and costs, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India.

Our operations may be adversely affected by fires, natural disasters, and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

India has experienced instances of social, religious and civil unrest and hostilities between neighbouring countries from time to time. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy negatively. Any terrorist attacks or civil unrest as well as other adverse social, economic, and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1, and H1N1 strains of influenza in birds and swine and more recently, the SARS-CoV-2 virus. Any future outbreaks of SARS-CoV-2 virus or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our expansions; 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, like application of GST; 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; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India or its financial services sectors. Any slowdown or perceived slowdown in the economic growth of the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, financial condition and results of operations, and the price of the Equity Shares. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate.

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

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our services to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

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

63. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects and results of operations.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition, cash flows and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

For instance, the Government of India has announced the union budget for the Financial Year 2024-25 pursuant to which the Finance Act 2024 has introduced various amendments to taxation laws in India. As such, there is no certainty on the effect that the Finance Act 2024 may have on our business and operations or on the industry in which we operate.

Further, the Government of India introduced new laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020 ("**Social Security Code**"), the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labour legislations, which were to take effect from April 1, 2021 (collectively, the "**Labour Codes**"). The Government of India has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the coming into force of different provisions of the Labour Codes. While the rules for implementation under these codes have not been finalized, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely affect our profitability. For instance, under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees' provident fund.

The Digital Personal Data Protection Act, 2023 ("**DPDP Act**") which has received the assent of the President on August 11, 2023, provides for personal data protection and privacy of individuals, regulates cross border data transfer, and provides several exemptions for personal data processing by the Government. It also provides for the establishment of a Data Protection Board of India for taking remedial actions and imposing penalties for breach of the provisions of the DPDP Act.

It imposes restrictions and obligations on data fiduciaries, resulting from dealing with personal data and further, provides for levy of penalties for breach of obligations prescribed under the DPDP Act.

Further, on July 1, 2024, the Government implemented The Bharatiya Nyaya Sanhita, 2023, Bharatiya Nagrik Suraksha Sanhita, 2023 and Bhartiya Sakshya Adhiniyam, 2023, which have replaced the Indian Penal Code, 1860, Code of Criminal Procedure, 1973 and the Indian Evidence Act, 1872, respectively.

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

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

The Competition Act, 2002, as amended (the "**Competition Act**") was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India to regulate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. The Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations 2011 ("**Combination Regulations**") require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India.

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

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

65. Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as US GAAP and IFRS, which may affect investors' assessments of our Company's financial condition.

The Restated Financial Information for the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023, and Fiscal 2022, included in this Draft Red Herring Prospectus are derived from audited financial statements as of and for the nine months ended December 31, 2024, and Fiscal 2024, Fiscal 2023 and Fiscal 2022 prepared in accordance with Ind AS, the provisions of the Companies Act, 2013 and other accounting principles generally accepted in India and restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI. Ind AS differs from accounting principles with which you may be familiar, such as Indian GAAP, IFRS and US GAAP.

We have not attempted to explain in a qualitative manner the impact of the IFRS or US GAAP on the financial information included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial information to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP, which may differ from accounting principles with which you may be familiar in other countries. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus, which is restated as per the SEBI ICDR Regulations, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the SEBI ICDR Regulations, on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. You should review the accounting policies applied in the preparation of the Restated Financial Information and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar.

66. ***We may be impacted by an adverse change in India's sovereign credit rating by a domestic or international rating agency.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for reasons beyond our control such as, upon a change of government tax or fiscal policy or a decline in India's foreign exchange reserves. This could have an adverse effect on our ability to fund our growth on favorable terms or at all, and consequently adversely affect our business and financial performance and the price of the Equity Shares.

67. ***Investors may not be able to immediately sell any of the Equity Shares they subscribe to in this Offer on an Indian stock exchange.***

The Equity Shares will be listed on the Stock Exchanges. Pursuant to the applicable Indian laws and practice, permission for listing of the Equity Shares will not be granted till the Equity Shares in this Offer have been issued and allotted and all relevant documents are submitted to the Stock Exchanges. Further, certain actions must be completed prior to the commencement of listing and trading of the Equity Shares such as the Investor's book entry or 'demat' accounts with the depository participants in India, the Allotment of Equity Shares in the Offer and the credit of such Equity Shares to the applicant's demat account with the depository participant. Any failure or delay in obtaining the approval or otherwise commence trading in Equity Shares would restrict your ability to dispose of your Equity Shares. We cannot assure you that the Equity Shares will be credited to investors' demat accounts or that trading in the Equity Shares will commence in a timely manner (as specified herein) or at all. We could also be required to pay interest at the applicable rates if the allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

68. ***There is no assurance that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all or that once listed, will remain listed on the Stock Exchange.***

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the Stock Exchanges within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

Although it is currently intended that the Equity Shares will remain listed on the Stock Exchanges, there is no assurance of the continued listing of the Equity Shares. Among other factors, we may not continue to satisfy the listing requirements of the Stock Exchanges. Accordingly, Shareholders will not be able to sell their Equity Shares through trading on the Stock Exchanges if the Equity Shares are no longer listed on the Stock Exchange.

69. ***Pursuant to listing of the Equity shares, we may be subject to pre-emptive surveillance measures like additional Surveillance Measures ("ASM") and Graded surveillance Measures ("GSM") by the Stock Exchanges in the order to enhance market integrity and safeguard the interest of the investors.***

On and post the listing of equity shares, we may be subject to ASM and GSM by the Stock Exchange(s) and the Securities and Exchange Board of India. These measures have been introduced in order to enhance market integrity and safeguard the interest of investors and to alert and advise investors to be extra cautious and carry out necessary due diligence while dealing in such securities.

The criteria for shortlisting any scrip trading on the Stock Exchange(s) under the ASM is based on an objective criterion as jointly decided by SEBI and the Stock Exchange(s) which include market based dynamic parameters such as high low variations, client concentration, close to close price variation, market capitalization, volume variation, delivery percentage, number of unique PAN's and price to equity ratio. A scrip is typically subjected GSM measures where there is an abnormal price rise that is not commensurate with the financial heath and fundamentals of a company which inter alia includes factors like earnings, book value, fixed assets and net worth to the equity ratio etc. The price of our equity shares may also fluctuate after the offer due to several factors such as volatility in the Indian and global securities market, our profitability and performance, the performance of our competitors, change in the estimates of our performance or any other political or economic factor. The occurrence of any of the above-mentioned factors may trigger the parameters identified by SEBI and the Stock Exchange(s) for the placing securities under the GSM and ASM framework. In the event of our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and the Stock Exchange(s), we may be subject to certain additional restrictions in the relation to trading of our Equity Shares such as limiting trading frequency (for example trading either allowed in a week or a month) higher margin requirements of settlement on a trade for trade basis without netting off requirement of settlement on gross basis or freezing price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market for and trading and liquidity of our Equity Shares and on the reputation and conditions of our Company.

For further details in relation to the ASM and GSM Surveillance Measures, including criteria for shortlisting and review of Listed Securities, exemptions from shortlisting and frequently asked questions (FAQs), among other details, refer to the websites of the NSE and the BSE.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long term capital gains tax in India at the specified rates depending on certain factors, such as STT is paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. Furthermore, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax ("**DDT**"), in the hands of the company and such dividends were generally exempt from tax in the hands of the shareholders. However, the government of India has amended the Income Tax Act to abolish the DDT regime. Under the extant provisions, any dividend distributed by a domestic company is subject to tax in the hands of the concerned shareholder at the applicable rates. Additionally, the company distributing dividends is required to withhold tax on such payments at the applicable rate. However, non- resident shareholders may claim benefit of the applicable tax treaty, subject to satisfaction of certain conditions.

Furthermore, if non-resident shareholders of entities holding the Equity Shares exit by way of sale or redemption of the shares held by them abroad in such entities, such non-resident shareholders could be taxed on capital gains in India if the offshore shares derive substantial value from Indian assets, subject to certain exemptions. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India only in limited situations and generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller.

Furthermore, the Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, results of operations, financial condition and cash flows. Investors should consult their own tax advisors about the consequences of investing in or trading in Equity Shares.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the bid amount on submission of the bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. RIIs can revise or withdraw their Bids during the Bid/Offer Period and until the Bid/Offer Closing Date, but not thereafter. 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 our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, financial condition and results of operations may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of our Equity Shares even if such events occur, and such events limit the Bidders' ability to sell our Equity Shares Allotted pursuant to the Offer or cause the trading price of our Equity Shares to decline on listing. QIBs and Non-Institutional Bidders will not be able to withdraw or lower their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise, between the dates of submission of their Bids and Allotment.

72. ***The determination of the Price Band is based on various factors and assumptions and the Offer Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Offer.***

The determination of Price Band is based on various factors and assumptions and will be determined by our Company and the Selling Shareholder in consultation with the Book Running Lead Managers. Furthermore, the Offer Price of the Equity Shares will be determined by our Company, in consultation with the Book Running Lead Managers through the book building process prescribed under the SEBI ICDR Regulations.

The Offer Price will be based on numerous factors, as described under "*Basis for Offer Price*" beginning on page 112 may not be indicative of the market price for 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. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. As a result of these factors, we cannot assure you that investors will be able to resell their Equity Shares at or above the Offer Price

73. ***Our Equity Shares have never been publicly traded, and, after the Offer, our Equity Shares may experience price and volume fluctuations, and an active trading market for our Equity Shares may not develop.***

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market for our Equity Shares may not develop or be sustained after the Offer. Listing does not guarantee that a market for our Equity Shares will develop, or if developed, the liquidity of such market for our Equity Shares. Investors might not be able to rapidly sell the Equity Shares at the quoted price if there is no active trading in the Equity Shares. The Offer Price of our Equity Shares is proposed to be determined through a book-building process and shall be based on numerous factors, as described in the section "*Basis for Offer Price*" on page 112 and may not be indicative of the market price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter. You may not be able to re-sell your Equity Shares at or above the Issue Price and may as a result lose all or part of your investment.

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

There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Offer may be subject to significant fluctuations as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Red Herring Prospectus. The market price of our Equity Shares may be subject to significant fluctuations in response to, among other factors:

- our financial condition, results of operations and cash flows;
- prospects for our business;
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of research analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- conditions in financial markets, including those outside India;
- a change in research analysts' recommendations;
- announcements by us or our competitors of new services, significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or government entities of significant claims or proceedings against us;
- new laws and government regulations or changes in laws and government regulations applicable to our industry;
- developments relating to our peer companies in our industry;

- change in interest rates;
- additions or departures of Key Managerial Personnel or Senior Management; and
- general economic and stock market conditions.

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in our Equity Shares may experience a decrease in the value of our Equity Shares regardless of our financial performance or prospects. Changes

in relation to any of the factors listed above could adversely affect the price of our Equity Shares. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all, and may as a result lose all or a part of your investment.

74. ***Any future issuance of Equity Shares or convertible securities or other equity linked instruments by us may dilute your shareholding, and significant sales of Equity Shares by our major shareholders, may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering and grants of stock options under our employee stock option plan, may lead to the dilution of investors' shareholdings in us. Any future issuances of Equity Shares or the disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur after the completion of this Offer (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations), may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of the Equity Shares. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

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

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA and the rules thereunder. Under the foreign exchange control regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the exceptions specified by the RBI, then the approval of the RBI will be required for such transaction to be valid. Additionally, shareholders who seek to convert the Indian 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 Indian income tax authority. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all.

Furthermore, 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 a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the GoI, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Restrictions on foreign investment activities and impact on our ability to attract foreign investors may cause uncertainty and delays in our future investment plans and initiatives. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular term or at all.

Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. 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.

For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 451. Our ability to raise any foreign capital under the FDI route is therefore constrained by Indian law, which may adversely affect our business, cash flows, results of operations, financial condition and prospects.

76. Foreign investors may have difficulty enforcing judgments against us or our management.

The enforcement of civil liabilities by overseas investors in our Equity Shares, including the ability to effect service of process and to enforce judgments obtained in courts outside of India may be adversely affected by the fact that we are incorporated under the laws of the Republic of India and all of our executive officers and Directors reside in India. As a result, it may be difficult to enforce the service of process upon us and any of these persons outside of India or to enforce outside of India, judgments obtained against us and these persons in courts outside of India.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Civil Procedure Code ("**Civil Code**") on a statutory basis. Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside India which the Government has by notification declared to be in reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the same nature of amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties.

The United Kingdom, Singapore and Hong Kong, among other countries, have been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit upon the judgment under Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Procedure Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. The suit must be brought in India within 3 years from the date of judgment in the same manner as any other suit filed to enforce a civil liability in India.

Further, there are considerable delays in the disposal of suits by Indian courts. It may be unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it may be unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy in India. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under FEMA to repatriate any amount recovered pursuant to execution and any such amount may be subject to income tax in accordance with applicable laws. Any judgment or award in a foreign currency would be converted into Indian Rupees on the date of the judgment or award and not on the date of the payment.

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

Under the Companies Act, a company having share capital and incorporated in India is required to offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the Equity Shares who have voted on such resolution. However, if the laws of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced.

78. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change 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. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the SEBI Takeover Regulations, an acquirer 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 has concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity

Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the SEBI Takeover Regulations.

79. ***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. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

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

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

81. ***Compliance with provisions of Foreign Account Tax Compliance Act may affect payments on the Equity Shares.***

The U.S. "Foreign Account Tax Compliance Act" (or "**FATCA**") imposes a new reporting regime and potentially, imposes a 30% withholding tax on certain "foreign passthru payments" made by certain non-U.S. financial institutions (including intermediaries).

If payments on the Equity Shares are made by such non-U.S. financial institutions (including intermediaries), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payer, to the extent such payments are considered "foreign passthru payments". Under current guidance, the term "foreign passthru payment" is not defined and it is therefore not clear whether and to what extent payments on the Equity Shares would be considered "foreign passthru payments". The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address "foreign passthru payments" and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as "foreign passthru payments". You should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

82. ***The insolvency laws of India may differ from those of other jurisdictions with which investors are familiar.***

As we are established in India under the Companies Act, any insolvency proceedings relating to us is likely to involve Indian insolvency laws (including the Insolvency and Bankruptcy Code, 2016 of India), the procedural and substantive provisions of which may differ from comparable provisions of the local insolvency laws of jurisdictions with which investors are familiar.

SECTION III: INTRODUCTION

THE OFFER

The following table summarizes details of the Offer.

Offer of Equity Shares[(1)]	Up to 14,913,930 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million
Of which:	
Offer for Sale[(2)]	Up to 14,913,930 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million
The Offer consists of:	
A. QIB Portion [(3)]	Not more than [●] Equity Shares of face value of ₹ 10 each
Of which:	
Anchor Investor Portion	Up to [●] Equity Shares of face value of ₹ 10 each
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares of face value of ₹ 10 each
Of which:	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares of face value of ₹ 10 each
Balance for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹ 10 each
B. Non-Institutional Portion [(4)(5)]	Not less than [●] Equity Shares of face value of ₹ 10 each
Of which:	
One-third of the Non-Institutional Portion, available for allocation to Bidders with an application size between ₹0.20 million to ₹1.00 million	[●] Equity Shares of face value of ₹ 10 each
Two-thirds of the Non-Institutional Portion, available for allocation to Bidders with an application size of more than ₹1.00 million	[●] Equity Shares of face value of ₹ 10 each
C. Retail Portion [(4)]	Not less than [●] Equity Shares of face value of ₹ 10 each
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	74,569,650 Equity Shares of face value of ₹ 10 each
Equity Shares outstanding after the Offer	74,569,650 Equity Shares of face value of ₹ 10 each
Use of Net Proceeds of this Offer	Our Company will not receive any proceeds from the Offer for Sale.

(1) *The Offer has been authorized pursuant to the resolution dated March 22, 2025, passed by the Board. Further, our Board has taken on record the consents of the respective Selling Shareholders for participation in the Offer for Sale pursuant to its resolution dated March 22, 2025.*

(2) *The details of authorization by the Selling Shareholders approving his participation in the Offer for Sale are as set out below.*

S. No.	***Name of the Selling Shareholders***	***Date of consent letter***	***Number of Offered Shares/ Aggregate amount of Offered Shares***
1.	Gautam Kanodia	January 8, 2025	4,477,370
2.	Swati Kanodia	January 8, 2025	2,242,660
3.	Gautam Kanodia HUF	January 8, 2025	2,730
4.	Nupoor Kanodia Beneficiary Trust	January 8, 2025	8,191,170

(3) *Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non- allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" beginning on page 433.*

(4) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. Under-subscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) will not be allowed to be met with spill-over from other categories or a combination of categories of Bidders. For further details, see "Terms of the Offer" beginning on page 425.*

(5) *The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub- categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non- Institutional Bidder shall not be less than the minimum 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.*

Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Bidders, and Retail Individual Bidders, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The Allocation to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis. The allocation to each

Non-Institutional Bidder shall not be less than the Minimum Non- Institutional Bidder Application Size, i.e. 0.20 million subject to the availability of Equity Shares in Non- Institutional Investors' category, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For further details, see "*Offer Procedure*" and "*Offer Structure*" beginning on page 433 and 430.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary of financial information derived from our Restated Consolidated Financial Information as of and for Fiscals 2024, 2023 and 2022 and the nine months period ended December 31, 2024. The summary financial information presented below should be read in conjunction with "*Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 279 and 366, respectively.

SUMMARY OF RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(in ₹ million)

Particulars	As at December 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Assets				
Non-current Assets				
Property, Plant and Equipment	3,514.42	3,394.55	3,434.36	1,731.15
Capital work-in-progress	1.76	7.81	1.18	1,661.60
Right of use Assets	28.65	29.00	29.46	29.92
Other Intangible Assets	0.28	0.23	0.25	0.06
Financial Assets				
(i) Investments	-	-	-	8.12
(ii) Loans	575.35	-	-	142.05
(iii) Other Financial Assets	305.77	305.58	184.97	132.43
Other Non-Current Assets	256.85	62.34	42.80	46.49
	4,683.08	**3,799.51**	**3,693.02**	**3,751.82**
Current Assets				
Inventories	409.54	322.77	261.37	94.11
Financial Assets				
(i) Investments	397.77	806.77	-	-
(ii) Trade Receivables	369.70	363.46	445.25	501.31
(iii) Cash and Cash Equivalents	299.67	18.78	65.53	38.39
(iv) Bank Balances other than (iii) above	70.59	10.33	9.99	4.50
(v) Other Financial Assets	410.44	333.92	80.91	116.87
Current Tax Assets (Net)	51.14	40.38	26.47	214.41
Other Current Assets	81.99	121.86	418.07	262.89
	2090.84	**2018.27**	**1307.59**	**1232.48**
Total Assets	**6,773.92**	**5,817.78**	**5,000.61**	**4,984.30**
Equity and Liabilities				
Equity				
Equity Share Capital	745.70	745.70	745.70	745.70
Other Equity	4,195.94	3,214.09	2,075.44	1,515.86
	4,941.64	**3,959.79**	**2,821.14**	**2,261.56**
Non-Controlling Interest	-	-	-	7.21
	4,941.64	**3,959.79**	**2,821.14**	**2,268.77**
Liabilities				
Non- current Liabilities				
Financial Liabilities				
(i) Borrowings	315.61	137.95	757.75	1,057.62
(ii) Lease Liabilities	0.32	0.35	0.32	0.29
(iii) Others Financial Liabilities	-	0.06	6.43	87.74
Provisions	4.06	2.27	1.56	2.53
Deferred Income	168.45	70.48	33.29	36.10
Deferred Tax Liabilities (Net)	266.16	249.25	234.79	158.75
	754.60	**460.36**	**1,034.14**	**1,343.03**
Current Liabilities				
Financial Liabilities				
(i) Borrowings	4.38	11.45	14.93	102.90
(ii) Lease Liabilities	0.01	0.01	0.01	0.01
(iii) Trade Payables				
Outstanding dues of Micro Enterprises & Small Enterprises	25.33	11.64	3.11	0.77
Outstanding dues other than Micro Enterprises & Small Enterprises	324.84	602.93	522.77	353.51
(iv) Other Financial Liabilities	82.62	103.00	96.00	274.20
Other Current Liabilities	600.09	630.28	508.07	545.75
Provisions	0.71	0.08	0.12	1.21
Current Tax Liabilities (Net)	39.70	38.24	0.32	94.15
	1,077.68	**1,397.63**	**1,145.33**	**1,372.50**
Total Equity and liabilities	**6,773.92**	**5,817.78**	**5,000.61**	**4,984.30**

SUMMARY OF RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(in ₹ million)

Particulars	For the nine months ended on December 31, 2024	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022
I. Income				
Revenue from Operations	7,195.62	8,879.07	6,652.78	4,884.54
Other Income	122.30	122.09	38.13	45.98
Total Income (I)	**7,317.92**	**9,001.16**	**6,690.91**	**4,930.52**
II. Expenses				
Cost of Materials Consumed	5,095.27	6,011.28	4288.85	3,053.57
Purchases of Stock-in-Trade	-	268.63	522.82	392.75
Change in Inventories of Work-in-progress	(26.21)	39.45	(44.27)	(9.42)
Employee Benefits Expense	154.61	153.13	118.57	68.32
Finance Costs	18.62	25.24	33.83	38.01
Depreciation and Amortization Expenses	120.01	157.66	160.16	104.43
Other Expenses	670.24	878.22	850.26	712.15
Total Expenses (II)	**6,032.54**	**7,533.61**	**5,930.22**	**4,359.81**
III. Restated Profit Before Exceptional Items and Tax (I-II)	**1,285.38**	**1,467.55**	**760.69**	**570.71**
IV. Exceptional Item	-	-	-	11.00
V. Restated Profit before tax (III-IV)	**1,285.38**	**1,467.55**	**760.69**	**559.71**
VI. Tax Expense:				
(1) Current Tax				
- Current year	285.44	313.51	129.25	120.68
- For earlier years	0.46	1.29	0.92	0.90
(2) Deferred Tax Charge/(Credit)	17.10	14.37	75.78	34.58
VII. Restated Profit for the year (V-VI)	**982.38**	**1,138.38**	**554.74**	**403.55**
VIII. Restated Other Comprehensive Income (OCI)				
(1) Items that will not be reclassified to profit & loss	(0.72)	0.36	1.00	0.75
Income Tax relating to above	0.19	(0.09)	(0.26)	(0.19)
(2) Items that will be reclassified to profit & loss	-	-	-	-
IX. Restated Total Comprehensive Income for the year (VII+VIII)	**981.85**	**1,138.65**	**555.48**	**404.11**
Restated Profit for the year attributable to:				
Owners of the Company	982.38	1,138.38	553.71	401.53
Non Controlling Interests	-	-	1.03	2.02
Restated Other Comprehensive Income for the year attributable to:				
Owners of the Company	(0.53)	0.27	0.74	0.55
Non Controlling Interests	-	-	-	0.01
Restated Total Comprehensive Income for the year attributable to:				
Owners of the Company	981.85	1,138.65	554.45	402.88
Non Controlling Interests	-	-	1.03	2.03
Earnings Per Equity Share (Per Share Value of ₹ 10 each)				
Basic (in ₹)	**13.17**	**15.27**	**7.43**	**5.38**
Diluted (in ₹)	**13.17**	**15.27**	**7.43**	**5.38**

SUMMARY OF STATEMENT OF CASH FLOW

(in ₹ million)

Particulars	For the nine months ended on December 31, 2024	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022
Cash Flow From Operating Activities				
Profit before Tax as per Statement of Profit & Loss	**1,285.38**	**1,467.55**	**760.69**	**559.71**
Adjusted For :				
Depreciation and Amortisation Expenses	120.01	157.66	160.16	104.43
Finance Costs	18.62	25.24	33.83	38.01
Interest Income	(58.22)	(28.47)	(27.36)	(36.32)
Exceptional Item	-	-	-	11.00
Dividend Income	-	-	(0.03)	(0.02)
Commission Income on Corporate Guarantee	(0.06)	(1.90)	(0.94)	(0.33)
Profit on Sale of Investments measured at FVTPL	(18.37)	(15.78)	(1.41)	(0.54)
Net Gain on Fair Value of Investments measured at FVTPL	(6.02)	(9.80)	-	(0.31)
Profit on Sale of Non-Current Investments	-	-	-	-
Provison for Impairment in Investment	-	-	2.51	-
Net Movement on Fair Value of Current Investments	-	-	-	-
Diminution in the value of Investment Written Back	-	-	-	-
Provision for Expected Credit Losses/doubtful advances	1.14	(0.84)	(1.11)	(3.64)
Bad Debts	-	0.34	43.96	57.73
Advance written off	0.06	4.67	-	-
Corporate Guarantee expense	0.05	1.70	0.80	0.26
Amortisation of Deferred Income on UPFC interest-free loan	(13.95)	(10.45)	(6.54)	(4.22)
Income derived from fair value of loans and financial liability	-	(1.72)	(14.26)	(16.34)
Subsidy written off	-	-	9.48	-
Provision no longer required written back	-	-	(0.85)	(12.93)
Sundry balance written back	(4.47)	(10.23)	(0.92)	-
Waiver of Interest on loan given to others accounted under Ind AS	-	-	20.36	29.02
Fair Value reversal on Step acquistion of Subsidiary	-	-	-	0.44
Net loss on sales of property, plant and equipment	-	-	10.12	-
Operating Profit Before Working Capital Changes	**1,324.17**	**1,577.97**	**988.49**	**725.95**
Adjusted For :				
Trade and Other Receivables	(73.61)	187.51	107.94	(386.47)
Inventories	(86.77)	(61.40)	(167.27)	25.89
Trade and Other Payables	(273.92)	236.47	20.55	(19.49)
Cash Generated from Operation	**889.87**	**1,940.55**	**949.71**	**345.88**
Income Taxes Refund /(Paid)	(296.51)	(289.56)	(245.25)	(14.91)
Net Cash flow from Operating Activities (A)	**593.36**	**1,650.99**	**704.46**	**330.97**
Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment and Intangible Assets (including Capital Advance)	(450.67)	(150.81)	(410.17)	(1,023.77)
Proceeds from Sale of Property, Plant and Equipment	-	-	19.92	0.10
Investment made in Preference Shares	-	-	-	(5.01)
Payment made for purchase of shares of Subsidiaries	-	(4.99)	(3.11)	(63.07)
Proceeds from Sales of Non - Current Investments	-	-	7.01	0.32
Payment for purchase of Current Investments	(2,346.38)	(2,598.90)	-	-
Proceeds from sale of Current Investments	2,839.76	1,757.71	-	-
Dividend received	-	-	0.03	0.02
Interest received	23.19	27.84	6.73	6.75
Loan given	(2,144.09)	(465.80)	(408.41)	(546.60)
Loan received back	1,568.74	465.80	550.47	797.05
Movement in Fixed Deposits	(63.87)	(124.67)	(50.85)	14.65
Net Cash flow in Investing Activities (B)	**(573.32)**	**(1,093.82)**	**(288.38)**	**(819.56)**
Cash Flow from Financing Activities				
Proceeds from Non Current Borrowings	353.69	452.96	887.54	469.61
Repayment of Non Current Borrowings	(82.91)	(1,036.78)	(1,174.86)	(365.05)
Proceeds/(Repayment) of Current Borrowings (net)	-	-	(88.64)	88.64
Payment of Lease Liabilities	(0.05)	-	-	(0.01)
Interest Paid	(9.88)	(20.10)	(12.98)	(18.95)
Net Cash flow from Financing Activities (C)	**260.85**	**(603.92)**	**(388.94)**	**174.24**

Particulars	For the nine months ended on December 31, 2024	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022
Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)	**280.89**	**(46.75)**	**27.14**	**(314.35)**
Cash And Cash Equivalents				
At the beginning of the year	18.78	65.53	38.39	227.44
Add: Cash And Cash Equivalents acquired pursuant to acquisition of subsidiaries	-	-	-	125.30
Closing				
At the year end	**299.67**	**18.78**	**65.53**	**38.39**
Components of Cash and Cash Equivalents:				
Cash on Hand	2.35	11.44	7.55	6.01
Balance with banks				
In current accounts	297.32	7.34	57.98	32.38
	299.67	**18.78**	**65.53**	**38.39**

GENERAL INFORMATION

Our Company was originally incorporated as 'Kanodia Cement Limited' at Varanasi, Uttar Pradesh as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated August 3, 2009, issued by the Deputy Registrar of Companies, Uttar Pradesh and Uttarakhand at Kanpur. Our Company received the certificate of commencement of business under Section 149(2)(a) to (c) of the Companies Act, 1956 issued by the RoC on September 1, 2009.

For details of changes in the name and registered office address of our Company, see '*History and Certain Corporate Matters*' on page 245.

Corporate Identity Number U36912UP2009PLC037903

Company Registration Number: 037903

Registered Office

Kanodia Cement Limited
D-19,
UPSIDC Land Industrial Area,
Sikandrabad, Bulandshahr,
Uttar Pradesh, 203205
India

Corporate Office

Kanodia Cement Limited
A-21, Sector-16,
Gautam Buddha Nagar, Noida
Uttar Pradesh, 201301
India

Address of the Registrar of Companies

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

Registrar of Companies, Uttar Pradesh at Kanpur
37/17,
Westcott Building, The Mall,
Kanpur - 208001
India

Board of Directors

As on the date of this Draft Red Herring Prospectus, our Board comprises the following:

S. No	Name	Designation	DIN	Address
1.	Vishal Kanodia	Chairman and Managing Director	00946204	H no.-187, Sector 15 -A, Noida, Gautam Buddha Nagar, Uttar Pradesh – 201301
2.	Roop Narain Maloo	Chief Financial Officer and Executive Director	03495830	B-111, Sector 40, Noida, Sector 37, Gautam Buddha Nagar, Uttar Pradesh, India - 201303
3.	Saurabh Lohia	Executive Director	03087080	Flat No. 102, Maa Laxmi Apartment, Tulsipur, Mahmoorganj, Tulsipur, Varanasi, Uttar Pradesh, India -221010
4.	Santosh Ramanuj Tiwari	Non – Executive Independent Director	09545839	C-1704, Elite Homz, Sector 77, Noida, Gautam Budh Nagar, Uttar Pradesh, India - 201301
5.	Sanjay Banthia	Non – Executive Independent Director	08120707	C-801, Siddha Pines, Rajarhat Main Road Gopalpur, PS - Rajarhat, North 24 Parganas, West Bengal, India - 700136
6.	Preeti	Non – Executive Independent Director	09662113	3rd-F-27, Nehru Nagar, Ghaziabad, Ghaziabad, Uttar Pradesh, India - 201001

For further details of our Directors, please see the section entitled "*Our Management*" on page 253.

Company Secretary and Compliance Officer

Shikha Mehra Chawla
A-21, Sector-16

Noida, Gautam Buddha Nagar
Uttar Pradesh -201301, India
Tel: 0120-4561670
E-Mail: compliance@kanodiagroup.co.in

Statutory Auditors to our Company

M/s Singhi & Co., Chartered Accountants
Unit No-1704, 17th Floor,
World Trade Tower, C-01,
DND Flyway, Sector-16, Noida – 201301, Noida NCR
Tel: +919810065957
E-mail: bksipani@singhico.com
Firm registration number: 0302049E
Peer review certificate number: 014484

Changes in Auditors

Except as disclosed below, there have been no changes in the auditors of our Company during the three years preceding the date of this Draft Red Herring Prospectus:

Particulars	Date of Change	Reason for Change
M/s Singhi & Co., Chartered Accountants Unit No-1704, 17th Floor, World Trade Tower, C-01, DND Flyway, Sector-16, Noida – 201301, Noida NCR **Tel:** +919810065957 **E-mail**: bksipani@singhico.com **Firm registration number**: 0302049E **Peer review certificate number**: 014484	August 30, 2022	Appointment as Statutory Auditor
M/s Dwivedi Gupta & Co., Chartered Accountants S-8/108, B-3-A, Prashantpuri, D.I.G. Colony, Varanasi - 221002 Uttar Pradesh, India **Tel**: 0542-2502525 **E-mail**: aditi.kapoor@dgc.ind.in **Firm registration no.:** 012584C	July 27, 2022	Preoccupation in other assignments

Investor Grievances

Investors can contact our Company Secretary and Compliance Officer, the Book Running Lead Managers or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, redressals of complaints, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode.

All Offer related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism.

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

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

Book Running Lead Managers

Anand Rathi Advisors Limited
Address: 11th Floor, Times Tower,
Kamala City, Senapati Bapat Marg,
Lower Parel, Mumbai, Maharashtra India - 400013
Tel: +91 22 4047 7120
E-mail: kcl.ipo@rathi.com
Investor grievance e-mail: grievance.ecm@rathi.com
Website: www.anandrathiib.com
Contact person: Arpan Tandon/Sailesh Jalan
SEBI registration no.: INM000010478

IIFL Capital Services Limited (formerly known as IIFL Securities Limited)
Address: 24th Floor, One Lodha Place, Senapati Bapat Marg,
Lower Parel (West), Mumbai 400 013,
Maharashtra, India
Tel: +91 2246464728
E-mail: kanodia.ipo@iiflcap.com
Investor grievance e-mail: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact person: Mansi Sampat/Pawan Kumar Jain
SEBI registration number: INM000010940

Oneview Corporate Advisors Private Limited
Address: Bajaj Bhawan, Room No. 111, 11th Floor, Nariman Point, Mumbai -400021
Tel: +91- 22- 43472247
E-mail: ipo.kanodia@oneviewadvisors.com
Investor grievance e-mail: investorgrievance@oneviewadvisors.com
Website: www.oneviewadvisors.com
Contact person: Alka Mishra
SEBI registration number: INM000011930

Legal Counsel to our Company as to Indian Law

Trilegal
One World Centre,
10th Floor, Tower 2A & 2B,
Senapati Bapat Marg,
Lower Parel, Mumbai 400 013
Maharashtra, India

Registrar to the Offer

MUFG Intime India Private Limited (*formerly Link Intime India Private Limited*)
C 101, 1st Floor, 247 Park
L.B.S. Marg,
Vikhroli (West), Mumbai 400 083
Maharashtra, India
Tel: +91 22 4918 6200
E-mail: kanodiacement.ipo@in.mpms.mufg.com
Investor grievance e-mail: kanodiacement.ipo@in.mpms.mufg.com
Website: https://in.mpms.mufg.com/
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Syndicate Members

[●]

Bankers to the Offer

Escrow Collection Bank(s)/ Refund Bank(s)/ Public Offer Bank(s)/Sponsor Bank(s)

[●]
Tel: [●]
E-mail: [●]
Website: [●]
Contact Person: [●]
Address: [●]

Bankers to our Company

Axis Bank Limited
Address: K 21-22 Sector 18 Noida
Tel: 9582803611
E-mail: sector18noida.branchhead@axisbank.com

HDFC Bank
Address: HDFC Bank, Vatika Atrium, Sector 53, Gurgaon
Tel: 9561151452
E-mail: saurabh.mishra7@hdfcbank.com

Contact Person: Ashutosh Mohan Sharma

Contact Person: Saurabh Mishra

ICICI Bank Limited
Address: ICICI Bank Limited, Senior Mall, Sector 18, Noida, Uttar Pradesh, 201301
Tel: 9899029770/9334416263
E-mail: ashish.jain9@icicibank.com/animesh.mishra1@icicibank.com
Contact Person: Animesh Mishra/Ashish Jain

Inter-se Allocation of Responsibilities among the Book Running Lead Managers

The following table sets forth the inter-se allocation of responsibilities for various activities among the Book Running Lead Managers:

Sr. No	Activities	Responsibility	Coordination
1.	Capital structuring, positioning strategy and due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus and of statutory advertisements including a memorandum containing salient features of the Prospectus. The Book Running Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing including uploading of documents on Document Repository Platform.	BRLMs	Anand Rathi
2.	Drafting and approval of all statutory advertisement including Audio & visual presentation	BRLMs	Anand Rathi
3.	Appointment of Intermediaries - Registrar to the Issue, Printer, Banker(s) to the Issue, Monitoring Agency, Syndicate Members, Sponsor Bank, Advertising Agency and other intermediaries including coordination of all agreements to be entered into with such Intermediaries	BRLMs	Anand Rathi
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report.	BRLMs	IIFL
5.	Preparation of road show presentation and frequently asked questions	BRLMs	Anand Rathi
6.	International institutional marketing of the Issue, which will cover, inter alia: • International Institutional marketing strategy • Finalizing the list and division of international investors for one-to-one meetings • Finalizing international road show and investor meeting schedules	BRLMs	IIFL
7.	Domestic institutional marketing of the Issue, which will cover, *inter alia*: • Domestic Institutional marketing strategy • Finalizing the list and division of domestic investors for one-to-one meetings • Finalizing domestic road show and investor meeting schedules	BRLMs	Anand Rathi
8.	Conduct non-institutional marketing of the Offer, which will cover, inter-alia: • Formulating marketing strategies for Non-institutional Investors • Finalising media, marketing, public relations strategy and publicity budget • Finalising brokerage, collection centres Follow-up on distribution of publicity and Offer material including form, RHP/ Prospectus and deciding on the quantum of the Offer material	BRLMs	Anand Rathi
9.	Conduct retail marketing of the Offer, which will cover, inter-alia: • Finalising media, marketing, public relations strategy and publicity budget • Finalising brokerage, collection centres • Finalising commission structure • Finalising centres for holding conferences etc. Follow-up on distribution of publicity and Offer material including form, RHP/ Prospectus and deciding on the quantum of the Offer material	BRLMs	IIFL
10.	Managing anchor book related activities and Managing the book and finalization of pricing in consultation with the Company and submission of letters to regulators post completion of anchor allocation	BRLMs	Anand Rathi
11.	Co-ordination with Stock Exchanges for filing Book Building software letters, bidding terminals and mock trading.	BRLMs	IIFL
12.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Banks, intimation of allocation and dispatch of refund to Bidders, etc. Post- Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Issue, based on correct figures, finalisation of the basis of allotment or weeding out	BRLMs	IIFL

Sr. No	Activities	Responsibility	Coordination
	of multiple applications, listing of instruments, coordination with RTA for investor complaints related to the Offer, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post- Offer activity such as Registrar to the Offer Bankers to the Issue, SCSBs including responsibility for underwriting arrangements, as applicable. Co-ordination with SEBI and Stock Exchanges submission of all post offer reports including initial and final post Offer report to SEBI.		

Designated Intermediaries

Self-Certified Syndicate Banks

The banks registered with the SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorizing an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.

Applications through the UPI Mechanism in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

SCSBs eligible as Issuer Banks for UPI and mobile applications enabled for UPI Mechanism

In accordance with SEBI RTA Master Circular, 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, Retail Individual Investors Bidding using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified 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. 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.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIIs) 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 at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35, which may be 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 http://www.sebi.gov.in/sebiweb/other/OtherAction.do? Do Recognised=yes & in tm Id=35 or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

The list of the Registered Brokers, eligible to accept ASBA forms, including details such as postal address, telephone number, and email address, is provided on the websites of BSE and NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, or such other websites as updated from time to time.

Registrar and Share Transfer Agents

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, are provided on the websites of BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

Credit Rating

As this is an offer of Equity Shares, there is no requirement to obtain credit rating for the Offer.

Grading of the Offer

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Debenture Trustees

As this is an offer of Equity Shares, the appointment of debenture trustees is not required for the Offer.

Monitoring Agency

As the Offer is solely through an offer for sale of Equity Shares by the Selling Shareholders, our Company is not required to appoint a monitoring agency for this Offer.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Appraising Entity

As the Offer is solely through an offer for sale of Equity Shares by the Selling Shareholders, our Company will not receive any proceeds from the Offer. Accordingly, no appraising entity has been appointed for the Offer.

Experts

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

(i) Our Company has received written consent dated May 22, 2025 from the Statutory Auditors namely, M/s Singhi & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this DRHP, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their examination report, dated May 22, 2025, on Restated Consolidated Financial Information and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act.

(ii) Our Company has received written consent dated May 22, 2025 through their certificate dated May 22, 2025, from Shobhit Tandon & Associates, independent Practicing Company Secretaries, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their certificate in connection with the Offer and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act.

(iii) Our Company has received written consent dated May 22, 2025 from Adroit Technical Services Private Limited independent chartered engineer, to be named as an "expert" under Section 2(38) and other applicable provisions of the Companies Act, 2013 to the extent and in their capacity as a chartered engineer and in respect of their certificate dated May 22, 2025 in relation to our Company's manufacturing capacities and capacity utilization at all of its manufacturing facilities and the details derived from such certificate.

Filing of this Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus has been filed through the SEBI Intermediary Portal at https://siportal.sebi.gov.in, as specified in regulation 25(8) of the SEBI ICDR Regulations read with SEBI master circular SEBI/HO/CFD/PoD2/P/CIR/2023/0094 dated June 21, 2023, in accordance with the instructions issued by the SEBI on March

27, 2020, in relation to "*Easing of Operational Procedure – Division of Issues and Listing– CFD*". Further, physical copies of this Draft Red Herring Prospectus may be filed with the Securities and Exchange Board of India at:

Securities and Exchange Board of India

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

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

Book Building Process

"Book building" refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot will be decided by our Company in consultation with the BRLMs, and advertised in all editions of the English national daily newspaper the [●], all editions of the Hindi national daily newspaper [●] and [●] editions of [●] (Hindi also being the regional language of Uttar Pradesh where our Registered Office is located) each with wide, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their website. The Offer Price shall be determined by our Company in consultation with the BRLMs, after the Bid/ Offer Closing Date. For details, see "*Offer Procedure*" on page 433.

All Bidders, other than Anchor Investors, shall participate in the Offer mandatorily through the ASBA process by providing the details of their respective ASBA Accounts in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor Banks, as the case may be. Anchor Investors are not permitted to participate in the Offer through the ASBA process. UPI Bidders may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, (b) through the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹ 0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. In accordance with the SEBI ICDR Regulations, QIBs Bidding in the Net QIB Portion and Non-Institutional Bidders bidding in the Non- Institutional Portion are not allowed to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis and allocation to Anchor Investors in the Anchor Investor Portion will be on a discretionary basis.

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

The process of Book Building under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.

For further details, see "*Terms of the Offer*", "*Offer Structure*" and "*Offer Procedure*" on pages 425, 430, and 433 respectively. Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. Each Selling Shareholder, severally and not jointly, specifically confirms that it will comply with the SEBI ICDR Regulations and any other directions issued by SEBI, as applicable to such Selling Shareholder, in relation to its respective portion of the Offered Shares. In this regard, our Company and the Selling Shareholders have appointed the BRLMs to manage this Offer and procure Bids for this Offer.

The Book Building Process is in accordance with guidelines, rules, regulations prescribed by SEBI. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Bidders should note the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final approval of the RoC after the Prospectus is filed with the RoC.

Illustration of Book Building Process and the Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Offer Procedure*" and "*Terms of the Offer*" on page 433 and 425.

Underwriting Agreement

Prior to the filing of the Red Herring Prospectus or Prospectus with the RoC, as applicable, and in accordance with the nature of underwriting which is determined in accordance with Regulation 40(3) of SEBI ICDR Regulations, the Selling Shareholders and our Company intend to enter into the Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. It is proposed that pursuant to the terms of the Underwriting Agreement, each of the BRLMs shall be severally responsible for bringing in the amount devolved in the event the respective Syndicate Member do not fulfill their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares which they shall subscribe to on account of rejection of bids, either by themselves or by procuring subscription, at a price which shall not be less than the Offer Price, pursuant to the Underwriting Agreement:

(This portion has been intentionally left blank and will be completed before the filing of the Red Herring Prospectus or Prospectus with the RoC, as applicable.)

Name, address, telephone number and email address of the Underwriters	Indicative Number of Equity Shares to be underwritten	Amount underwritten (₹ million)
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

The above-mentioned amount is indicative and will be finalised after determination of the Offer Price and finalisation of the Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations given by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or are registered as brokers with the Stock Exchange(s). The Board of Directors, at its meeting, held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set forth in the table above. Notwithstanding the above table, each of the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders procured by them, in accordance with the Underwriting Agreement.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

The Underwriting Agreement has not been entered into as on the date of this Draft Red Herring Prospectus. The Underwriting Agreement shall be entered into on or after the Pricing Date but prior to filing of the Prospectus with the RoC. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

Our Company's share capital, as on the date of this Draft Red Herring Prospectus, is set forth below:

(₹, except share data)

		Aggregate value at face value	Aggregate value at Offer Price*
A.	**AUTHORIZED SHARE CAPITAL**[(1)]		
	84,966,610 Equity Shares of face value of ₹10 each	849,666,100	-
B.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	74,569,650 Equity Shares of face value of ₹10 each	745,696,500	-
C.	**PRESENT OFFER**[(2)(3)]		
	Offer of up to 14,913,930 Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million by the Selling Shareholders	[●]	[●]
D.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER**		
	74,569,650 Equity Shares of face value of ₹10 each	745,696,500	[●]
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	1,205.13 million	
	After the Offer	[●]	

* *To be included upon finalisation of the Offer Price, and subject to Basis of Allotment.*

(1) *For details in relation to the changes in the authorised share capital of our Company in the last 10 years, please see the section "History and Certain Corporate Matters – Amendments to our Memorandum of Association" on page 245.*

(2) *The Offer has been approved by our Board pursuant to the resolution passed at its meeting held on March 22, 2025. Further, our Board has taken on record the consent of the Selling Shareholders to participate in the Offer in its meeting held on March 22, 2025.*

(3) *Each of the Selling Shareholders have confirmed and authorized their participation in the Offer for Sale. The Selling Shareholders, confirm that the Offered Shares have been held by them, severally not jointly, for a period of at least one year prior to filing of this Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and accordingly, are eligible for the Offer in accordance with the provisions of the SEBI ICDR Regulations. For details on the authorization by the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures" on page 413.*

[Remainder of this page intentionally kept blank]

Notes to Capital Structure

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

(i) ***Equity share capital***

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

Date of allotment/ subscription of Equity Shares	Name of allottees	Number of Equity Shares allotted	Face value per Equity Share (₹)	Offer price per Equity Share (₹)	Nature of consideration	Reason for/nature of allotment	Cumulative number of Equity Shares	Cumulative paid- up Equity Share capital (₹)
July 17, 2009#	Allotment of 750 equity shares to Vishal Kanodia, 700 equity shares to Khushboo Kanodia, 700 equity shares to Ashok Kanodia, 700 equity shares to Manju Kanodia, 700 equity shares to Gautam Kanodia, 750 equity shares to Pooja Poddar and 700 equity shares to Kamal Nayan Poddar	5,000	100	100	Cash	Initial Subscription to MoA	5,000	500,000
February 27, 2010	Allotment of 3,000 equity shares to Vishal Kanodia, 3,000 equity shares to Khushboo Kanodia, 3,000 equity shares to Ashok Kanodia, 3,000 equity shares to Manju Kanodia, 2,700 equity shares to Gautam Kanodia, 1,500 equity shares to Pooja Poddar, 990 equity shares to Kamal Nayan Poddar, 3,000 equity shares to Asok Kanodia (HUF), 3,000 equity shares to Vishal Kanodia (HUF), 3,000 equity shares to Kamal Nayan Poddar (HUF), 1,980 equity shares to Manoj Kedia, 1,980 equity shares to Prakash Chachan, 1,980 equity shares to Radhey Shyam Poddar, 8,000 equity shares to Sugam Goods Private Limited, 17,000 equity shares to Shree Kabir Vinimay Private Limited, 20,000 equity shares to Swarndhara Vinimay Private Limited, 20,000 equity shares to Times Goods Private Limited, 10,000 equity shares to Forward Distributors Private Limited, 5,500 equity shares to Prabhu Dhan Finance Private Limited, 4,500 equity shares to SJR Auto Financies Private Limited, 15,000 equity shares to Ramesh Mercantile Private Limited, 10,000 equity shares to Mahashakti Commodities Private Limited, 35,000 equity shares to Prajapati Mercantile Private Limited, 10,000 equity shares to Gayatri Commotrade Private Limited, 5,000 equity shares to Gauri Shanker Chaharia, 5,000 equity shares to Madhu Chaharia, 6,500 equity shares to Gauri Shanker Chaharia (HUF), 7,000 equity shares to Gauri Shanker Garvit (HUF), 6,500 equity shares to Gauri shanker Harshit (HUF), 2,000 equity shares to Ramnaumi Singh, 2,000 equity shares to Ramkrit Singh, 1,000 equity shares to Babli Singh, 2,000 equity shares to Vikash Kumar, 2,000 equity shares to Binod Kumar Singh, 2,000 equity shares to Manoj Kumar, 3,000 equity shares to Bachau Singh, 1,000 equity shares to Shweta Singhal, 2,000 equity shares to Awadhesh Singhal and 1,000 equity shares to Awadhesh Singhal (HUF)	235,130	100	100	Cash	Further issue	240,130	24,013,000
March 31, 2010	Allotment of 380 equity shares to Gautam Kanodia, 7,000 equity shares to Prabhudhan Finance Private Limited, 15,000 equity shares to Kisoki Dealers Private Limited, 10,000 equity shares to Lakshya Vanjiya Private Limited, 13,000 equity shares to Marina Commodial Private Limited, 10,000 equity shares to Mohan Hire Purchase Private Limited, 10,000 equity shares to Mrigiya Electronic Industries Private Limited, 4,000 equity shares to Pradeep Kumar Tekriwal, 15,000 equity shares to Salasar Dealtrade Private Limited, 4.000 equity shares to Saurabh Lohia, 3,000 equity shares to Somia	106,710	100	100	Cash	Further issue	346,840	34,684,000

Date of allotment/ subscription of Equity Shares	Name of allottees	Number of Equity Shares allotted	Face value per Equity Share (₹)	Offer price per Equity Share (₹)	Nature of consideration	Reason for/nature of allotment	Cumulative number of Equity Shares	Cumulative paid- up Equity Share capital (₹)
	Lohia, 1,485 equity shares to Sangeeta Tekriwal, 2,475 equity shares to Anil Singh, 1,975 equity shares to Arun Kumar, 2,970 equity shares to Sanjay Kumar Agrawal, 2,950 equity shares to Shiv Nath Chauhan, 2,475 equity shares to Suresh Yadav and 1,000 equity shares to Shweta Singhal							
December 18, 2010	Allotment of 276,715 equity shares to Maharaj Retailers Private Limited and 126,445 equity shares to Sargam Dealers Private Limited	403,160	100	100	Cash	Further issue	750,000	75,000,000
March 31, 2011	Allotment of 100,000 equity shares to Maharaj Retailers Private Limited and 150,000 equity shares to Sargam Dealers Private Limited	250,000	100	200	Cash	Further issue	1,000,000	100,000,000
March 31, 2014	Allotment of 4,000 equity shares to Ashok Kumar Kanodia, 17,200 equity shares to Manju Kanodia and 9,200 equity shares to Vishal Kanodia HUF	30,400	100	125	Cash	Further issue(1)	1,030,400	103,040,000
January 15, 2021	Allotment of 103,795 equity shares to Vishal Kanodia, 70,968 equity shares to Khushboo Kanodia, 86,131 equity shares to Gautam Kanodia, 54,963 equity shares to Manju Kanodia, 50,136 equity shares to Swati Kanodia, 45,609 equity shares to Vishal Kanodia (HUF), 273 equity shares to Gautam Kanodia (HUF), 650 equity shares to Saurabh Lohia, 3,018,020 equity shares to Nupoor Kanodia Beneficiary Trust and 2,996,020 equity shares to Trish Kanodia Beneficiary Trust	6,426,565	100	N.A	Other than Cash	Allotment pursuant to Scheme of Amalgamation(2)	7,456,965	745,696,500
Pursuant to the board resolution dated March 4, 2022 and shareholders' resolution dated March 12, 2022, our Company sub-divided the face value of its equity shares from ₹100 each to ₹10 each. Accordingly, the cumulative number of issued, subscribed and paid-up equity shares was 7,456,965 equity shares of face value of ₹ 100 each and pursuant to sub-division, amounted to 74,569,650 Equity Shares of face value of ₹10 each.								

\# *The date of initial subscription to the MoA and the date of incorporation of the Company is July 17, 2009. However, the initial subscription to the MoA was taken on record by the Company by way of a board resolution dated August 6, 2009.*

(1) *30,400 equity shares were allotted by the Company on March 31, 2014. Form PAS-3 was filed with the RoC in compliance with the Companies Act, 2013 for a private placement as Form 2 was discontinued.*

(2) *6,426,565 equity shares were allotted by the Company pursuant to a Scheme of Amalgamation between Sargam Dealer Private Limited, Maharaj Retailers Private limited, Rinam Trading Private Limited, Rinam Dealmark Private Limited, Bluestar Cement Limited, Vevant Cement Works Private Limited (formerly known as Durgashree Bricks Private Limited) and Kanodia Cement Limited as sanctioned by the National Company Law Tribunal, Allahabad by way of its order dated January 13, 2021. For further details, please see the section "History and Certain Other Corporate Matters" on page 245 of this Draft Red Herring Prospectus.*

(ii) ***Preference share capital***

Our Company does not have any issued, subscribed and paid-up preference shares as on the date of filing of this Draft Red Herring Prospectus.

(iii) All issuances of equity shares by our Company from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus have been made in compliance with Companies Act, 2013 or Companies Act 1956, as applicable.

2. Except as disclosed in the section titled "*Capital Structure - Build-up of Promoters' shareholding in our Company*" the secondary transfers of Equity Shares by members of Promoter Group and Selling Shareholders, since incorporation of our Company is set forth below:

Date of transfer of Equity Shares	Number of Equity Shares transferred	Details of transferor	Details of transferee	Face value per Equity Shares (₹)	Transfer price per Equity Share (₹)	Nature of consideration	Percentage of pre- Offer Equity Share capital (%)	Percentage of post- Offer Equity Share capital (%)
January 24, 2015	500	Madhu Chaharia	Khushboo Kanodia	100	100	Cash	Negligible	[●]
August 20, 2015	250	Madhu Chaharia	Khushboo Kanodia	100	100	Cash	Negligible	[●]
March 31, 2017	7,000	Saurabh Lohia	Khushboo Kanodia	100	NA	Gift	0.01	[●]
August 20, 2015	250	Madhu Chaharia	Manju Kanodia	100	100	Cash	Negligible	[●]
February 10, 2017	3,670	Kamal Narayan Poddar	Pooja Poddar	100	NA	Gift	Negligible	[●]
February 10, 2017	3,000	Kamal Narayan Poddar (HUF)	Pooja Poddar	100	NA	Gift	Negligible	[●]
January 18, 2025	35,587	Manju Kanodia	Pooja Poddar	10	NA	Gift	0.05	[●]
March 11, 2025	17,793	Manju Kanodia	Pooja Poddar	10	NA	Gift	0.02	[●]
August 20, 2015	250	Madhu Chhaharia	Vishal Kanodia HUF	100	100	Cash	Negligible	[●]
October 1, 2018	16,955	Ashok Kanodia HUF	Vishal Kanodia HUF	100	NA	Gift	0.02	[●]
January 18, 2025	17,793	Khushboo Kanodia	Saurabh Lohia	10	NA	Gift	0.02	[●]
August 20, 2015	250	Madhu Chhaharia	Gautam Kanodia*	100	100	Cash	Negligible	[●]
March 26, 2017	6,670	Pooja Poddar	Gautam Kanodia	100	NA	Gift	0.01	[●]
February 28, 2018	188,357	Maharaj Retailers Private Limited	Gautam Kanodia	100	100	Cash	0.25	[●]
February 28, 2018	151,722	Sargam Dealers Private Limited	Gautam Kanodia	100	100	Cash	0.20	[●]
October 1, 2018	10,827	Ashok Kumar Kanodia	Gautam Kanodia	100	NA	Gift	0.01	[●]
August 20, 2015	250	Madhu Chaharia	Swati Kanodia*	100	100	Cash	Negligible	[●]
March 20, 2017	660	Prakash Chachan	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	680	Ramnaumi Singh	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	680	Ramkrit Singh	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	340	Babli Singh	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	680	Vikash Kumar	Swati Kanodia	100	100	Cash	Negligible	[●]

Date of transfer of Equity Shares	Number of Equity Shares transferred	Details of transferor	Details of transferee	Face value per Equity Shares (₹)	Transfer price per Equity Share (₹)	Nature of consideration	Percentage of pre- Offer Equity Share capital (%)	Percentage of post- Offer Equity Share capital (%)
March 20, 2017	680	Binod Kumar Singh	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	680	Manoj Kumar	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	1,000	Bachau Singh	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	680	Shweta Singhal	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	680	Awadhesh Singhal	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	340	Awadhesh Singhal (HUF)	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	1,340	Pradeep Kumar Tekriwal	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	495	Sangeeta Tekriwal	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	825	Anil Singh	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	825	Suresh Yadav	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	655	Arun Singh	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	990	Sanjay Kumar Agarwal	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	660	Manoj Kedia	Swati Kanodia	100	100	Cash	Negligible	[●]
March 20, 2017	990	Shiv Nath Chauhan	Swati Kanodia	100	100	Cash	Negligible	[●]
February 28, 2017	80,000	Abhishek Agarwal	Swati Kanodia	100	NA	Gift	0.11	[●]
February 28, 2017	80,000	Silky Agarwal	Swati Kanodia	100	NA	Gift	0.11	[●]

* *A Selling Shareholder in the Offer.*

3. **Equity shares issued for consideration other than cash or by way of bonus issue or out of its revaluation reserves**

Our Company has not issued Equity Shares out of revaluation reserves at any time since its incorporation. Further, except as set forth below, our Company has not issued any Equity Shares, for consideration other than cash or by way of bonus issue as on the date of this Draft Red Herring Prospectus:

Date of allotment	Nature of allotment	Details of allottees	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)	Benefits accrued to our Company
January 15, 2021	Allotment pursuant to Scheme of Amalgamation[(1)]	Allotment of 103,795 equity shares to Vishal Kanodia, 70,968 equity shares to Khushboo Kanodia, 86,131 equity shares to Gautam Kanodia, 54,963 equity shares to Manju Kanodia, 50,136 equity shares to Swati Kanodia, 45,609 equity shares to Vishal Kanodia (HUF), 273 equity shares to Gautam Kanodia (HUF), 650 equity shares to Saurabh Lohia, 3,018,020 equity shares to Nupoor Kanodia Beneficiary Trust and 2,996,020 equity shares to	6,426,565	100	N.A.	Amalgamation of Sargam Dealers Private Limited, Maharaj Retailers Private Limited, Rinam Trading Private Limited, Rinam Dealmark Private Limited, Bluestar Cement Limited, Vevant Cement Works Private Limited with our Company.

Date of allotment	Nature of allotment	Details of allottees	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)	Benefits accrued to our Company
		Trish Kanodia Beneficiary Trust				

(1) *6,426,565 equity shares were allotted by the Company pursuant to a Scheme of Amalgamation between Sargam Dealer Private Limited, Maharaj Retailers Private limited, Rinam Trading Private Limited, Rinam Dealmark Private Limited, Bluestar Cement Limited, Vevant Cement Works Private Limited formerly known as Durgashree Bricks Private Limited) and Kanodia Cement Limited as sanctioned by the National Company Law Tribunal, Allahabad by way of its order dated January 13, 2021. For further details, please see the section "History and Certain Other Corporate Matters" on page 245 of this Draft Red Herring Prospectus.*

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

Except for the allotment of Equity Shares pursuant to a scheme of arrangement as disclosed above in the section titled "*Capital Structure – Equity share capital - Equity shares issued for consideration other than cash or by way of bonus issue or out of its revaluation reserves*" on page 98, our Company has not allotted any Equity Shares in terms of any scheme of arrangement approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013.

5. **Issue of Equity Shares at a price lower than the Offer Price in the last year**

Our Company has not issued any Equity Shares in the preceding one year below the Offer Price.

6. **Employee stock option schemes or stock appreciation rights**

Except as disclosed under ***"–** Notes to Capital Structure – Share Capital History of Our Company – Equity Share Capital" and " –Employee Stock Options Scheme of our Company*" on pages 95 and 108, respectively, our Company has not issued any equity shares under any employee stock option scheme. As on the date of this Draft Red Herring Prospectus, our Company does not have a stock appreciation rights scheme.

7. **Shareholding Pattern of our Company**

The table below presents the shareholding pattern of our Company as on the date of filing of this Draft 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 shares held (VII)=(IV) +(V) + (VI)	Shareholding as a % of total number of shares (calculate as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding Convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialised form (XIV)
								Number of Voting Rights			Total as a % of (A+B + C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
(A)	Promoters and Promoter Group	10	68,598,507	0	0	68,598,507	91.99	68,598,507	0	68,598,507	91.99	0	0	0	0	0	0	68,598,507
(B)	Public	2	5,971,143	0	0	5,971,143	8.01	5,971,143	0	5,971,143	8.01	0	0	0	0	0	0	5,971,143
(C)	Non-Promoter-Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C1)	Shares underlying depository receipts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held by employee trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total	12	74,569,650	0	0	74,569,650	100	74,569,650	0	74,569,650	100.00	0	0	0	0	0	0	74,569,650

8. **Details of equity shareholding of major shareholders of our Company**

a) Set forth below is a list of shareholders who hold at least 1% of the paid-up Equity Share capital of our Company, as on the date of this Draft Red Herring Prospectus:

S.No.	Name of the shareholder	Pre- Offer	
		Number of Equity Shares on a fully diluted basis	Percentage of the Equity Share capital (%) on a fully diluted basis[#]
1.	Vishal Kanodia	4,614,540	6.19
2.	Vishal Kanodia HUF	750,140	1.01
3.	Gautam Kanodia	4,477,370	6.00
4.	Khushboo Kanodia	806,387	1.08
5.	Swati Kanodia	2,242,660	3.01
7.	Nupoor Kanodia Beneficiary Trust	27,201,717	36.48
8.	Trish Kanodia Beneficiary Trust	29,960,200	40.18
9.	Baring Private Equity India Fund 6	3,728,483	5.00
	Total	**73,781,497**	**98.94**

[#] *Upon rounding off*

b) Set forth below is a list of shareholders who hold at least 1% of the paid-up Equity Share capital of our Company, as of 10 days prior to the date of this Draft Red Herring Prospectus:

S.No.	Name of the shareholder	Pre- Offer	
		Number of Equity Shares on a fully diluted basis	Percentage of the Equity Share capital (%) on a fully diluted basis[#]
1.	Vishal Kanodia	4,614,540	6.19
2.	Vishal Kanodia HUF	750,140	1.01
3.	Gautam Kanodia	4,477,370	6.00
4.	Khushboo Kanodia	806,387	1.08
5.	Swati Kanodia	2,242,660	3.01
7.	Nupoor Kanodia Beneficiary Trust	27,201,717	36.48
8.	Trish Kanodia Beneficiary Trust	29,960,200	40.18
9.	Baring Private Equity India Fund 6	3,728,483	5.00
	Total	**73,781,497**	**98.94**

[#] *Upon rounding off*

c) Set forth below is a list of shareholders who hold at least 1% of the paid-up Equity Share capital of our Company, as of one year prior to the date of this Draft Red Herring Prospectus:

S.No.	Name of the shareholder	Pre- Offer	
		Number of Equity Shares on a fully diluted basis	Percentage of the Equity Share capital (%) on a fully diluted basis
1.	Vishal Kanodia	4,614,540	6.19
2.	Vishal Kanodia HUF	750,140	1.01
3.	Gautam Kanodia	4,477,370	6.00
4.	Khushboo Kanodia	824,180	1.11
5.	Swati Kanodia	2,242,660	3.01
6.	Manju Kanodia	761,130	1.02
7.	Nupoor Kanodia Beneficiary Trust	30,930,200	41.48
8.	Trish Kanodia Beneficiary Trust	29,960,200	40.18
	Total	**74,560,420**	**99.99**

d) Set forth below is a list of shareholders who hold at least 1% of the paid-up Share Capital of our Company, as of two years prior to the date of this Draft Red Herring Prospectus:

S.No.	Name of the shareholder	Pre- Offer	
		Number of Equity Shares on a fully diluted basis	Percentage of the Equity Share capital (%) on a fully diluted basis[#]
1.	Vishal Kanodia	4,614,540	6.19
2.	Khusboo Kanodia	824,180	1.11
3.	Gautam Kanodia	4,477,370	6.00
4.	Manju Kanodia	7,61,130	1.02
5.	Vishal Kanodia HUF	750,140	1.01
6.	Nupoor Kanodia Beneficiary Trust	30,930,200	41.48

S.No.	Name of the shareholder	Pre- Offer	
		Number of Equity Shares on a fully diluted basis	Percentage of the Equity Share capital (%) on a fully diluted basis#
7.	Trish Kanodia Beneficiary Trust	29,960,200	40.18
8.	Swati Kanodia	2,242,660	3.01
	Total	**74,560,420**	**99.99**

Upon rounding off

9. Except for the issuance of any Equity Shares pursuant to the exercise of options that may be granted under the KCL Employee Stock Options Scheme 2025 our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or otherwise.

10. **Build-up of the Promoters' shareholding in our Company**

As on the date of this Draft Red Herring Prospectus, our Promoters, hold 61,776,457 Equity Shares, aggregating to 82.84 % of the issued, subscribed and paid-up Equity Share capital of our Company. The build-up of the equity shareholding of our Promoters since incorporation of our Company is set forth below:

Nature of the acquisition/ issue	Date of allotment/ transfer/ acquisition	Number of Equity Shares	Face Value per Equity Share (₹)	Offer / acquisition/ transfer price per equity share (in ₹)	Nature of consideration	% of the pre-Offer equity share capital	% of the post-Offer equity share capital*
Vishal Kanodia							
Initial subscription to MoA#	July 17, 2009	750	100	100	Cash	Negligible	[●]
Further issue	February 27, 2010	3,000	100	100	Cash	Negligible	[●]
Transfer of equity shares from Madhu Chaharia	January 24, 2015	500	100	100	Cash	Negligible	[●]
Transfer of equity shares from Madhu Chaharia	August 20, 2015	250	100	100	Cash	Negligible	[●]
Transfer of equity shares from Pooja Poddar by way of gift	February 15, 2017	2,250	100	N.A.	Gift	Negligible	[●]
Transfer of equity shares from Maharaj Retailers Private Limited	February 28, 2018	188,358	100	100	Cash	0.25	[●]
Transfer of equity shares from Sargam Dealers Private Limited	February 28, 2018	151,723	100	100	Cash	0.20	[●]
Transfer of equity shares from Ashok Kumar Kanodia by way of gift	October 1, 2018	10,828	100	N.A.	Gift	0.01	[●]
Allotment pursuant to Scheme of Amalgamation(1)	January 15, 2021	103,795	100	N.A	Other than cash	0.14	[●]
Pursuant to the board resolution dated March 4, 2022 and shareholders' resolution dated March 12, 2022, our Company sub-divided the face value of its Equity Shares from ₹100 each to ₹10 each. Accordingly, the cumulative number of issued, subscribed and paid-up Equity Shares pursuant to sub-division is 4,614,540 Equity Shares of face value of ₹10 each.							
Sub – Total (A)					**4,614,540**	**6.19**	**[●]**
Nupoor Kanodia Beneficiary Trust							
Transfer of equity shares from Alaknanda Cements Private Limited	December 24, 2013	75,000	100	100	Cash	0.10	[●]
Allotment pursuant to Scheme of Amalgamation(1)	January 15, 2021	3,018,020	100	N.A	Other than Cash	4.05	[●]
Pursuant to the board resolution dated March 4, 2022 and shareholders' resolution dated March 12, 2022, our Company sub-divided the face value of its Equity Shares from ₹100 each to ₹10 each. Accordingly, the cumulative number of issued, subscribed and paid-up Equity Shares pursuant to sub-division is 30,930,200 Equity Shares of face value of ₹10 each.							
Transfer to Baring Private Equity India Fund 6	March 22, 2025	3,728,483	10	254.79	Cash	5.00	[●]
Sub – Total (B)					**27,201,717**	**36.48**	**[●]**
Trish Kanodia Beneficiary Trust							
Allotment pursuant to Scheme of Amalgamation(1)	January 15, 2021	2,996,020	100	N.A	Other than Cash	4.02	[●]
Pursuant to the board resolution dated March 4, 2022 and shareholders' resolution dated March 12, 2022, our Company sub-divided the face value of its Equity Shares from ₹100 each to ₹10 each. Accordingly, the cumulative number of issued, subscribed and paid-up Equity Shares pursuant to sub-division is 29,960,200 Equity Shares of face value of ₹10 each.							
Sub – Total (C)					**29,960,200**	40.18	**[●]**
Total (A+B+C)		**61,776,457**				**82.84%**	**[●]**

The date of initial subscription to the MoA and the date of incorporation of the Company is July 17, 2009. However, the initial subscription to the MoA was taken on record by the Company by way of a board resolution dated August 6, 2009.

* *The details will be included in the Prospectus. Subject to finalisation of Basis of Allotment*

[1] *6,426,565 equity shares were allotted by the Company pursuant to a Scheme of Amalgamation between Sargam Dealer Private Limited, Maharaj Retailers Private limited, Rinam Trading Private Limited, Rinam Dealmark Private Limited, Bluestar Cement Limited, Vevant Cement Works Private Limited and Kanodia Cement Limited as sanctioned by the National Company Law Tribunal, Allahabad by way of its order dated January 13, 2021. For further details, please see the section "History and Certain Other Corporate Matters" on page 245 of this Draft Red Herring Prospectus.*

11. **Details of the Shareholding of our Directors, our Key Managerial Personnel, our Senior Management, our Promoters and members of our Promoter Group**

Except as disclosed below, as on the date of this Draft Red Herring Prospects, none of our Promoters, Key Managerial Personnel, Senior Management and the members of our Promoter Group hold any Equity Shares in our Company:

S. No.	Name of the shareholder	Pre-Offer Number of Equity Shares	Percentage of the Pre-Offer Equity Share Capital (%)	Post-Offer Number of Equity Shares*	Percentage of the Post-Offer Equity Share Capital (%)*
Promoters					
a)	Vishal Kanodia (also a director)	4,614,540	6.19	[●]	[●]
b)	Nupoor Kanodia Beneficiary Trust	27,201,717	36.48	[●]	[●]
c)	Trish Kanodia Beneficiary Trust	29,960,200	40.18	[●]	[●]
Total (A)		**61,776,457**	**82.84**	[●]	[●]
Members of the Promoter Group					
a)	Vishal Kanodia HUF	750,140	1.01	[●]	[●]
b)	Khushboo Kanodia	806,387	1.08	[●]	[●]
c)	Pooja Poddar	53,380	0.07		
d)	Saurabh Lohia (also a director)	24,293	0.03		
e)	Gautam Kanodia	4,477,370	6.00	[●]	[●]
f)	Gautam Kanodia HUF	2,730	Negligible	[●]	[●]
g)	Manju Kanodia	707,750	0.95	[●]	[●]
Total (B)		**6,822,050**	**9.15**	[●]	[●]
Key Managerial Personnel					
a)	-	-	-	-	-
Total (C)		-	-	-	-
Senior Management					
a)	-	-	-	-	-
Total (D)		-	-	-	-
Total (A+B+C+D)		**68,598,507**	**91.99**	[●]	[●]

* *The details will be included in the Prospectus. Subject to finalisation of Basis of Allotment Subject to finalisation of Basis of Allotment*

12. **Details of Promoters' Contribution and Lock-in**

Pursuant to Regulations 14 and 16 (1) of the SEBI ICDR Regulations, an aggregate of at least 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be considered as the minimum Promoters' Contribution and is required to be locked-in for a period of eighteen months from the date of Allotment ("**Promoters' Contribution**"). Our Promoters' shareholding in excess of 20% shall be locked in for a period of six months from the date of Allotment.

The details of the Equity Shares held by our Promoters, which shall be locked-in for minimum Promoters' Contribution for a period of eighteen months, from the date of Allotment as Promoters' Contribution are as set out below:*

Name of the Promoter	Number of Equity Shares locked-in	Date up to which Equity Shares are subject to lock-in	Date of Acquisition of Equity Shares#	Nature of transaction	Face value per Equity Share (₹)	Allotment/ Acquisition price per Equity Share (₹)	Percentage of pre-Offer paid up Equity Share capital (%)^	Percentage of post-Offer paid up Equity Share capital
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

\# *Equity Shares were fully paid-up on the date of allotment/acquisition*
^ *Subject to finalization of the Offer Price and Basis of Allotment.*
* *To be completed prior to filing of the Prospectus with the RoC.*

Our Promoters have given consent to include such number of Equity Shares held by them as disclosed above, constituting 20% of the fully diluted post-Offer Equity Share capital of our Company as Minimum Promoter's Contribution and have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Minimum Promoters' Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

Our Company undertakes that the Equity Shares that are being locked-in will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. For details of the build-up of the share capital held by our Promoters, see "—*Build-up of the Promoters' Shareholding in our Company*" on page 103.

In this connection, we confirm that the Equity Shares considered as Promoters' Contribution:

(i) The Equity Shares offered towards minimum Promoters' Contribution have not been acquired during the three immediately preceding years (a) for consideration other than cash and revaluation of assets or capitalization of intangible assets, or (b) arising from bonus issue by utilization of revaluation reserves or unrealised profits of our Company or from a bonus issue against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution;

(ii) The Equity Shares offered towards minimum Promoters' Contribution have not been acquired by our Promoters during the year immediately preceding the date of this Draft Red Herring Prospectus at a price lower than the Offer Price; provided that this does not apply to Equity Shares arising from the conversion of fully paid-up compulsorily convertible securities that have been held for a period of one year prior to filing this Draft Red Herring Prospectus and such fully paid-up compulsorily convertible securities have been converted to Equity Shares;

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

(iv) The Equity Shares forming part of the Promoters' Contribution are not subject to any pledge or any other form of encumbrance; and

(v) All Equity Shares held by our Promoters are in dematerialised form as on the date of this Draft Red Herring Prospectus.

13. **Details of Equity Shares locked-in for six months**

In accordance with Regulation 17 of the SEBI ICDR Regulations, in addition to the Promoters' Contribution, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of six months from the date of Allotment, including any unsubscribed portion of the Offer for Sale, except for (i) the Equity Shares, which are successfully transferred pursuant to the Offer for Sale and (ii) Shareholders who are VCFs, Category I AIFs, Category II AIFs or FVCIs, provided that Equity Shares held by them will be locked-in for a period of at least six months from the date of purchase by such VCFs or Category I AIFs, Category II AIFs or FVCI;

14. **Recording of non-transferability of Equity Shares locked-in**

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

15. **Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors**

(i) There shall be a lock-in of 90 days on 50% of the Equity Shares allotted to the Anchor Investors from the date of Allotment, and lock-in of 30 days on the remaining 50% of the Equity Shares allotted to the Anchor Investors from the date of Allotment.

16. **Other requirements in respect of lock-in**

(i) The Equity Shares held by the Promoters which are locked-in for a period of 18 months from the date of Allotment as Promoters' Contribution may be pledged only with scheduled commercial banks or public financial institutions or NBFC-SI or housing finance companies, as collateral security for loans granted by such banks or public financial institutions or NBFC-SI or housing finance companies in terms of Regulation 21 of the SEBI ICDR Regulations, provided that such loans have been granted for the purpose of financing one or more of the objects of the Offer and pledge of Equity Shares is a term of sanction of such loans, which is not applicable in the context of this Offer. However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

(ii) In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be transferred to and among our Promoters and/or any member of our Promoter Group, if any, or a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of the transferee for the remaining period and in compliance with the Takeover Regulations, as applicable, and such transferee shall not be eligible to transfer them till the lock-in period stipulated in the SEBI ICDR Regulations has expired.

(iii) The Equity Shares held by any person other than our Promoters and locked-in for a period of six months from the date of Allotment in the Offer as per Regulation 17 of the SEBI ICDR Regulations, may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

17. As on the date of filing of this Draft Red Herring Prospectus, the total number of Shareholders of our Company is 12.

18. None of our Promoters, any member of our Promoter Group, any of the Directors of our Company or any of their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus except as disclosed in "*Capital Structure – Build-up of the Promoter's Shareholding in the Company – Nupoor Kanodia Beneficiary Trust"*

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

20. As disclosed in *"History and Certain Corporate Matters"* on page 245 of this Draft Red Herring Prospectus, in terms of the SHA, our Company shall provide an exit opportunity to the Investor by way of buyback of shares by the Company in case the Company is unable to provide an exit to the Investor through an IPO by the Long Stop Date. However, the rights of the Investor to receive an exit through buyback of shares by the Company or the Promoter, will cease to be in effect on and from the date on which our Company filed the draft red herring prospectus in connection with the IPO but shall be made effective again if the draft red herring prospectus is withdrawn with no intention of refiling it. Hence, as on the date of this DRHP, our Company, our Directors and the BRLMs do not have any buy-back arrangement for purchase of the Equity Shares of the Company.

21. As on the date of this Draft Red Herring Prospectus, the Book Running Lead Managers and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares. The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company and each of the Selling Shareholders, and their respective directors and officers, partners, trustees, affiliates, associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders, and each of their respective directors and officers, partners, trustees, affiliates, associates or third parties, for which they have received, and may in the future receive, compensation.

22. There are no partly paid up Equity Shares as on the date of this Draft Red Herring Prospectus and all Equity Shares issued and transferred pursuant to the Offer will be fully paid up at the time of Allotment.

23. Except for issuance of options under the KCL Employee Stock Options Schem 2025, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

24. Our Promoters and Promoter Group shall not participate in the Offer except by way of participation in the Offer for Sale.

25. 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 filing of this Draft Red Herring Prospectus with the SEBI until the Equity Shares have been listed on the Stock Exchanges, or all application monies have been refunded, as the case may be.

26. 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.

27. No person connected with the Offer, including, but not limited to the BRLMs, the Syndicate Members, our Company, the Promoters, Promoter Group, Selling Shareholders, our Directors, Group Companies, shall offer or make payment of any incentive, direct or indirect, in the nature of discount, commission and allowance, except for fees or commission

for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise, to any Bidder for making a Bid.

28. Our Company shall ensure that all transactions in the Equity Shares by our Promoters and the Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closure of the Offer and any proposed pre-IPO placement disclosed in this Draft Red Herring Prospectus, in part or in entirety shall be intimated to the Stock Exchanges within 24 hours of such transaction.

29. **Employee Stock Options Scheme of our Company**

Our Company adopted the KCL Employee Stock Options Scheme 2025 pursuant to the resolution passed by our Board on March 22, 2025 and the resolution passed by the Shareholders on March 23, 2025. The KCL Employee Stock Options Scheme 2025 has been instituted to grant stock options exercisable into Equity Shares to eligible employees of our Company. The KCL Employee Stock Options Scheme 2025 is in compliance with the SEBI SBEB SE Regulations and the Companies Act. The details of the KCL Employee Stock Options Scheme 2025, as certified by M/s Singhi & Co, Chartered Accountants, Statutory Auditors of the Company, pursuant to their certificate dated May 22, 2025 are as follows:

Particulars	Details			
	From April 1, 2024 till the date of this DRHP	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total options outstanding as at the beginning of the period	NIL	NIL	NIL	NIL
Total options granted	283,300	NIL	NIL	NIL
No. of employees to whom options were granted	49	NIL	NIL	NIL
Exercise price of options in ₹ (as on the date of grant options)	127.00	NIL	NIL	NIL
Options forfeited/lapsed/cancelled	NIL	NIL	NIL	NIL
Variation in terms of options	NIL	NIL	NIL	NIL
Money realized by exercise of options during the year/period	NIL	NIL	NIL	NIL
Total number of options outstanding in force at the end of period/year	283,300	NIL	NIL	NIL
Total options vested (excluding the options that have been exercised)	NIL	NIL	NIL	NIL
Options exercised (since implementation of the ESOP scheme)	NIL	NIL	NIL	NIL
The total number of Equity Shares arising as a result of full exercise of granted options (including options that have been exercised)	283,300	NIL	NIL	NIL
Employee wise details of options granted to:				
(i) Key managerial personnel:				
Roop Narain Maloo	50,000	NIL	NIL	NIL
Shikha Mehra Chawla	7,000	NIL	NIL	NIL
(ii) Senior managerial personnel:				
Love Kumar	10,000	NIL	NIL	NIL
Arunesh Kumar	10,000	NIL	NIL	NIL
Prem Prakash Singh	7,000	NIL	NIL	NIL
(iii) **Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the period/year**				
Mr. Abhishek Saxena	35,000	NIL	NIL	NIL
(iv) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	NIL	NIL	NIL	NIL
Fully diluted earnings per share (EPS) pursuant to the issue of Equity Shares on exercise of options calculated in accordance with Ind-AS 33 ‘Earnings Per Share’.	NA	NA	NA	NA
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the	NA	NA	NA	NA

Particulars	Details			
	From April 1, 2024 till the date of this DRHP	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of the Company and on the earnings per share of the Company				
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 had been followed, in respect of options granted in the last three years.	NA	NA	NA	NA
Intention of the key managerial personnel, senior management, and whole-time directors who are holders of equity shares allotted on exercise of options granted, to sell their Equity Shares within three months after the date of listing of Equity Shares pursuant to the Offer, if any whether the equity shares arise out of options exercised before or after the Offer.	NA	NA	NA	NA
Intention to sell Equity Shares arising out of, or allotted under an employee stock option scheme within three months after the date of listing of Equity Shares, by Directors, key managerial personnel, senior management and employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) which inter alia shall include name, designation and quantum of the equity shares issued under an employee stock option scheme or employee stock purchase scheme and the quantum they intend to sell within three months	NA	NA	NA	NA
Method of option valuation	Black Scholes Valuation	NA	NA	NA
Expected life of options (years)	Vesting 1 - 2 years Vesting 2 - 3 years Vesting 3 - 4 years	NA	NA	NA
Expected Volatility in percentage per annum	Vesting 1 - 31.84% Vesting 2 - 32.84% Vesting 3 - 33.52%	NA	NA	NA
Risk Free Rate of Return in percentage	Vesting 1 - 5.85% Vesting 2 - 5.90% Vesting 3 -5.95%	NA	NA	NA
Dividend Yield in percentage per annum	0.00%	NA	NA	NA
Exercise price per share in Rupees	127.00	NA	NA	NA
Weighted average share price on the date of grant of option in Rupees	253.21	NA	NA	NA

OBJECTS OF THE OFFER

The objects of the Offer are to (i) achieve the benefits of listing the Equity Shares on the Stock Exchanges; and (ii) carry out the Offer for Sale of up to 14,913,930 Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] by the Selling Shareholders.

Further, our Company expects that the proposed listing of its Equity Shares will enhance our visibility and brand image as well as provide a public market for the Equity Shares in India. Our Company will not receive any proceeds from the Offer. For details of Offered Shares from the Selling Shareholders, see "*The Offer*" on page 79.

Utilisation of the Offer Proceeds

Our Company will not receive any proceeds from the Offer ("**Offer Proceeds**") and all such Offer Proceeds (net of any Offer related expenses to be borne by the Selling Shareholders) will go to the Selling Shareholders, in proportion to the Offered Shares sold by the respective Selling Shareholder as part of the Offer. For details of the Selling Shareholders and the number of Equity Shares offered by the Selling Shareholders in the Offer see "*The Offer*" and "*Other Regulatory and Statutory Disclosures*" on pages 79 and 413, respectively.

Offer Expenses

The Offer expenses are estimated to be approximately ₹ [●] million. The expenses in relation to the Offer include, among others, listing fees, underwriting fees, selling commission, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Offer, Banker(s) to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Other than (a) listing fees which shall be solely borne by the Company, and (b) fees for counsel to the Selling Shareholders, if any, which shall be solely borne by the respective Selling Shareholders, all costs, fees and expenses with respect to the Offer shall be paid to such parties directly by the Company and reimbursed by the Selling Shareholders as specified. Further, all the expenses relating to the Offer shall be paid by the Company in the first instance. Upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, each Selling Shareholder shall, severally and not jointly, reimburse the Company for any expenses in relation to the Offer paid by the Company on behalf of the respective Selling Shareholder in accordance with the Offer Agreement. Further, and except where stated otherwise, all fees and all expenses in respect of the Offer will be shared among the Selling Shareholders, on a pro-rata basis, in proportion to the respective portion of the Offered Shares sold by each Selling Shareholder in the Offer for Sale, in accordance with applicable law. In the event that the Offer is postponed or withdrawn or abandoned for any reason or the Offer is not successful or consummated, all Offer expenses will be borne in accordance with, and subject to Applicable Law, including instructions received from SEBI in this regard, and as mutually agreed amongst the Selling Shareholders.

The expenses directly attributable to the portion of Offer for Sale shall be borne by the respective Selling Shareholders and the estimated expenses will be deducted from the Offer Proceeds, as appropriate, and only the remaining amount will be paid to the Selling Shareholders, in proportion to the respective portion of the Offered Shares in accordance with Section 28(3) of the Companies Act.

The break-up for the Offer expenses is as follows:

Activity	Estimated expenses^ (in ₹ million)	As a % of the total estimated Offer expenses^	As a % of the total Offer size^
Book Running Lead Managers' fees and commission (including underwriting commission), brokerage and selling commission, as applicable,	[●]	[●]	[●]
Brokerage, commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Offer. Brokerage, and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs (1)(2)(3)(4)	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Others	[●]	[●]	[●]
– Listing fees, SEBI filing fees, upload fees, BSE & NSE processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
– Printing and distribution of issue stationery	[●]	[●]	[●]
– Advertising and marketing expenses	[●]	[●]	[●]
– Fees payable to legal counsels	[●]	[●]	[●]
– Fees payable to statutory auditors for the Offer	[●]	[●]	[●]
– Fees payable to other advisors to the Offer*	[●]	[●]	[●]

Activity	Estimated expenses^ (in ₹ million)	As a % of the total estimated Offer expenses^	As a % of the total Offer size^
– Miscellaneous	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

^ *Offer expenses include applicable taxes, where applicable. Offer expenses will be incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change.*

* *Other advisors to the Offer include, inter alia, industry agency, namely, CRISIL for the services rendered by them for the Offer.*

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

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

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

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

(2) *No processing fees shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:*

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

* *The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such SCSBs provide a written confirmation on compliance with SEBI ICDR Master Circular.*

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

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

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

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the portion for RIBs and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: ₹[●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

Bidding charges payable to the Registered Brokers, RTAs/CDPs on the portion for RIBs, and Non-Institutional Bidders which are directly procured by the Registered Broker or RTAs or CDPs and submitted to SCSB for processing, would be as follows:

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

* *Based on valid applications*

(4) *Processing fees for applications made by RIBs using the UPI Mechanism would be as under:*

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

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.

Monitoring Utilization of Funds

Since the Offer is an offer for sale and our Company will not receive any proceeds from the Offer, our Company is not required to appoint a monitoring agency for the Offer.

Other confirmations

There is no arrangement whereby any portion of the Offer Proceeds will be paid to our Promoters, Promoter Group, Subsidiaries, Directors, Key Managerial Personnel or Senior Management, or our Group Companies, except the proceeds from Offer for Sale pursuant to the sale of the Offered Shares proposed to be sold in the Offer.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company, in consultation with the BRLMs on the basis of assessment of market demand for the Equity Shares offered in the Offer through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also refer to "*Risk Factors*", "*Our Business*", "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 30, 210, 279 and 366, respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

1. Our strategic and timely capacity additions driving growth in installed capacity, sales volume, and revenue from operations

2. We are one of the pioneers in contract manufacturing of cement with strong, established relationships with key brands

3. We have strategically located SGUs enabling market access, savings in freight costs, accessibility to blending materials and eligibility for state-backed incentives resulting in a strong business model

4. We have consistent financial performance driven by strategic focus on cement production and a capital efficient business model

5. We have experienced promoter, backed by a professional senior management team

For further details, see *"Risk Factors"* and *"Our Business"* on pages 30 and 210, respectively

Quantitative factors

Some of the information presented below relating to our Company is derived from the Restated Consolidated Financial Statements. For further details, see "*Restated Consolidated Financial Information*" on page 279.

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

1. *Basic and diluted Earnings per Share ("EPS") at face value of ₹10 each, as adjusted for changes in capital*:

Financial Year/Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2022	5.38	5.38	1
March 31, 2023	7.43	7.43	2
March 31, 2024	15.27	15.27	3
Weighted Average	**11.01**	**11.01**	
Nine months period ended December 31, 2024*	13.17	13.17	-

* *Not annualised*

Notes:

i. The face value of each Equity Share is ₹ 10 per share.

ii. Basic Earnings per share = Net profit after tax (loss after tax) as restated / Weighted average number of equity shares outstanding during the financial year.

iii. Diluted Earnings per share = Net profit after tax (loss after tax) as restated / Weighted average number of potential equity shares outstanding during the financial year.

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

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

Particulars	P/E at the Floor Price (no. of times)*	P/E at the Cap Price (no. of times)*
P/E ratio based on basic EPS for Financial Year 2024	[●]	[●]
P/E ratio based on diluted EPS for Financial Year 2024	[●]	[●]

* *To be populated after finalization of price band*

3. Industry P/E ratio

Particulars	P/E ratio
Highest	83.05

Particulars	P/E ratio
Lowest	19.43
Average	38.51

Notes:

i. *The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers". The industry average has been calculated as the arithmetic average P/E of the peer set provided below.*

ii. *P/E figures for the peer are computed based on closing market price as on May 07, 2025 on www.bseindia.com, divided by Basic EPS based on the financial results declared by the peers available on website of www.bseindia.com for the Financial Year ending March 31, 2024.*

4. Average Return on Net Worth ("RoNW")

Financial Year	RoNW (%)	Weight
March 31, 2022	20.61	1
March 31, 2023	21.45	2
March 31, 2024	33.16	3
Weighted Average	27.17	
Nine months period ended December 31, 2024*	21.86	

* *Not annualised*

Notes:

i. *Weighted average = Aggregate of financial year-wise weighted Net Worth divided by the aggregate of weights i.e. [(Net Worth x Weight) for each financial year] / [Total of weights]*

ii. *Return on Net Worth (%) = Net profit after tax, as restated / Average Net worth as restated as at period/year end.*

iii. *Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

5. Net Asset Value ("NAV") per Equity Share (face value of ₹10 each)

Net Asset Value per Equity Share	(₹)
As at March 31, 2024	53.10
As at nine months period ended December 31, 2024	66.27
After the completion of the Offer*	
- At the Floor Price	[●]
- At the Cap Price	[●]
- At the Offer Price	[●]

** *To be updated upon finalisation of the Price Band. Offer Price will be determined on conclusion of the Book Building Process.*

Notes:

i. *Offer Price per Equity Share will be determined on conclusion of the Book Building Process.*

ii. *Net asset value per share = Equity attributable to owners of the company divided by weighted average number of shares considered for computing EPS.*

6. Comparison of Accounting Ratios with listed industry peers

Name of the Company	Standalone/ Consolidated	Total Revenue (₹ in million)	Face Value per Equity Share (₹)	Closing price as on May 07, 2025	P/E	EPS (Basic and Diluted) (₹)	RoNW (%)	NAV (₹ per share)	Profit after tax (₹)	EBITDA (₹)	Profit Margin	Borrowings (₹)	Closing Net worth (₹)
Kanodia Cement Limited	Consolidated	8,879.07	10.00	N/A	N/A	15.27	33.16%	53.10	1,138.38	1,528.36	12.82%	149.40	4,002.01
JK Cement Limited	Consolidated	1,15,560.00	10.00	5,055.90	49.40	102.35	15.72%	694.61	7,899.30	20,598.00	6.84%	52,385.40	53,671.40
JK Lakshmi Cement Limited	Consolidated	67,884.70	5.00	780.85	19.47	40.10	16.29%	270.81	4,878.70	10,521.50	7.19%	20,248.90	31,865.00
Nuvoco Vistas Corporation Limited	Consolidated	1,07,328.90	10.00	343.00	83.05	04.13	1.63%	251.53	1,473.70	16,237.10	1.37%	41,370.30	91,192.20
Heidelberg Cement India Limited	Standalone	23,657.80	10.00	189.85	25.66	07.40	12.00%	64.86	1,677.50	3,167.20	7.09%	1,250.80	14,025.40
Birla Corporation Limited	Consolidated	96,627.20	10.00	1,061.05	19.43	54.61	7.95%	866.66	4,205.60	14,376.00	4.35%	37,697.30	56,326.50
Prism Johnson Limited	Consolidated	75,875.10	10.00	122.70	34.08	3.60	10.94%	27.59	1,619.30	4,889.70	2.13%	13,332.40	15,715.90

Source: All the financial information for listed industry peer mentioned above is on a consolidated basis (except Heidelberg Cement India Limited which is on standalone) and is sourced from the filings made with stock exchanges available on www.bseindia.com for the Financial Year ending March 31, 2024.

Source for Kanodia Cement Limited: Based on the Restated Consolidated Financial Information for the year ended March 31, 2024.

Notes:

i. P/E Ratio has been computed based on the closing market price of equity shares on May 07, 2025, divided by the Diluted EPS.

ii. Return on Net Worth (%) = Net profit after tax, as restated / Average Net worth as restated as at period/year end.

iii. Net worth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, foreign currency translation reserve, write-back of depreciation as at period /year end, as per Restated Financial Statement of Assets and Liabilities of the Company.

iv. Net asset value per share = Equity attributable to owners of the company divided by weighted average number of shares considered for computing EPS.

The peer group above has been determined on the basis of listed public companies comparable in size to our Company or whose business portfolio is comparable with that of our business.

7. Key Performance Indicators ("KPIs")

The KPIs disclosed below have been used historically by our Company to understand and analyze its business performance, which in result, help us in analyzing the growth of business in comparison to our peers. The following table highlights our key performance indicators of our financial performance that have a bearing on arriving at the Basis for Offer Price and disclosed to our investors during the three years preceding to the date of this Draft Red Herring Prospectus, as at the dates and for the period indicated:

(₹ in million except percentages and ratios)

KPIs	Unit	As of and for periods			
		December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Operational					
Cement Sales - Contract Manufacturing Model	Million Metric Tonnes	1.45	1.52	1.00	0.72
Cement Sales - Business to Consumer Model	Million Metric Tonnes	0.15	0.23	0.17	0.22
Total Cement Sales	**Million Metric Tonnes**	**1.60**	**1.74**	**1.18**	**0.94**
Installed Grinding Capacity	Million Metric Tonnes Per Anum	2.66$	3.54	3.17&	2.04
Capacity Utilisation	%	60.23%	49.23%	37.13%	46.10%
Financials					
Revenue from Operations	₹ Mn	7,195.62	8,879.07	6,652.78	4,884.54
Revenue from Operations Growth	%	Not Applicable	33.46%	36.20%	Not Applicable#
Operating EBITDA (Excl. Non- Operating Income)	₹ Mn	1,301.71	1,528.36	916.55	667.17
PBT (Before Exceptional Items)	₹ Mn	1,285.38	1,467.55	760.69	570.71
PAT	₹ Mn	982.38	1,138.38	554.74	403.55
Operating EBITDA (Excl. Non- Operating Income) Margin	%	18.09%	17.21%	13.78%	13.66%
PBT Margin	%	17.86%	16.53%	11.43%	11.68%
PAT Margin	%	13.65%	12.82%	8.34%	8.26%
Total Equity	₹ Mn	4,941.64	3,959.79	2,821.14	2,268.77
Net Debt	₹ Mn	(687.62)	(923.45)	584.51	1,050.35
Basic EPS ^	₹	13.17	15.27	7.43	5.38
Net Asset Value per Share	₹	66.27	53.10	37.83	30.33
Cement Realisation per tonne	₹ per tonne	4,278.60	4,722.14	5,099.14	4,694.23
Operating EBITDA (Excl. Non- Operating Income) per tonne	₹ per tonne	814.06	876.94	779.90	709.53
Cost of Sales per tonne	₹ per tonne	3,685.90	4,217.67	4,881.00	4,485.16
Ratios					
Return on Equity (ROE) @	%	29.43%	33.58%	21.80%	20.83%
Return on Capital Employed (ROCE) @	%	35.18%	36.47%	21.43%	22.25%
Net Debt to Operating EBITDA	No. of Times	(0.53) times	(0.60) times	0.64 times	1.57 times

KPIs	Unit	As of and for periods			
		December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Net Debt to Total Equity	No. of Times	(0.14) times	(0.23) times	0.21 times	0.46 times
Fixed Asset Turnover Ratio	No. of Times	2.75	2.58	2.55	3.80

$ *Prorated for 9 months*

\# *Not calculated as Revenue from Operations for FY21 is not available under India Accounting Standards (Ind-AS)*

^ *Basic EPS for the nine months ended December 31, 2024 has not been annualized.*

@ *Return on Equity (ROE) and Return on Capital Employed (ROCE) for the nine months ended December 31, 2024 has been annualized.*

& *Commercial Production in Kanodia Cem Private Limited unit has commenced from July 01, 2022. Accordingly, Installed grinding capacity for the year ended March 31, 2023 has been calculated proportionately.*

KPIs	Unit	As of and for periods ended December 31, 2024						
		Kanodia Cement Limited	JK Cement Limited	JK Lakshmi Cement Limited	Nuvoco Vistas Corporation Limited	Heidelberg Cement India Limited	Birla Corporation Limited	Prism Johnson Limited
Operational								
Cement Sales - Contract Manufacturing Model	Million Metric Tonnes	1.45	14.16$	8.53	13.70	3.26	12.80	4.64
Cement Sales - Business to Consumer Model	Million Metric Tonnes	0.15						
Total Cement Sales	**Million Metric Tonnes**	**1.60**	**14.16$**	**8.53**	**13.70**	**3.26**	**12.80**	**4.64**
Installed Grinding Capacity@#	Million Metric Tonnes Per Anum	2.66	18.26$	12.38	18.75	4.70	15.00	4.20
Capacity Utilisation	%	60.23%	Not Available	78.00%	Not Available	Not Available	87.10%	Not Available
Financials								
Revenue from Operations	₹ Mn	7,195.62	82,979.70	42,950.00	73,144.20	15,364.20	63,995.80	53,070.70
Revenue from Operations Growth	%	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Operating EBITDA (Excl. Non- Operating Income)	₹ Mn	1,301.71	12,622.90	5,133.80	8,203.80	1,487.80	6,833.90	2,308.60
PBT (Before Exceptional Items)	₹ Mn	1,285.38	6,044.30	1,843.10	(1,972.60)	762.50	496.50	(1,721.50)
PAT	₹ Mn	982.38	5,108.40	1,088.20	(1,437.00)	563.00	386.20	(759.00)
Operating EBITDA (Excl. Non- Operating Income) Margin	%	18.09%	15.21%	11.95%	11.22%	9.68%	10.68%	4.35%
PBT Margin	%	17.86%	7.28%	4.29%	(2.70) %	4.96%	0.78%	(3.24) %
PAT Margin	%	13.65%	6.16%	2.53%	(1.96) %	3.66%	0.60%	(1.43) %
Total Equity	₹ Mn	4,941.64	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available
Net Debt	₹ Mn	(687.62)	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available
Basic EPS	₹	13.17	64.81	9.83	(4.02)	2.48	5.02	(0.98)
Net Asset Value per Share	₹	66.27	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available
Cement Realisation per tonne	₹ per tonne	4,278.60	Not Available	Not Available	Not Available	Not Available	Not Available	4,581.90
Operating EBITDA (Excl. Non- Operating Income) per tonne	₹ per tonne	814.06	891.45$	601.85	598.82	456.38	533.90	254.31**
Cost of Sales per tonne	₹ per tonne	3,685.90	4,968.70$	4,432.80	4,740.18	4,256.56	4,465.77	4,327.59***
Ratios								
Return on Equity (ROE)	%	29.43%	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available
Return on Capital Employed (ROCE)	%	35.18%	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available
Net Debt to Operating EBITDA	No. of Times	(0.53) times	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available

Net Debt to Total Equity	No. of Times	(0.14) times	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available
Fixed Asset Turnover Ratio	No. of Times	2.75	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available

[@] *For peers, total installed capacity has been given.*

[#] *For the Company as well as, installed capacity has been Prorated for 9 months.*

[$] *Including Sales of Grey Cement and White cement.*

[**] *Operating EBITDA (Excl. Non- Operating Income) per tonne is calculated on the basis of EBITDA as disclosed by Prism Johnson Limited for Cement division.*

[***] *Cost of Sales per tonne has been calculated as the difference between Cement Realisation per tonne and Operating EBITDA (Excl. Non-Operating Income) per tonne,*

KPIs	Unit	As of and for year ended March 31, 2024						
		Kanodia Cement Limited	**JK Cement Limited[@]**	**JK Lakshmi Cement Limited**	**Nuvoco Vistas Corporation Limited**	**Heidelberg Cement India Limited**	**Birla Corporation Limited**	**Prism Johnson Limited**
Operational								
Cement Sales - Contract Manufacturing Model	Million Metric Tonnes	1.52	18.41[$]	11.99	18.77	4.81	17.79	6.58
Cement Sales - Business to Consumer Model	Million Metric Tonnes	0.23						
Total Cement Sales	Million Metric Tonnes	1.74	18.41[$]	11.99	18.77	4.81	17.79	6.58
Installed Grinding Capacity[#]	Million Metric Tonnes Per Anum	3.54	22.34[$]	16.50	25.00	6.26	20.00	5.60
Capacity Utilisation	%	49.23%	81.00%[$]	86.00%	75.30%	Not Available	89.00%	108.00%
Financials								
Revenue from Operations	₹ Mn	8,879.07	1,15,560.00	67,884.70	1,07,328.90	23,657.80	96,627.20	75,875.10
Revenue from Operations Growth	%	33.46%	18.89%	5.22%	1.39%	5.70%	11.29%	3.08%
Operating EBITDA (Excl. Non- Operating Income)	₹ Mn	1,528.36	20,598.00	10,521.50	16,237.10	3,167.20	14,376.00	4,889.70
PBT (Before Exceptional Items)	₹ Mn	1,467.55	11,791.10	7,238.80	2,059.30	2,268.10	5,731.50	(828.90)
PAT	₹ Mn	1,138.38	7,899.30	4,878.70	1,473.70	1,677.50	4,205.60	1,619.30
Operating EBITDA (Excl. Non- Operating Income) Margin	%	17.21%	17.82%	15.50%	15.13%	13.39%	14.88%	6.44%
PBT Margin	%	16.53%	10.20%	10.66%	1.92%	9.59%	5.93%	(1.09) %
PAT Margin	%	12.82%	6.84%	7.19%	1.37%	7.09%	4.35%	2.13%
Total Equity	₹ Mn	3,959.79	53,216.40	33,570.30	89,835.20	14,698.30	66,738.10	16,434.30
Net Debt	₹ Mn	(923.45)	42,656.40	13,826.00	40,299.00	(4,296.80)	29,981.40	6,612.90
Basic EPS	₹	15.27	102.35	40.10	4.13	7.40	54.61	3.60
Net Asset Value per Share	₹	53.10	694.61	270.81	251.53	64.86	866.66	27.59
Cement Realisation per tonne	₹ per tonne	4,722.14	6,098.29[$]	5,661.37[$$]	5,614.64[$$$]	4,884.99[$$$$]	5,095.21[^]	5,042.86[$$$$$]
Operating EBITDA (Excl. Non- Operating Income) per tonne	₹ per tonne	876.94	1,118.85[$]	877.52	865.06	658.46	808.09	522.95[**]
Cost of Sales per tonne	₹ per tonne	4,217.67	5,158.17[$]	4,784.25	4,853.05	4,260.00	4,623.45	4,519.91[***]
Ratios								
Return on Equity (ROE)	%	33.58%	15.86%	15.74%	1.65%	11.45%	6.65%	10.43%
Return on Capital Employed (ROCE)	%	36.47%	14.97%	17.25%	5.89%	14.35%	9.11%	4.13%

KPIs	Unit	As of and for year ended March 31, 2024						
		Kanodia Cement Limited	JK Cement Limited[@]	JK Lakshmi Cement Limited	Nuvoco Vistas Corporation Limited	Heidelberg Cement India Limited	Birla Corporation Limited	Prism Johnson Limited
Net Debt to Operating EBITDA	No. of Times	(0.60) times	2.07 times	1.31 times	2.48 times	(1.36) times	2.09 times	1.35 times
Net Debt to Total Equity	No. of Times	(0.23) times	0.80 times	0.41 times	0.45 times	(0.29) times	0.45 times	0.40 times
Fixed Asset Turnover Ratio	No. of Times	2.58 times	1.35 times	1.70 times	1.10 times	1.63 times	1.10 times	2.49 times

$ *Including Sales of Grey Cement and White cement.*

$$ *For the purpose of calculation of Cement Realisation per tonne, Revenue from Sales of Product has been considered as disclosed in the Annual Report.*

$$$ *For the purpose of calculation of Cement Realisation per tonne, Revenue from Sales of manufactured goods and sales of traded goods has been considered as disclosed in the Annual Report.*

$$$$ *For the purpose of calculation of Cement Realisation per tonne, Revenue from Sales of Product (Cement and Clinker) has been considered as disclosed in the Annual Report.*

$$$$$ *For the purpose of calculation of Cement Realisation per tonne, Segment Revenue under Cement Division has been considered as disclosed in the Annual Report.*

@ *In Financial Year 2023-24, JK Cement Limited has acquired a subsidiary and accounted for it under Appendix C of Ind AS 103, Business Combinations. Accordingly, the numbers of FY 2022-23 have also been restated, however, for calculation of ratios, opening numbers of FY 2023-24 has been taken from the Annual Report of FY 2022-23.*

For peers, total installed capacity has been given. Further, installed capacity has been as of closing date, as the effective installed capacity is not available.

^ *In the Annual Report, Birla Corporation Limited has disclosed 4,938 as realisation per tonne. However, to maintain consistency across peers numbers, the reported number has been calculated on the basis of definition above. For the purpose of calculation of Cement Realisation per tonne, Revenue from Sales of Product under Cement Division has been considered as disclosed in the Annual Report.*

** *Operating EBITDA (Excl. Non- Operating Income) per tonne is calculated on the basis of EBITDA as disclosed by Prism Johnson Limited for Cement division.*

*** *Cost of Sales per tonne has been calculated as the difference between Cement Realisation per tonne and Operating EBITDA (Excl. Non-Operating Income) per tonne.*

KPIs	Unit	As of and for year ended March 31, 2023						
		Kanodia Cement Limited	JK Cement Limited[@]	JK Lakshmi Cement Limited	Nuvoco Vistas Corporation Limited	Heidelberg Cement India Limited	Birla Corporation Limited	Prism Johnson Limited
Operational								
Cement Sales - Contract Manufacturing Model	Million Metric Tonnes	1.00	14.76[$]	11.42	18.80	4.39	15.84	5.92
Cement Sales - Business to Consumer Model	Million Metric Tonnes	0.17						
Total Cement Sales	Million Metric Tonnes	1.18	14.76[$]	11.42	18.80	4.39	15.84	5.92
Installed Grinding Capacity[#]	Million Metric Tonnes Per Anum	3.17	20.67[$]	13.90	23.82	6.26	20.00	5.60
Capacity Utilisation	%	37.13%	87.00%[$]	85.00%	78.90%	69.01%[*]	81.00%	Not Available
Financials								
Revenue from Operations	₹ Mn	6,652.78	97,201.99	64,515.00	1,05,861.70	22,381.00	86,822.70	73,605.20
Revenue from Operations Growth	%	36.20%	21.64%	19.03%	13.61%	(2.56) %	16.37%	16.72%
Operating EBITDA (Excl. Non- Operating Income)	₹ Mn	916.55	13,143.05	8,387.10	12,103.80	2,488.50	7,720.10	3,608.30
PBT (Before Exceptional Items)	₹ Mn	760.69	6,312.92	5,345.00	(2,394.40)	1,357.70	364.60	(1,806.00)
PAT	₹ Mn	554.74	4,190.80	3,691.10	158.60	991.70	405.00	(1,577.30)
Operating EBITDA (Excl. Non- Operating Income) Margin	%	13.78%	13.52%	13.00%	11.43%	11.12%	8.89%	4.90%
PBT Margin	%	11.43%	6.49%	8.28%	(2.26) %	6.07%	0.42%	(2.45) %
PAT Margin	%	8.34%	4.31%	5.72%	0.15%	4.43%	0.47%	(2.14) %
Total Equity	₹ Mn	2,821.14	46,423.53	28,408.80	88,390.00	14,613.90	59,808.40	14,627.60

KPIs	Unit	As of and for year ended March 31, 2023						
		Kanodia Cement Limited	JK Cement Limited[@]	JK Lakshmi Cement Limited	Nuvoco Vistas Corporation Limited	Heidelberg Cement India Limited	Birla Corporation Limited	Prism Johnson Limited
Net Debt	₹ Mn	584.51	39,265.38	9,551.50	44,140.50	(3,181.80)	36,607.30	10,539.60
Basic EPS	₹	7.43	55.17	30.48	0.44	4.38	5.26	(2.05)
Net Asset Value per Share	₹	37.83	606.56	238.28	247.48	64.49	776.67	23.97
Cement Realisation per tonne	₹ per tonne	5,099.14	6,434.48[$]	5,649.04[$$]	5,472.86[$$$]	5,013.55[$$$$]	5,096.83[^]	5,118.21[$$$$$]
Operating EBITDA (Excl. Non- Operating Income) per tonne	₹ per tonne	779.90	890.45[$]	734.42	643.82	566.86	487.38	444.93[**]
Cost of Sales per tonne	₹ per tonne	4,881.00	5,695.05[$]	4,914.88	4,987.12	4,531.32	4,993.85	4,673.28[***]
Ratios								
Return on Equity (ROE)	%	21.80%	9.38%	13.74%	0.18%	6.55%	0.67%	(10.31) %
Return on Capital Employed (ROCE)	%	21.43%	9.81%	14.44%	2.04%	9.52%	3.66%	0.48%
Net Debt to Operating EBITDA	No. of Times	0.64 times	2.99 times	1.14 times	3.65 times	(1.28) times	4.74 times	2.92 times
Net Debt to Total Equity	No. of Times	0.21 times	0.85 times	0.34 times	0.50 times	(0.22) times	0.61 times	0.72 times
Fixed Asset Turnover Ratio	No. of Times	2.55 times	1.33 times	1.93 times	1.07 times	1.47	1.13	2.54

$ *Including Sales of Grey Cement and White cement.*

$$ *For the purpose of calculation of Cement Realisation per tonne, Revenue from Sales of Product has been considered as disclosed in the Annual Report.*

$$$ *For the purpose of calculation of Cement Realisation per tonne, Revenue from Sales of manufactured goods and sales of traded goods has been considered as disclosed in the Annual Report.*

$$$$ *For the purpose of calculation of Cement Realisation per tonne, Revenue from Sales of Product (Cement and Clinker) has been considered as disclosed in the Annual Report.*

$$$$$ *For the purpose of calculation of Cement Realisation per tonne, Segment Revenue under Cement Division has been considered as disclosed in the Annual Report.*

@ *In Financial Year 2023-24, JK Cement Limited has acquired a subsidiary and accounted for it under Appendix C of Ind AS 103, Business Combinations. Accordingly, the numbers of FY 2022-23 have also been restated, however, for calculation of ratios for FY 2022-23, numbers have been taken from the Annual Report of FY 2022-23.*

For peers, total installed capacity has been given. Further, installed capacity has been as of closing date, as the effective installed capacity is not available.

^ *In the Annual Report, Birla Corporation Limited has disclosed ₹ 5,204 as realisation per tonne. However, to maintain consistency across peers numbers, the reported number has been calculated on the basis of definition above. For the purpose of calculation of Cement Realisation per tonne, Revenue from Sales of Product under Cement Division has been considered as disclosed in the Annual Report.*

* *Capacity Utilisation has been calculated on the basis Production and Installed Capacity disclosed in the Annual Report.*

** *Operating EBITDA (Excl. Non- Operating Income) per tonne is calculated on the basis of EBITDA as disclosed by Prism Johnson Limited for Cement division.*

*** *Cost of Sales per tonne has been calculated as the difference between Cement Realisation per tonne and Operating EBITDA (Excl. Non-Operating Income) per tonne.*

KPIs	Unit	As of and for year ended March 31, 2022						
		Kanodia Cement Limited	JK Cement Limited	JK Lakshmi Cement Limited	Nuvoco Vistas Corporation Limited	Heidelberg Cement India Limited	Birla Corporation Limited	Prism Johnson Limited
Operational								
Cement Sales - Contract Manufacturing Model	Million Metric Tonnes	0.72	13.15[$]	10.99	17.83	4.78	14.22	5.22
Cement Sales - Business to Consumer Model	Million Metric Tonnes	0.22						
Total Cement Sales	Million Metric Tonnes	0.94	13.15[$]	10.99	17.83	4.78	14.22	5.22
Installed Grinding Capacity[#]	Million Metric Tonnes Per Anum	2.04	14.67[$]	13.90	23.82	6.26	20.00	5.60

KPIs	Unit	As of and for year ended March 31, 2022						
		Kanodia Cement Limited	JK Cement Limited	JK Lakshmi Cement Limited	Nuvoco Vistas Corporation Limited	Heidelberg Cement India Limited	Birla Corporation Limited	Prism Johnson Limited
Capacity Utilisation	%	46.10%	79.00%$	82.00%	75.00%	75.88%*	92.00%	92.00%
Financials								
Revenue from Operations	₹ Mn	4,884.54	79,908.19	54,198.90	93,180.30	22,969.60	74,612.20	63,063.20
Revenue from Operations Growth	%	Not Applicable	20.96%	14.65%	24.43%	8.52%	9.96%	12.87%
Operating EBITDA (Excl. Non- Operating Income)	₹ Mn	667.17	14,824.10	9,507.10	14,967.00	4,345.50	11,100.10	5,231.90
PBT (Before Exceptional Items)	₹ Mn	570.71	10,131.24	6,533.70	509.00	3,351.30	5,691.90	680.70
PAT	₹ Mn	403.55	6,792.11	4,775.80	320.80	2,522.60	3,985.90	439.50
Operating EBITDA (Excl. Non- Operating Income) Margin	%	13.66%	18.55%	17.54%	16.06%	18.92%	14.88%	8.30%
PBT Margin	%	11.68%	12.68%	12.06%	0.55%	14.59%	7.63%	1.08%
PAT Margin	%	8.26%	8.50%	8.81%	0.34%	10.98%	5.34%	0.70%
Total Equity	₹ Mn	2,268.77	42,906.36	25,318.90	88,212.20	15,652.40	60,488.90	15,955.40
Net Debt	₹ Mn	1,050.35	33,200.56	6,438.30	50,642.20	(1,919.10)	34,555.20	11,411.80
Basic EPS	₹	5.38	87.90	39.39	0.93	11.13	51.76	1.82
Net Asset Value per Share	₹	30.33	559.72	212.90	246.98	69.07	785.51	26.28
Cement Realisation per tonne	₹ per tonne	4,694.23	5,975.79$	4,929.60$$	5,081.92$$$	4,677.91$$$$	4,841.30^	4,612.26$$$$$
Operating EBITDA (Excl. Non- Operating Income) per tonne	₹ per tonne	709.53	1,127.31$	865.07	839.43	909.10	780.60	709.00**
Cost of Sales per tonne	₹ per tonne	4,485.16	4,949.36$	4,066.59	4,386.61	3,896.26	4,466.39	3,903.26***
Ratios								
Return on Equity (ROE)	%	20.83%	16.98%	20.59%	0.40%	16.49%	6.91%	2.82%
Return on Capital Employed (ROCE)	%	22.25%	15.55%	19.40%	4.31%	18.79%	8.25%	8.00%
Net Debt to Operating EBITDA	No. of Times	1.57 times	2.24 times	0.68 times	3.38 times	(0.44) times	3.11 times	2.18 times
Net Debt to Total Equity	No. of Times	0.46 times	0.77 times	0.25 times	0.57 times	(0.12) times	0.57 times	0.72 times
Fixed Asset Turnover Ratio	No. of Times	3.80 times	1.29 times	1.65 times	0.94 times	1.44 times	1.15 times	2.17 times

$ *Including Sales of Grey Cement and White cement.*

$$ *For the purpose of calculation of Cement Realisation per tonne, Revenue from Sales of Product has been considered as disclosed in the Annual Report.*

$$$ *For the purpose of calculation of Cement Realisation per tonne, Revenue from Sales of manufactured goods and sales of traded goods has been considered as disclosed in the Annual Report.*

$$$$ *For the purpose of calculation of Cement Realisation per tonne, Revenue from Sales of Product (Cement and Clinker) has been considered as disclosed in the Annual Report.*

$$$$$ *For the purpose of calculation of Cement Realisation per tonne, Segment Revenue under Cement Division has been considered as disclosed in the Annual Report.*

For peers, total installed capacity has been given. Further, installed capacity has been as of closing date, as the effective installed capacity is not available.

^ *In the Annual Report, Birla Corporation Limited has disclosed ₹ 5,216 as realisation per tonne. However, to maintain consistency across peers numbers, the reported number has been calculated on the basis of definition above.*

* *Capacity Utilisation has been calculated on the basis Production and Installed Capacity disclosed in the Annual Report.*

** *Operating EBITDA (Excl. Non- Operating Income) per tonne is calculated on the basis of EBITDA as disclosed by Prism Johnson Limited for Cement division.*

*** *Cost of Sales per tonne has been calculated as the difference between Cement Realisation per tonne and Operating EBITDA (Excl. Non-Operating Income) per tonne.*

The key performance indicators set forth above, have been approved by the Audit Committee pursuant to its resolution dated May 22, 2025. Further, the Audit Committee has on May 22, 2025 taken on record that other than the key performance indicators set forth above, our Company has not disclosed any other such key performance indicators during the last three years preceding the date of this Draft Red Herring Prospectus to its investors. Further, the aforementioned KPIs have been certified by Singhi & Co, Chartered Accountants, by their certificate dated May 22, 2025.

Our Company shall continue to disclose the KPIs disclosed above, on a periodic basis, at least once in a year (or for any lesser period as determined by our Company), for a duration that is at least the later of (i) one year after the listing date or period specified by SEBI; or (ii) till the utilisation of the Net Proceeds. Any change in these KPIs, during the aforementioned period, will be explained by our Company. The ongoing KPIs will continue to be certified as required under the SEBI ICDR Regulations.

For further details of our other operating metrics, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 210 and 366, respectively.

Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Statements. We use these KPIs to evaluate our financial and operating performance.

These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS. Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

Comparison of KPIs based on additions or dispositions to our business

While our listed peers (mentioned below), like us, operate in the cement manufacturing industry and may have similar offerings or end use applications, our business may be different in terms of differing business models, different product verticals serviced or focus areas or different geographical presence.

8. Past transfer(s)/ allotment(s)

Our Company confirms that there has been no:

(a) primary/new issue of shares (Equity Shares/convertible securities), excluding grants of any options and issuance of bonus shares, equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated on the pre-issue capital before such transaction 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) during 18 months preceding the date of filing of this Draft Red Herring Prospectus, in a single transaction or multiple transactions combined together over a span of rolling 30 days; and

S. No.	Name of Allottee	No. of Equity Shares allotted	Face value per equity share (in ₹)	Offer price per Equity Share (in ₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ million)
Primary Transactions							
Nil							

(b) secondary sale/acquisition of shares (Equity Share/convertible securities) by Promoters, Promoter Group entities, Selling Shareholders, Shareholders having the right to nominate directors to the Board, excluding gifts, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated on the pre-issue capital before such transaction 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) during 18 months preceding the date of filing of this Draft Red Herring Prospectus, in a single transaction or multiple transactions combined together over a span of rolling 30 days.

S. No.	Name of Allottee	No. of Equity Shares allotted	Face value per equity share (in ₹)	Offer price per Equity Share (in ₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ million)
Secondary Transactions							
1.	Baring Private Equity India Fund 6	37,28,483	10.00	254.79	Acquired from Nupoor Kanodia Beneficiary Trust	Cash	949.98

In case there are no such transaction to report to under (a) and (b), then the following details of the last five primary or secondary transactions (secondary transactions where Promoters or members of the Promoter Group or Selling Shareholders or Shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction), not older than three years prior to the date of filing of this Draft Red Herring Prospectus irrespective of the size of transactions:

Nature of transaction	Name of acquirer	Nature of consideration (Cash/ other than cash)	Date of acquisition/ allotment / transfer	Face Value (₹)	No. of shares acquired/ allotted	Acquisition price per share (including securities premium) (₹)	Reason for allotment/ transfer (preferential allotment/ bonus etc.)	Total Cost (₹)	Cumulative amount paid for the Equity Shares	Cumulative number of Equity Shares	Range of acquisition price: lowest price – highest price (in ₹)
Not Applicable											

9. The Floor Price and Cap Price vis-à-vis Weighted Average Cost of Acquisition based on past allotment(s)/ secondary transaction(s)

Floor Price and Cap Price as compared to the weighted average cost of acquisition of Equity Shares based on primary/ secondary transaction(s), as disclosed in paragraph 8 above, are set out below:

Past allotment/ secondary transactions	Weighted average cost of acquisition (in ₹)	Floor Price (*i.e.*, ₹ [●])#	Cap Price (*i.e.*, ₹ [●])#
Weighted average cost of acquisition of primary transactions in last 18 months	Nil	[●] times	[●] times
Weighted average cost of acquisition of secondary transactions in last 18 months*	254.79	[●] times	[●] times

* *Secondary transactions where Promoters, Promoter Group entities, Selling Shareholders or Shareholders having the right to nominate directors are a party to the transaction.*

\# *To be included at the Prospectus stage.*

10. Explanation for Offer Price/ Cap Price

Set forth below is an explanation for the Offer Price and Cap Price being (i) [●] times and [●] times, respectively, the weighted average cost of acquisition of primary transactions in last three years; and (ii) [●] times and [●] times, respectively, the weighted average cost of acquisition of secondary transactions in last three years; along with our Company's KPIs and financial ratios for Fiscals 2024, 2023 and 2022 and the nine month period ended December 31, 2024, and in view of the external factors which may have influenced the pricing of the Offer:

[●]*

* *To be included at the Prospectus stage*

11. The Offer Price will be [●] times of the face value of the Equity Shares

The Offer Price of ₹ [●] has been determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters. Investors should read the above information along with '*Risk Factors*', '*Our Business*', '*Restated Consolidated Financial Statements*' and '*Management's Discussion and Analysis of Financial Conditions and Results of Operations*' on pages 30, 210, 279 and 366. The trading price of the Equity Shares could decline due to the factors mentioned in ‘Risk Factors’ or any other factors that may arise in the future and you may lose all or part of your investments

STATEMENT OF SPECIAL TAX BENEFITS

The Board of Directors,
Kanodia Cement Limited
D-19 UPSIDC Land Industrial Area,
Sikandrabad, Bulandshahr,
Bulandshahr, Uttar Pradesh,
India, 203205.

Dear Sirs/ Madams,

Sub: Statement of possible special tax benefit ("the Statement") available to Kanodia Cement Limited (the "Company"), its material subsidiaries and its shareholders prepared to comply with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 as amended (the "SEBI ICDR Regulations) in connection with the proposed initial public offering of equity shares of face value of ₹ 10 each (the "Equity Shares") of the Company (such offering, the "Offer")

We, Singhi & Co., Chartered Accountants, Statutory Auditors of the Company, hereby confirm that the enclosed **Annexure A**, prepared by the Company and initialled by us for identification purpose ("**the Statement**") for the Offer, provides the possible special tax benefits available to the Company, to its shareholders, and its material subsidiaries under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961 read with Income Tax Rules, 1962, circulars, notifications as amended by the Finance Act (No. 2), 2024 (published on August, 16, 2024) as presently in force, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company, its material subsidiaries and its shareholders operate and applicable to the Company, its material subsidiaries and its shareholders, Customs Act 1962, the Customs Tariff Act, 1975 and Foreign Trade Policy 2024 (as extended) including the rules, regulations, circulars and notifications issued there under (collectively referred as "Taxation Laws"), relevant to the Financial Year ("FY") 2024-25 relevant to the Assessment Year ("AY") 2025-26 presently in force in India for inclusion in the Draft Red Herring Prospectus ("**DRHP**"), Red Herring Prospectus and the Prospectus (collectively, the "**Offer Documents**") for the proposed initial public offering of equity shares of the Company, as required under ICDR Regulations.

Several of these benefits are dependent on the Company, its material subsidiaries or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company, its material subsidiaries and/or its shareholders identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

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

The special tax benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and material subsidiaries. This statement is only intended to provide general information to guide 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 their own tax consultants, with respect to the specific tax implications arising out of their participation in the Offer. We are neither suggesting nor are advising the investor to invest money or not to invest money based on this statement.

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

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

1. the Company or its material subsidiaries or its shareholders will continue to obtain these benefits in the future; or

2. the conditions prescribed for availing of the benefits, where applicable have been/would be met with.

3. 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.

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

We hereby consent to be named an "expert" under the Companies Act, 2013, as amended, and our name may be disclosed as an expert to any applicable legal or regulatory authority insofar as may be required, in relation to the statements contained therein. We further confirm that we are not and have not been engaged or interested in the formation or promotion or management of the Company.

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

Our views expressed on the enclosed Annexure A 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 are 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 Issue or any third party relying on the Annexure. This statement has been prepared solely in connection with the Offer, as required under the ICDR Regulations.

For Singhi & Co.,
Chartered Accountants
Firm Registration Number: 302049E

Bimal Kumar Sipani
Partner
Membership Number: 088926
UDIN: 25088926BMJHET6518

Place: Noida
Date: May 22, 2025

ANNEXURE A

Statement of Tax Benefits

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS MATERIAL SUBSIDIAIRIES AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

The information provided below sets out the possible special direct tax benefits available to Kanodia Cement Limited ("Company") and its material subsidiaries and its shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership, and disposal of equity shares of the Company, under the Income-tax Act, 1961 (as amended by the Finance Act (No. 2), 2024 (published on August 16, 2024)) read with Income Tax Rules, 1962, circulars, notifications, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company and its shareholders operate and applicable to the Company and its shareholders, Customs Act 1962 and Foreign Trade Policy 2023 (as extended) including the rules, regulations, circulars and notifications issued there under (collectively referred as "Taxation Laws") presently force in India.

Several of these benefits are dependent on fulfilling the conditions prescribed under the relevant Taxation Laws. Hence, the ability of the Company, its material subsidiary and its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business / commercial imperatives any of them face, may or may not choose to fulfil. We do not express any opinion or provide any assurance as to whether the Company, its material subsidiary and its shareholders will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing Taxation Laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS MATERIAL SUBSIDAIRIES AND ITS SHAREHOLDERS

I. Special Direct tax benefits available to the Company and its material subsidiaries under the Income tax Act, 1961

The statement of possible tax benefits enumerated below is as per the Income tax Act 1961 ("ITA") as amended from time to time and as applicable for Financial Year ("FY") 2024-25, relevant to Assessment Year ("AY") 2025-26 as per the provisions of Finance Act (No. 2), 2024 (published on August 16, 2024).

1) Lower corporate tax rate under Section 115BAA of the ITA

Section 115BAA inserted w.e.f. 1 April 2020 (i.e. AY 2020-21), provides an option to a domestic company to pay corporate tax at a reduced rate of 22% (plus applicable surcharge and education cess). In case the Company or a material subsidiary opts for the concessional income tax rate as prescribed under Section 115BAA of the ITA, it will not be allowed to claim any of the following deductions/ exemptions:

- Deduction under the provisions of Section 10AA (deduction for units in Special Economic Zone);
- Deduction under clause (ii a) of sub-section (1) of Section 32 (Additional depreciation);
- Deduction under Section 32AD or Section 33AB or Section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund);
- Deduction under sub-clause (ii) or sub-clause (ii a) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of Section 35 (Expenditure on scientific research);
- Deduction under Section 35AD or Section 35CCC (Deduction for specified business, agricultural extension project);
- Deduction under Section 35CCD (Expenditure on skill development);
- Deduction under any provisions of Chapter VI-A other than the provisions of Section 80JJAA (Deduction in respect of employment of new employees) and 80M (Deduction in respect of certain inter-
- corporate dividends);

- No set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;

- No set-off of any loss or allowance for unabsorbed depreciation deemed so under Section 72A, if such loss or depreciation is attributable to any of the deductions referred above.

The provisions of section 115JB regarding Minimum Alternate Tax ("MAT") are not applicable if the Company or material subsidiary opts for the concessional income tax rate as prescribed under Section 115BAA of the ITA. Consequently, the Company or material subsidiary will not be entitled to claim tax credit relating to MAT, if available from the year of adoption of such beneficial tax rate.

The Company has opted for the concessional rate of tax for the first time in the return of income filed for FY 2023-24 and KIL, one of the material subsidiaries has opted for the concessional rate of tax for the first time in the return of income filed for FY 2019-20 for which declaration in specified form (i.e., Form 10-IC) has been filed with the ITA.

2) Lower corporate tax rate under Section 115BAB of the ITA

Section 115BAB inserted w.e.f. 1 April 2020 (i.e. AY 2020-21), provides an option to a domestic company engaged in the manufacture or production of any article or thing, to pay corporate tax at a reduced rate of 15% (plus applicable surcharge and education cess), subject to certain conditions. In case the material subsidiary opts for the concessional income tax rate as prescribed under Section 115BAB of the ITA, it will not be allowed to claim any of the following deductions/exemptions:

- Deduction under the provisions of Section 10AA (deduction for units in Special Economic Zone);

- Deduction under clause (ii a) of sub-section (1) of Section 32 (Additional depreciation);

- Deduction under Section 32AD or Section 33AB or Section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund);

- Deduction under sub-clause (ii) or sub-clause (ii a) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of Section 35 (Expenditure on scientific research);

- Deduction under Section 35AD or Section 35CCC (Deduction for specified business, agricultural extension project);

- Deduction under Section 35CCD (Expenditure on skill development);

- Deduction under any provisions of Chapter VI-A other than the provisions of Section 80JJAA (Deduction in respect of employment of new employees) and 80M (Deduction in respect of certain inter-

- corporate dividends);

- No set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;

- No set-off of any loss or allowance for unabsorbed depreciation deemed so under Section 72A, if such loss or depreciation is attributable to any of the deductions referred above.

The provisions of section 115JB regarding Minimum Alternate Tax ("MAT") are not applicable if the material subsidiary opts for the concessional income tax rate as prescribed under Section 115BAB of the ITA. Consequently, the material subsidiary will not be entitled to claim tax credit relating to MAT, if available from the year of adoption of such beneficial tax rate.

One of the material subsidiary, Kanodia Cem Private Limited had started its operation in FY 2022-23. Kanodia Cem Private Limited has opted for the concessional rate of tax for the first time in the return of income filed for FY 2020-21 and accordingly, the concessional rate of tax shall be applicable for FY 2022-23 and onwards.

3) Deduction in respect of employment of new employees under Section 80JJAA of the ITA

As per Section 80JJAA of the ITA, an assessee subject to tax audit under Section 44AB of the ITA, is entitled to claim a deduction of an amount equal to thirty per cent of additional employee cost incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided, subject to the fulfilment of prescribed conditions therein.

The deduction under Section 80JJAA is available even if the Company or material subsidiaries has opted for concessional tax rates under Section 115BAA and Section 115BAB of the ITA.

4) Deduction in respect of certain inter-corporate dividends under Section 80M of the ITA

As per Section 80M of the ITA, where domestic companies have declared dividend and are also in receipt of the dividend from another domestic company or a foreign company or a business trust, deduction is allowed with respect to the dividend received as long as the same is distributed as dividend one month prior to the due date of furnishing the return of income under sub-section (1) of Section 139 of the ITA.

The deduction under Section 80M is available even if domestic company opts for concessional tax rate under Section 115BAA of the ITA.

Considering that the Company and material subsidiaries did not receive any dividend income in FY 2023-24 and in the nine months period ended December 31, 2024, it had not availed any deduction under Section 80M of ITA for the AY 2024-25 and AY 2025-26.

5) Deduction in respect of capital expenditure incurred in relation to scientific research under Section 35(1)(iv) of the ITA

As per section 35(1)(iv) of the ITA, any expenditure of a capital nature (excluding expenditure incurred on acquisition of any land) incurred on scientific research related to the business carried on by the company can be claimed a revenue deduction.

The deduction under Section 35(1)(iv) is available even if domestic company opts for concessional tax rate under Section 115BAA or 115BAB of the ITA.

II. Special Indirect tax benefits available to the Company and material subsidiaries

The statement of possible tax benefits enumerated below is as per the Central Goods and Services Tax Act, 2017 (CGST Act) / the Integrated Goods and Services Tax Act, 2017 (IGST Act)/ the Union Territory Goods and Service Tax Act, 2017 (UTGST Act) / respective State Goods and Service Tax Act, 2017(SGST Act)("all the acts collectively Referred as GST Act"), the ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") including the rules, regulations, circulars and notifications issued thereunder (collectively referred to as "Indirect Tax Laws") as amended from time to time and presently in force in India.

i. Benefits under The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2024)

Remission of Duties and Taxes on Exported Products (RoDTEP)

The objective of RoDTEP scheme is to refund various duties and taxes incurred on the export of goods. Under the scheme, rebate of taxes will be given in the form of electronic scrip which could be utilised for payment of Basic Customs Duty.

There was no export made by the Company or its material subsidiaries in FY 2023-24 and in the nine months period ended December 31, 2024, therefore, no benefit was availed under RoDTEP Scheme.

Export Promotion Capital Goods (EPCG)

EPCG Scheme is being introduced by Government to facilitate duty free import of capital goods to be used for producing goods thereby enhancing India's manufacturing and export competitiveness. EPCG Schemes facilitates import of Capital Goods at zero customs duty subject to fulfilling an export obligation equivalent to 6 times of duties, taxes and cess saved on capital goods, to be fulfilled in 6 years from date of authorization. EPCG license holder is exempted from payment of whole of Basic Customs Duty, Additional Customs Duty and Special Additional Duty of Customs (in lieu of Value Added Tax/ local taxes (non-GST goods)), Integrated Goods and Services Tax and Compensation Cess (GST goods), wherever applicable, subject to certain conditions.

Currently, the Company and its material subsidiaries are not availing any benefits under EPCG Scheme.

ii. Benefits under Customs Act (read with Tariff Act and related rules and regulations)

Benefits of Duty Drawback scheme under Section 75 of Customs Act

As per section 75 of the Customs Act, Central Government is empowered to allow duty drawback on export of goods, where the imported materials are used in the manufacture of such exported goods. The main principle is that the Government fixes a rate per unit of final article to be exported out of the country as the drawback amount payable on such goods.

There was no export made by the Company and its material subsidiaries in FY 2023-24 and in the nine months period ended December 31, 2024, therefore no such duty drawback benefit was availed.

Benefits of Concessional custom duty pursuant to India's Free Trade Agreements with various countries.

Free trade Agreements ('FTA's) are treaties between two or more countries designed to reduce or eliminate certain barriers to trade and investment and to facilitate stronger trade and commercial ties between participating countries. FTAs help in economic growth as it provides advantages of reduced costs and duty savings on import and export of products covered or eligible under FTA. Indian government has entered into various bilateral and multilateral trade agreements with various countries.

The Company and material subsidiaries have not availed any such benefit during the FY 2023-24 and in the nine months period ended December 31, 2024.

iii. Benefits under the Central Goods and Services Act, 2017 (CGST Act), respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (IGST) (read with relevant Rules prescribed thereunder)

Export of goods under the GST law

Under the GST regime, all supplies of goods and services which qualify as export of goods or services are zero-rated. On account of zero rating of supplies, the supplier will be entitled to claim Input Tax Credit (ITC) in respect of input and input services used for such supplies and can seek refund of accumulated/ unutilized ITC.

GST law inter-alia allows export of goods at zero rate on fulfilment of certain conditions. Exporters can export goods under Bond / Letter of Undertaking (LUT) without payment of IGST and claim refund of accumulated ITC. There is also an alternative available to export goods with payment of IGST and subsequently claim refund thereof, as per the provisions of Section 54 of CGST Act.

There was no export made by the Company or its material subsidiaries in FY 2023-24 and in the nine months period ended December 31, 2024, therefore, no such benefit of export under LUT was availed.

Reimbursement of SGST paid

The State Government of Uttar Pradesh has issued a Letter of comfort approving the incentive package to a material subsidiary, towards reimbursement of 70% of the net State Goods and Service Tax (SGST) deposited, subject to annual ceiling of 20% of the Eligible Capital Investment for a period of 15 years on sale of manufactured goods with a total ceiling of 300% of Eligible Capital Investment made by the company from the date of commencement of commercial production under Accelerated Investment Promotion Policy for Backward Regions (AIPP-2020) - Mega Category of Government of Uttar Pradesh.

The State Government of Bihar has issued a Letter of comfort approving the incentive package to a material subsidiary, towards reimbursement of 80% of the net State Goods and Service Tax (SGST) deposited, without any annual ceiling for a period of 10 years on sale of manufactured goods with a total ceiling of 300% of the capital invested by the material subsidiary from the date of commencement of commercial production, i.e., June 29, 2016, under Accelerated Investment Promotion Policy for Backward Regions (AIPP-2020) - Mega Category of Government of Uttar Pradesh.

III. Special Direct tax benefits available to the Shareholders

There is no special direct tax benefit available to the shareholders of Company for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the ITA. Further, it may be noted that these are general tax benefits available to equity shareholders, other shareholders holding any other type of instrument are not covered below.

i. **Dividend Income**

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, maximum rate of surcharge would be restricted to 15%, irrespective of the amount of dividend. Further in case shareholder is a domestic company, deduction under Section 80M of the ITA would be available on fulfilling the conditions as mentioned above. Further, if the shareholder is a tax resident of foreign country with which India has a Double taxation Avoidance Agreement ('DTAA'), it may claim benefit of applicable rate as stated in the DTAA, if more beneficial over rate is ITA.

ii. **Tax on Capital gains on sale of listed equity shares in an Indian company**

As on date, as per Section 112A of the ITA, long-term capital gains arising from transfer of equity shares, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at a flat rate of 12.5% (without indexation) of such capital gains subject to payment of securities transaction tax on acquisition and transfer of equity shares and on the transfer of unit of an equity-oriented fund or a unit of a business trust under Chapter VII of Finance (No.2) Act 2004 read with Notification No. 60/2018/F. No.370142/9/2017-TPL dated 1 October 2018. However, no tax under the said section shall be levied where such capital gains does not exceed INR 1,25,000 in a financial year. Further, the holding period for all listed securities would be 12 months and for all other assets it shall be 24 months to qualify as long term capital asset.

Further, as per Section 111A of the ITA, short term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 20% subject to fulfillment of prescribed conditions under the ITA.

iii. **Simplified/New tax regime**

As per Section 115BAC of the ITA, a simplified/ new tax regime may be opted for by individuals, Hindu undivided family ("HUF"), Association of Persons, Body of Individuals, whether incorporated or not every artificial juridical person, wherein income- tax law shall be computed at the rates specified as under:

Total Income	Rate of tax
Upto INR 4,00,000	Nil
From INR 4,00,001 to 8,00,000	5%
From INR 8,00,001 to 12,00,000	10%
From INR 12,00,001 to 16,00,000	15%
From INR 16,00,001 to 20,00,000	20%
From INR 20,00,001 to 24,00,000	25%
Above 24,00,000	30%

Standard deduction for salaried employees opting for new tax regime is INR 75,000.

Presently, under the new regime, the limit of total income for rebate under Section 87A of ITA is INR 12,00,000 and the limit of rebate is INR 60,000.

Deduction of family pension is presently available at lower of 33% or INR 15,000. The said limit of INR 15,000 has been increased to INR 25,000 under the new regime.

Deduction for employer's contribution to NPS (for private sector employees) has been increased from 10% under old regime to 14% under new regime. Section 36 (allowing for deduction of such contribution to employers) has been amended correspondingly to enable companies to claim higher deduction.

Pertinent to note that the above rates are subject to the assessee not availing specified exemptions and deductions as specified under said section.

It may be noted that the shareholders have the discretion to exercise the simplified tax regime.

iv. **Double Taxation Avoidance Agreement benefit**

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

IV. Special Indirect tax benefits available to the Shareholders

There are no special indirect tax benefits available to the Equity Shareholders of Company under the Indirect tax laws.

Notes:

i. Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. 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. Reliance on this 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 this statement.

ii. The above Statement of possible special tax benefits sets out the provisions of Indian tax laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

iii. All the above benefits are as per the current tax law and any change or amendment in the laws/regulation, which when implemented would impact the same.

iv. The above Statement covers only certain possible special tax benefits under the Taxation Laws, read with the relevant rules, circulars and notifications applicable as on date and does not cover any benefit under any other law in force in India. This Statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.

v. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing taxation laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the proposed offer.

vi. This statement has been prepared solely in connection with the proposed issue under the Companies Act, 2013 and Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2018 and as amended.

For and on behalf of Board of Directors
Kanodia Cement Limited

Vishal Kanodia
Chairman and Managing Director

Place: Noida
Date: May 22, 2025

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, the information in this section is derived from the Industry Report titled "Market Review of Indian Cement Sector" dated May 22, 2025 (the "**CRISIL Report**"), which has been commissioned and paid for by our Company for an agreed fee pursuant to an engagement letter dated August 2, 2024 and prepared only for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. A copy of the CRISIL Report will be available on the website of our Company at https://www.kanodiacement.co.in/ipo and has also been included in "Material Contracts and Documents for Inspection – Material Documents" on page 515. CRISIL Market Intelligence & Analytics ("**CRISIL**") is an independent consulting company and is not a related party of our Company, our Subsidiaries, Directors, Promoter, Key Managerial Personnel or the Book Running Lead Managers. The data included in this section includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation.*

Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular fiscal or calendar year, refers to such information for the relevant fiscal or calendar year. For further details and risks in relation to commissioned reports, see "Risk Factors - Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which has been commissioned and paid for by us and any reliance on such information for making an investment decision in the Offer is subject to inherent risks" on page 65.

1. Overview of global and Indian economy

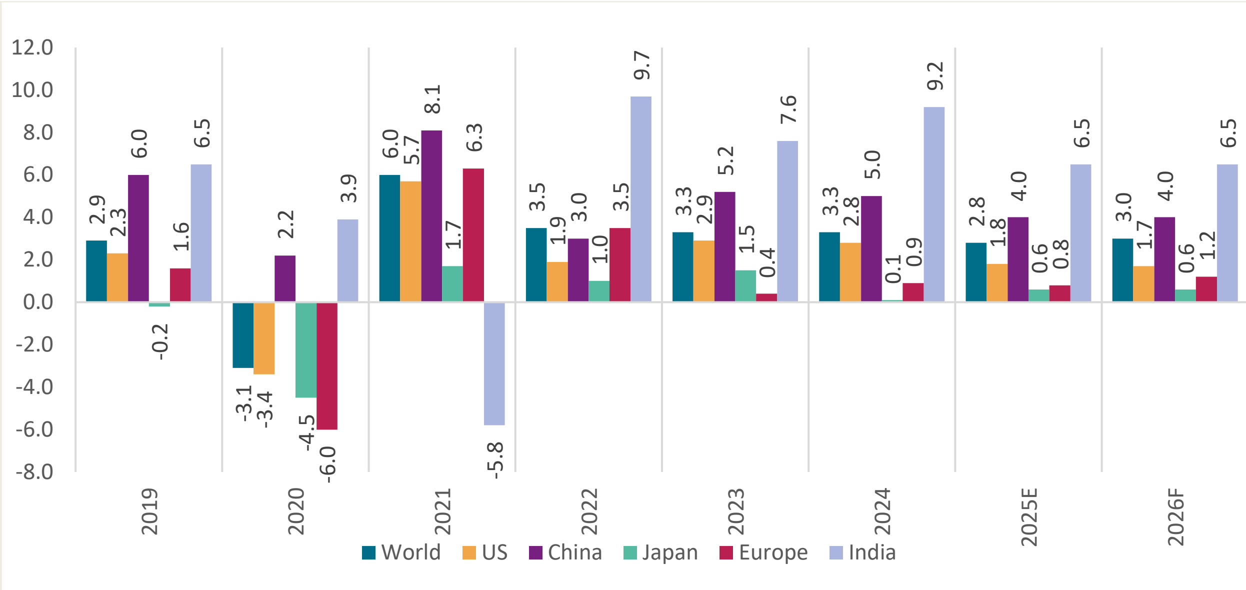
1.1 Review and outlook of Indian economy

The global economy is maintaining a steady pace, albeit with varying degrees of growth across different countries. In calendar year 2024, China's growth slowed to 4.8%, primarily due to a sharper-than-expected decline in consumption. This was a result of a delayed stabilisation in the property market and persistently low consumer confidence, which offset the positive effects of robust net export growth. In contrast, the euro area experienced subdued growth, mainly owing to ongoing weakness in manufacturing and goods exports, despite a recovery in consumption driven by rising real incomes.

In calendar year 2024, Japan's economic growth slowed, largely due to temporary supply disruptions, whilst the United States remained a notable exception, with its economy expanding at a rate of 2.8%. This growth was driven by strong consumption in the second half of the year. Against this backdrop, India is poised to emerge as a relatively strong performer, with real Gross Domestic Product (GDP) growth expected to reach 6.5% in fiscal year 2026. This growth is expected to be driven by a combination of factors, including a recovery in private consumption, investment, and exports.

The Indian economy's resilience and adaptability in the face of global challenges will be crucial in sustaining its growth momentum. As a result, India is likely to remain one of the fastest-growing major economies in the world. According to the first advance estimates of national accounts, India's real GDP is expected to grow by 6.5% in fiscal 2025. Growth in the first half of fiscal 2025 was supported by the agriculture and services sectors, with rural demand improving due to record Kharif production and favourable agricultural conditions. However, the manufacturing sector faced challenges due to weak global demand and domestic seasonal conditions. Private consumption remained stable, reflecting steady domestic demand.

Figure 1- World's GDP growth YoY%



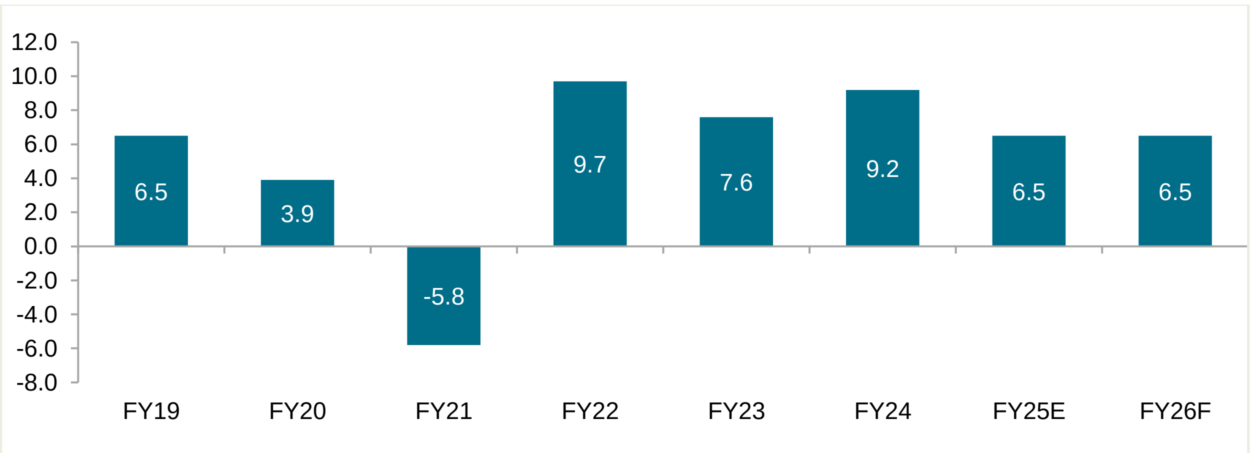
Note: India numbers are on a fiscal-year (FY) basis (Apr-Mar), where 2025 would correspond to fiscal 2025; on calendar year basis (Jan to Dec) for other countries, Europe includes 44 countries
E: Estimated, F: Forecast
Source: International Monetary Fund (IMF) World Economic Outlook, January 2025, Number for India are as per NSO and Crisil Intelligence forecast for fiscal 2026

The Indian economy is one of the fastest-growing large economies, according to the IMF's World Economic Outlook, January 2025. Crisil Intelligence expects India's GDP to grow at 6.5% in fiscal 2026, driven by a combination of factors, including a recovery in private consumption, investment, and exports. The Indian economy's resilience and adaptability in the face of global challenges are expected to be crucial in sustaining its growth momentum, enabling the country to remain one of the fastest-growing major economies worldwide.

In the post-pandemic era, India's economic indicators have exhibited a gradual improvement, driven by strong domestic consumption and a decreasing reliance on global demand. Despite prevailing global geopolitical instability, India has maintained its position as one of the fastest-growing economies globally, underscoring its resilience and adaptability in adversity. The country's ability to navigate global challenges has been a key factor in its success, and this is expected to continue in the future.

However, prevailing global uncertainties and geopolitical risks are expected to require careful monitoring and management to ensure the Indian economy remains resilient and adaptable in an increasingly complex and challenging global environment. The ability of the Indian economy to navigate these challenges and sustain its growth momentum is expected to be critical in maintaining its position as one of the fastest-growing major economies worldwide.

Figure 2- Real GDP growth % year-on-year

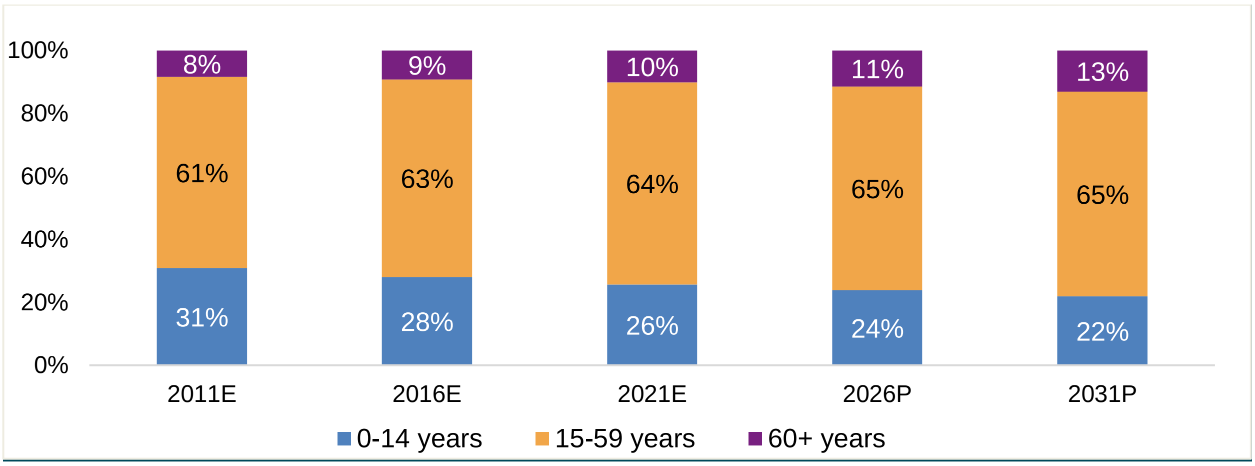


Note: E-Estimated, F: Forecast, India's numbers are on a fiscal-year (FY) basis (Apr-Mar),
Source: MoSPI, Crisil Intelligence

1.2 Demographics overview

With a population of over 1.4 billion, India surpassed China as the world's most populous country in 2023 and now accounts for more than 17% of the global population. Some of India's largest states are comparable to entire countries in terms of population. For instance, Uttar Pradesh, being the most populous state in the country, has population larger than that of whole countries like Germany and France. Maharashtra, India's second most populous state, is comparable to Japan, with a population of over 122 million. Similarly, Karnataka and Gujarat are comparable to the UK and Thailand, respectively. However, India ranks much lower in terms of nominal per capita income, which stands at approximately $2,940. In comparison, China's and Japan's per capita incomes are four times and twelve times higher, respectively. Clearly, there is a significant opportunity for growth, with an extensive runway that underpins the country's structural growth potential.

Figure 3- India's demographic division (share of different age groups in population)



Note: E: Estimates, P: Projected
Source: Census of India 2011, Ministry of Health and Family Welfare, Crisil Intelligence

Out of India's total GDP, 60% is accounted for by consumption, which is growing rapidly due to the country's large youth population. With a median age of 28 years, India has one of the world's largest youth populations, significantly lower than China's median age of 39 years and Japan's median age of 49 years. As of March 2024, it is estimated that 64 %of India's population falls within the 15-59 age range. The large share of India's working population, combined with rapid urbanisation and rising affluence, shall support consumption and economic growth over the next several decades.

Urbanisation is a key driver of India's economic growth. It shall drive substantial investments in infrastructure development, which in turn will create jobs, develop modern consumer services, and increase the ability to mobilise savings. India's urban population has been consistently rising over the decades. According to the 2018 revision of World Urbanisation Prospects, the urban population is projected to be 36% of India's total population in 2023. The World Urbanisation Prospects also projects that the percentage of the population residing in urban areas in India will increase to 40% by 2030.

1.3 Budget allocation and capital outlay across major segments

Infrastructure segment

The central government's total budget for fiscal 2026 (Budget Estimate) is Rs 19.79 lakh crore, comprising: (i) total expenditure through the budget (Gross Budgetary Support - GBS), (ii) resources of public enterprises (Internal and Extra-Budgetary Resources - IEBR), and (iii) grants-in-aid for the creation of capital assets (Grants-In-Aid - GIA). This represents a 16.4% increase from the revised estimate for fiscal 2025.

The budgetary capital expenditure for infrastructure ministries, including the Ministry of Railways, Ministry of Road Transport and Highways, Ministry of Rural Development, Ministry of Housing and Urban Affairs, Ministry of Power, Ministry of New and Renewable Energy, Ministry of Jal Shakti, Ministry of Ports, Shipping and Waterways, Ministry of Civil Aviation, and the Department of Atomic Energy, is Rs 10.7 lakh crore, up 11.6% from the revised estimate for fiscal 2025.

Each infrastructure-related ministry will develop a three-year project pipeline that can be implemented through the Public-Private Partnership (PPP) mode. States are also encouraged to create similar pipelines. To support states in infrastructure development, an outlay of Rs 1.5 lakh crore is proposed for 50-year interest-free loans as capital expenditure and incentives for reforms.

In the second phase of the asset monetisation plan, the government aims to generate Rs 10 lakh crore by monetising a pipeline of assets between fiscals 2025 and 2030.

Table 1 – Budgetary allocations to core infrastructure ministries

Ministry/Department	FY25RE				FY26BE				FY26BE over FY25RE
	GBS (Rs crore)	IEBR (Rs crore)	GIA (Rs crore)	Total (Rs crore)	GBS (Rs crore)	IEBR (Rs crore)	GIA (Rs crore)	Total (Rs crore)	
Ministry of Railways	2,52,000	13,000	-	2,65,000	2,52,000	13,000	-	2,65,000	**0%**
Ministry of Road Transport and Highways	2,72,481	-	8,735	2,81,216	272,241	-	9,602	2,81,843	**0%**
Ministry of Rural Development	4	-	1,28,346	1,28,350	4	-	1,55,319	1,55,323	**21%**
Ministry of Housing and Urban Affairs	31,662	42,095	20,735	94,492	37,623	62,207	46,067	1,45,897	**54%**
Ministry of Power	1,127	70,710	14,775	86,611	658	85,838	17,075	1,03,572	**20%**
Ministry of New and Renewable Energy	7	31,701	15,134	46,843	7	35,460	24,508	59,975	**28%**
Ministry of Jal Shakti (Department of Water Resources, River Development and Ganga Rejuvenation)	323	2	14,361	14,686	556	2	17,413	17,971	**22%**
Ministry of Ports, Shipping and Waterways	1,342	8,509	681	10,532	1,761	7,123	846	9,731	**(8%)**
Ministry of Civil Aviation	102	3,913	656	4,670	70	4,194	301	4,565	**(2%)**
Department of Atomic Energy	12,497	12,585	905	25,987	11,978	13,131	964	26,073	**0%**
Total capex – Infrastructure ministries	5,71,544	1,82,514	2,04,328	9,58,386	5,76,900	2,20,955	2,72,095	10,69,949	**12%**
Total capex – Other ministries	4,46,885	1,99,927	95,563	7,42,375	5,44,190	2,10,636	1,55,097	9,09,924	23%
Grand total	10,18,429	3,82,441	2,99,891	17,00,761	11,21,090	4,31,591	4,27,192	19,79,873	**16%**

Note: *Fiscal 2025RE: fiscal 2025 Revised estimates*
'Revised Estimate' - is an estimate of the probable receipts or expenditure for a financial year, framed in the course of that year, with reference to the transactions already recorded and anticipated for the remainder of the year.
Fiscal 2026BE: fiscal 2026 Budgeted Estimates
'Budget Estimates' - are the detailed estimates of receipts and expenditure of a financial year
Source: *Budget documents, Ministry of Finance*

Roads & Railways

The overall gross budgetary outlay for the Ministry of Road Transport and Highways (MoRTH) more than doubled from Rs 1.28 lakh crore in fiscal 2019 to Rs 2.72 lakh crore in fiscal 2025RE. Against this backdrop, the roads and highways capex estimate for fiscal 2026 is expected to witness a sharp moderation in growth rate and is almost at par with fiscal 2025. The entire allocation of Rs 2.72 lakh crore is expected to be via GBS, as the IEBR limit has been completely eliminated to reduce the National Highways Authority of India's (NHAI) dependence on market borrowings. In line with the National Monetization Plan, NHAI's Total Asset Monetization Program has crossed Rs 1 lakh crore, which includes Rs 48,995 crore through the Toll-Operate-Transfer (TOT) model, Rs 25,900 crore through Infrastructure Investment Trusts (InvIT), and Rs 42,000 crore through securitization. NHAI has already identified and published an indicative list of 33 assets to be monetised during 2024-25, which is expected to yield more than Rs 50,000 crore in the current fiscal. The MoRTH is expected to monetise assets worth Rs 40,314 crore in 2023-24, out of the total monetisation receipts of Rs 97,000 crore in the last financial year.

Furthermore, NHAI is expected to modify the Build-Operate-Transfer (BOT) model with fast-tracked clearances to award more projects, as the share of this model has dipped to negligible levels in recent years. Large developers are likely to be interested in BOT projects amidst dipping profitability in the Hybrid Annuity Model (HAM) due to competitive bidding. Notably, if successful, the shift towards the BOT model could reduce the funding burden on the Ministry, as 100% of the construction cost is borne by the developer in this model, which is expected to reduce the fiscal burden by around 10-15%.

The Railway capital expenditure is budgeted at Rs 2.65 lakh crore, which is exactly at par with fiscal 2025RE. Under the Railway Ministry, three key economic railway corridors have been announced under the PM Gati Shakti initiative: (i) energy, mineral, and cement corridors, (ii) port connectivity corridors, and (iii) high-traffic density corridors. These projects are aimed at facilitating multi-modal connectivity, thereby enhancing logistics efficiency and reducing operational costs by around 5-7%. The development of the three new rail corridors, along with the completion and full operationalisation of the Dedicated Freight Corridor (DFC), is expected to improve logistical efficiency and aid the government in achieving its target of reducing the overall logistics cost.

Table 2- Budgeted allocation for Roads and Railways

Segment	Budgeted outlay FY26 (Rs crore)	Revised estimates FY25 (Rs crore)	Increase/(Decrease) %
Ministry of Road Transport and Highways	2,81,843	2,81,216	0%

Segment	Budgeted outlay FY26 (Rs crore)	Revised estimates FY25 (Rs crore)	Increase/(Decrease) %
Ministry of Railways	2,65,000	2,65,000	0%

Source: Budget documents, Ministry of Finance

Metro and MRTS and Urban Rejuvenation Mission

The government intends to expand metro rail and other urban infrastructure projects, such as the Namo Bharat initiative, to more cities, with a focus on rapid urbanisation. To achieve this, the central government has allocated Rs 31,106 crore for FY26BE, which is approximately 26% higher than the Rs 24,601 crore allocated in FY25RE. As of July 2024, ~942 km of metro rail is operational in the country, while another ~893 km is under construction.

The Government of India launched the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and the Smart City Mission (SCM) on 25 June 2015, with the aim of improving living conditions in 500 and 100 cities, respectively, across India. At least one city from every state or union territory was selected under the SCM to implement the concept of a 'smart city'. The goal was to be accomplished by improving infrastructure and services such as water supply, sanitation, energy, mobility, education, and healthcare. As of November 2024, out of a total of ~8,066 projects, ~7,352 projects have been completed, and a further ~714 projects are under various stages of execution.

Table 3- Budgeted allocation for Metro and MRTS and Urban Rejuvenation Mission

Segment	Budgeted outlay FY26 (Rs crore)	Revised estimates FY25 (Rs crore)	Increase/(Decrease) %
Metro & MRTS	31,106	24,601	26.44%
AMRUT and Smart Cities mission	10,000	8,000	25.00%

Source: Budget documents, Ministry of Finance

To further boost infrastructure spending, the government has approved a budget of Rs 10,000 crore in FY26BE for the development of over 500 smart cities. The focus is on providing adequate and clean water supply, sanitation, solid waste management, efficient transportation, affordable housing for the poor, reliable power supply, robust IT connectivity, e-governance, safety and security of citizens, healthcare, and education.

Housing segment

The Pradhan Mantri Awas Yojana (PMAY) was introduced in 2015 to provide affordable housing for all by the end of 2022. Due to delays in completion, the timeline was revised to fiscal 2024 and 2025 for PMAY-Gramin (PMAY-G) and PMAY-Urban (PMAY-U), respectively. The announcement is expected to bring an additional three crore houses under the ambit of PMAY over the next five years is a positive development. For one, it will reduce the housing shortage in urban and rural areas. The incremental target will support the cement and building construction segments, too, as it will lead to incremental cement demand. It will also support other allied building and construction activities.

Under the PMAY-Urban 2.0 housing scheme, the construction of ~1 crore additional houses, or ~81% of the previous target of ~1.2 crore houses, over the next five fiscals was announced in Budget 2025. Further, it received a separate allocation of Rs 3,500 crore in Budget 2026. This is likely to revive interest in the weakening affordable housing segment, with developers increasingly shifting focus towards the premium and luxury segments in tier I and tier II cities.

The increase in the PMAY-Gramin target by 2 crore houses, or ~68%, from the previous target of ~3 crore houses, is also a positive development. Execution under the PMAY-Gramin scheme has been encouraging so far, with ~90% of houses constructed out of sanctioned units as of Sep'24.

While PMAY focuses on affordable housing, thereby catering to the low-income group, the announcement of enabling policies and regulations for efficient and transparent rental housing markets with enhanced availability would benefit eligible middle-class households who live in rented houses, slums, chawls, and other unauthorised colonies.

The government's continued focus on housing is expected to provide an impetus to the real estate sector as well as its stakeholders, such as developers, engineering, procurement and construction contractors, and allied industries such as steel, cement, etc.

Table 4- Budgeted Allocations to PMAY

Sr no	Segment	FY26BE	FY25RE	Growth in FY26BE over FY25RE (%)
		(Rs crore)	(Rs crore)	
1	PMAY Urban	19,794	13,670	45%
2	PMAY Urban 2.0	3,500	1,500	133%
3	PMAY Gramin	54,832	32,426	69%

Note: PMAY (G) figures include just the programme component

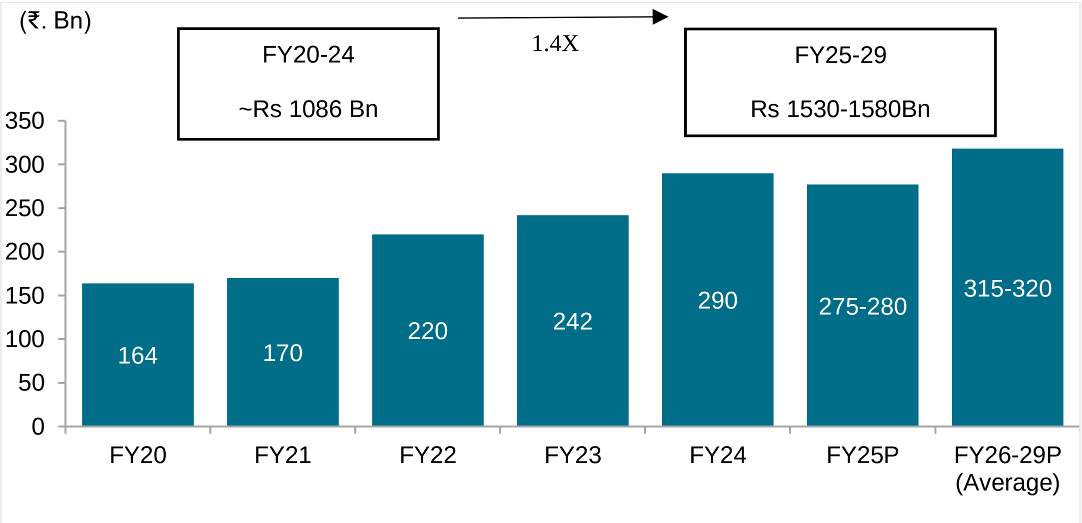
Source: Budget documents, Ministry of Finance

1.4 Expected capital expenditure in cement sector

The Cement Industry in India witnessed an investment of ~Rs. 1086 bn in the past five years (fiscal 2020-2024) with regards to adding new capacities, brownfield expansions, debottlenecking, and maintenance of existing plants. With demand recovering in the past three fiscals and increased competitive intensity, the players, especially the large ones, are implementing sizeable capex over the next five years with the aim to capture the market share. Robust demand has bolstered the balance sheets of large players and mid-sized players with strong market presence, prompting them to expand capacity on the back of healthy cash accrual and credit profile.

Over the next five years (fiscal 2025-2029), it is anticipated that around 210-220 million tonnes per annum (MTPA) of grinding capacities will come online, necessitating an investment of around Rs. 1530-1580 billion. This represents a significant increase, equivalent to about 1.4 times the capital expenditure incurred over the previous five-year period. Given their strong balance sheets and high liquidity, a large part of this capex is expected to be incurred by the large players funded from their internal accruals.

Figure 4- Estimated investment in cement Industry in India



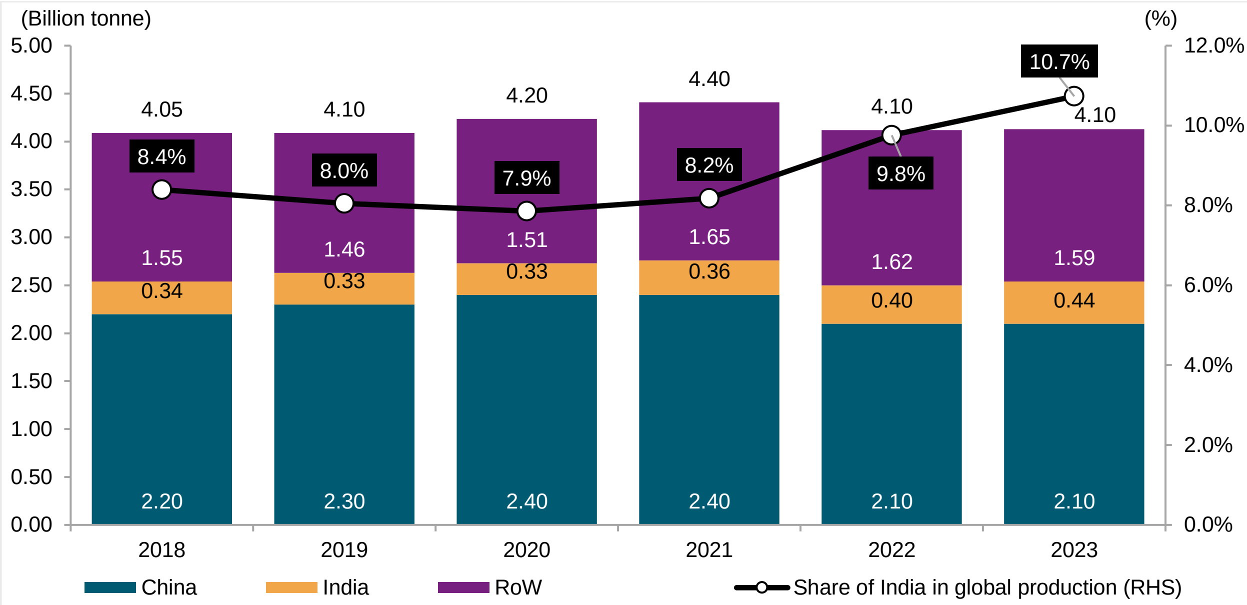
Source: Crisil Intelligence

2. Introduction to Indian cement industry

2.1 Global cement market

Global cement production in 2023 stood at ~4.1 billion metric tonne. The production growth had remained steady almost over the previous six years, with the highest production of 4.4 billion metric tonne recorded in 2021.

Figure 5 - Cement production comparison — India vs China and rest of the world (RoW)



Note: India's production data are on fiscal year (Apr-Mar) basis and that of others on calendar year basis; Data above column bars represent total cement production by world for that particular year
Source: United States Geological Survey – Mineral Commodity Summaries, Crisil Intelligence

China is the largest producer of cement globally, accounting for more than 50% of the overall cement production. A major portion of the cement produced in the country is consumed domestically. India comes a distant second, accounting for 7-10% of the world's production. India's share in world production peaked at around 11% in 2023.

During 2018-2023, developing nations such as India and Vietnam have been some of the fastest-growing economies in terms of cement produced. During this period, cement production in India logged a Compound Annual Growth Rate (CAGR) of 5.6% - the highest among the top seven cement-producing countries. In 2023, China remained the largest producer, accounting for 51% of the overall volume, with production ranging from 2.1-2.5 billion tonnes between 2018 and 2023.

Table 5- Share of top seven cement producing countries in global production

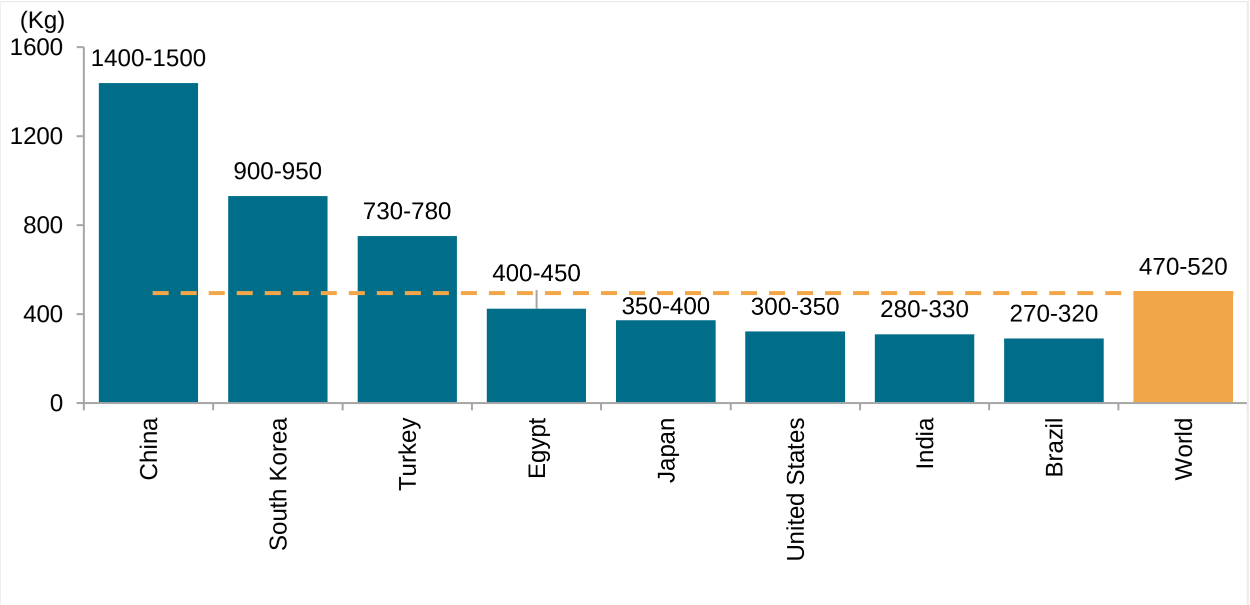
Country	CY 2018		CY 2023		
	Production (million tonne)	Share (%)	Production (million tonne)	Share (%)	CAGR 2018-23 (%)
China	2,200	53.80%	2,100	50.30%	-0.90%
India	**335**	**8.40%**	**441**	**10.70%**	**5.60%**
Vietnam	90	2.20%	110	2.60%	4.00%
United States	87	2.10%	91	2.20%	0.90%
Turkey	73	1.80%	79	1.90%	1.70%
Iran	58	1.40%	65	1.60%	2.30%
Brazil	53	1.30%	63	1.50%	3.50%
Others	1,193	29.30%	1,227	29.20%	0.50%
Total (rounded)	**4,100**		**4,200**		**0.40%**

Notes: India's production data are on fiscal year (Apr-Mar) basis and that of others on calendar year basis
US includes Puerto Rico
Others include Indonesia, Russia, Saudi Arabia, Egypt, Japan, Korea, Mexico and the remaining countries of the world
Source: United States Geological Survey-Mineral commodity summary, Crisil Intelligence

2.2 Comparison of per capita cement consumption

India's per capita cement consumption is expected to remain at a relatively low level, standing at 280-330 kg, which is significantly below the global average of 470-520 kg. The country's lower base of development, coupled with a higher proportion of its population residing in rural areas and relatively lower infrastructure development compared to developed nations, is likely to limit growth in per capita cement consumption. In contrast, China expects to maintain its position as the country with the highest per capita cement consumption, at 1,400-1,500 kg, followed by South Korea at 900-950 kg.

Figure 6- Per capita cement consumption of leading cement producing countries (2023)



Note: The figures are CRISIL estimates, arrived at by assessing various data points from sources such as United Nations Comtrade database (for trade data of cement), US Geological survey and world population estimates published by The World Bank
India's production data are on fiscal year (Apr-Mar) basis and that of others on calendar year basis
The US includes Puerto Rico
Source: United States Geological Survey-Mineral commodity summary, United Nations Comtrade database, The World Bank, Crisil Intelligence

India's cement industry is expected to experience substantial growth due to the country's relatively low per capita cement consumption of 280-330 kg. The government's focus on infrastructure and housing development, as seen in initiatives such as the National Infrastructure Pipeline, PM Gati Shakti, and Pradhan Mantri Awas Yojana, is driving construction activities and boosting cement demand. Furthermore, demographic trends, including a growing population, rising income, and urbanisation, as well as a housing shortage, are likely to support robust growth in the individual housing and real estate sectors. The government's efforts to promote affordable housing through subsidies will also stimulate construction in smaller towns and cities, potentially increasing demand by 5-7% annually.

Given the low base of development, which offers significant room for growth, India's per capita cement consumption is expected to increase by around 3-5% in the medium term. Notably, despite its relatively low per capita consumption, India is currently the second-largest consumer of cement globally, accounting for around 7-10% of worldwide consumption, after China.

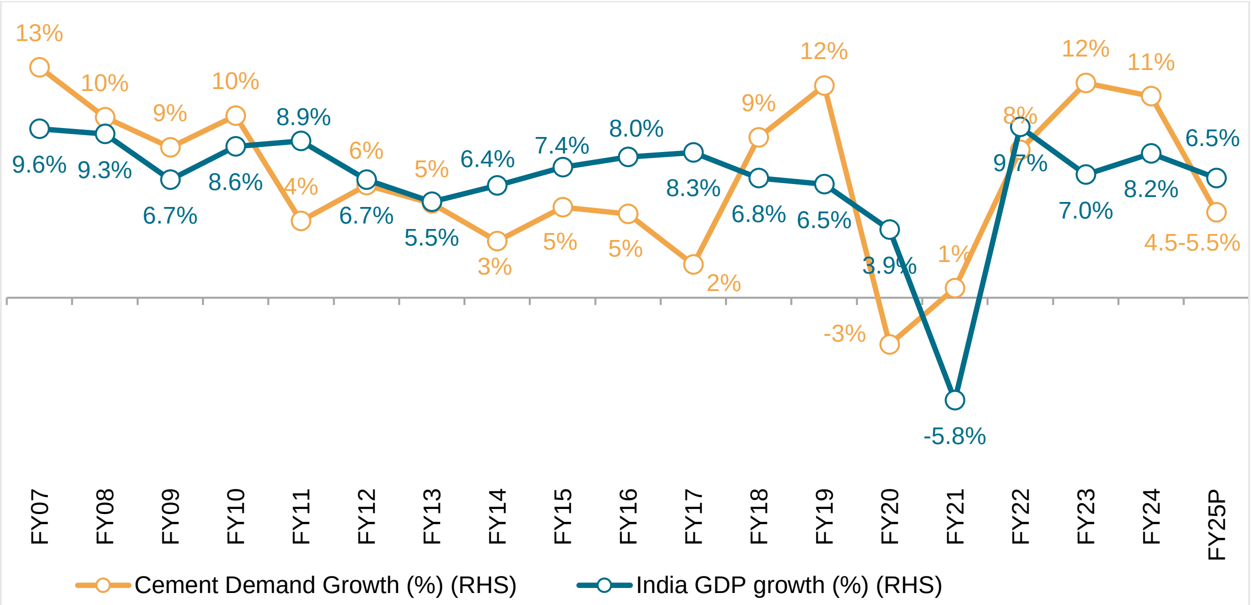
2.3 Cement demand to GDP growth multiplier

Cement demand is closely correlated with economic development and GDP trajectory, as infrastructure investments and construction activities, which are key components of GDP, are major drivers of cement demand. Rural housing, which is dependent on agricultural productivity, is also a key component of GDP and a determinant of cement demand.

Historical data indicates that between fiscals 2005 and 2009, average cement consumption grew at a rate 1.14 times that of GDP growth, supported by strong growth in the real estate sector. However, from fiscal 2010 to 2019, cement demand lagged behind, growing at only 0.89 times the rate of GDP growth, due to a slowdown in the real estate sector, quantitative tapering in 2013, demonetisation in November 2016, implementation of the Real Estate (Regulation and Development) Act (RERDA) and Goods and Services Tax (GST) in 2016/2017, a credit crisis in 2019, and the Covid-19 pandemic in late fiscal 2020. In fact, the cement demand-to-GDP multiplier fell into negative territory in fiscals 2020 and 2021, at 0.69x and 0.09x, respectively, due to the pandemic-induced economic slowdown.

However, the growth multiplier recovered rapidly in fiscal 2022 to approximately 0.87x, driven by a sharp recovery in cement demand due to pent-up demand, and further increased to around 1.74x in fiscal 2023, led by higher cement demand growth of around 12% year-on-year, despite GDP growth moderating to 7%. Notably, cement demand growth has remained higher than GDP growth during fiscals 2022-2024, led by post-pandemic demand recovery.

Figure 7- Cement demand-to-GDP multiple



Source: Crisil Intelligence, Industry

Table 6- Cement demand-to-GDP multiple

	FY05-09	FY10-14	FY15-19	FY20	FY21	FY22	FY23	FY24	FY25P
Multiplier	1.14	0.83	0.85	-0.69	-0.09	0.87	1.75	1.40	0.6-0.8

Source: Crisil Intelligence, Industry

Following a robust ~11% growth in cement demand in fiscal 2024, outpacing the ~8% GDP growth, the cement demand-to-GDP multiplier remained at a healthy level of 1.4x. However, Crisil Intelligence expects the multiplier to decrease in fiscal 2025 due to a high base effect. Cement demand is likely to moderate to 4.5-5.5% in fiscal 2025, while GDP growth is expected to slow down to around 6.5%, weighed down by high interest rates and a low fiscal impulse.

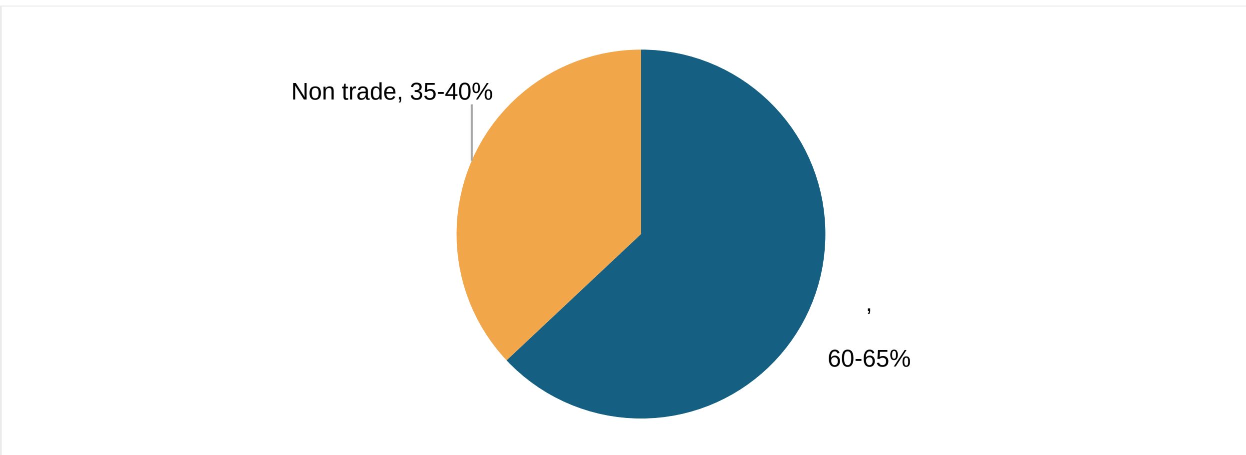
Segmentation by modes of sales

Cement is marketed under two mechanisms: trade and non-trade.

- **Trade:** The manufacturer directly sells cement through dealers and retailers, who sell to the end consumers. It is a more common and stable method of vending cement since the manufacturer does not have to take the liability for making sales pitch to the consumer directly. Also, it increases the manufacturers' reach. The dealer gets incentives to sell the product. Segments that fall under this mode are individual housing, PMAY-G and parts of infrastructure & industrial-commercial as well as other housing segments.

- **Non-trade:** Under this mechanism, the manufacturer directly sells to the consumer like a construction company for use in a project. Here, the dealer is not involved.

Figure 8- Break-up of cement sales by mode of sales (as per fiscal 2024 estimates)



Source: Crisil Intelligence, Industry

Higher profitability in trade segment makes it more attractive

Trade is preferred by manufacturers as it fetches higher realisations. While the manufacturer has to invest in a distribution channel, the returns are relatively higher. The difference between trade and non-trade price varies from Rs 30 to Rs 60 per bag for a manufacturer. The difference in prices is based on factors such as:

- **Region**: difference between trade and non-trade is highest in the southern region
- **Volume**: Higher the volume, higher the difference. For large-scale projects, buyers negotiate to get better prices
- **Project type**: For infra projects, prices are often fixed on a freight on road (FOR) basis. Often there is a pricing differential between trade and non-trade FOR prices to the tune of Rs 50-100 per bag
- **Relationship:** The relationship between the construction company and the cement manufacturer plays a key role in determining the quantum of discount

In fiscal 2024, first half witnessed healthy traction from housing segment which resulted in higher trade sales. However, with a focus to speed up execution of infra projects during second half of the fiscal (ahead of Lok Sabha elections in April/May'24), the share of non-trade segment increased sharply at an overall level. While non-trade cement is sold at a discount, it comes with several cost advantages as well, the key being:

- A large part of the non-trade cement is transported in the form of bulk cement, which helps in cutting freight as well as packaging cost
- Since the dealer is not involved, the company does not have to pay dealer commissions
- Further, the company has to spend less in setting up a dealer network

Despite the cost advantages, the trade segment is more attractive due to higher prices and consistency in the business. Additionally, the scale and distribution of trade segment well offsets the margins paid to dealers. Thus, it often leads to higher profitability. The difference in profitability in trade and non-trade segments varies from 100 bps to 300 bps. However, regional dynamics as well as difference in prices and volumes can lower the profitability gap and, in some regions, make non-trade segment more profitable than trade segment.

Realisations for cement players vary depending on a wide range of factors, including channel (share of trade/ non-trade), brand positioning and geographical market mix. Owing to high taxes on cement (the commodity is in the highest slab of GST) and high freight costs, there is a wide difference between the maximum retail price and ex-freight realisation for the industry.

Table 7- Trade and non-trade prices

Price/cost	Rs per bag (trade)	Rs per bag (non-trade)
Average realisation	220-225	213-218
Packaging cost	7-10	0
Freight	55-60	40-45
Average realisation including freight	284-289	255-260
GST @ 28%	78-83	70-75
Wholesaler margin	7	0
Dealer margin	9	0
MRP	383-388	328-333

Note: The prices exhibit regional as well as seasonal variations. The prices mentioned above indicate pan-India average price for fiscal 2024 for category A players.
Source: Crisil Intelligence, Industry

Cement bags are sold through either trade or non-trade channels (largely dependent on the customer segment — individual housing, infrastructure, commercial, and industrial) and the prices vary accordingly. Owing to orders of higher quantity, non-trade customers are usually able to get discounts of Rs 30-60 per bag on trade prices. The realisations from government orders are typically even lower since procurement is undertaken via bidding. For large-scale government projects, the prices are usually calculated on a FOR basis and are often Rs 60-80 lower per bag than trade prices.

In the trade channel, dealer and wholesaler margins are the highest, at Rs 8-10 per bag, in the eastern region due to heightened competition. In other regions, they are typically Rs 6-8 per bag. Moreover, when new players set up capacities or enter new markets, they increase dealer margins to Rs 10-15 per bag to penetrate the market quickly and gain market share. Dealer discounts, freight cost reduction, and bidding values determine the difference between trade and non-trade prices. These vary significantly across players and regions.

2.4 Cost structure for the industry

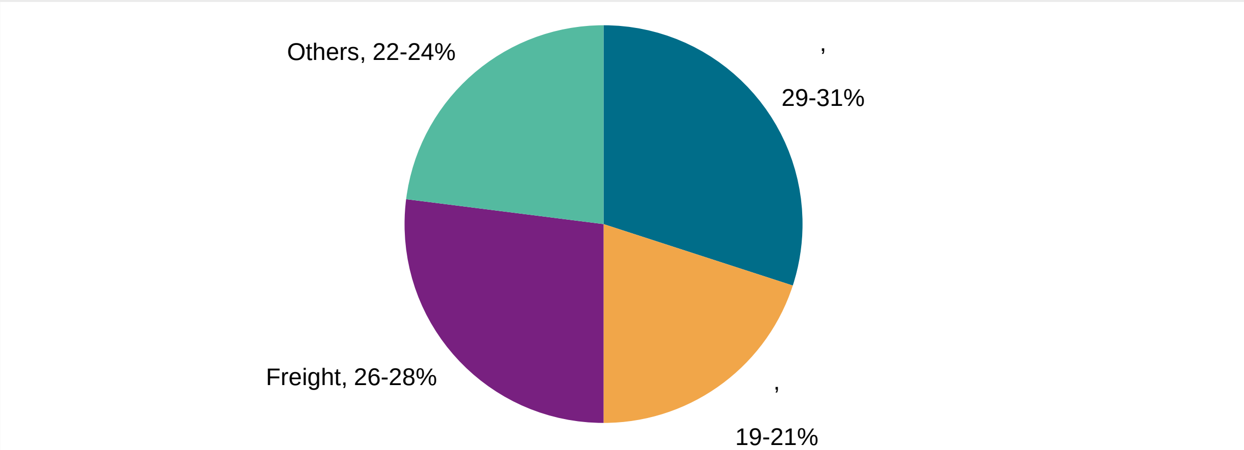
2.4.1 Break-up of overall cost

The cement industry is power-intensive, with the power requirement of cement plants varying in accordance with the heat treatment process used and type of plant (SGU or IU). Most of the raw material cost (which accounts for a large component of cement production cost), is incurred in procuring limestone. As cement is a low-value, high-volume commodity, transporting it also involves significant costs.

The major costs associated with cement production are on account of:

- Power and fuel
- Raw materials
- Freight expenses
- Other expenses

Figure 9- Major costs associated with cement production (Fiscal 2024)



Note: Sample set used to calculate cost of sales comprises 19 companies accounting for 75-80% of the industry sales; Other expenses include employee cost, packaging cost, administration expenses, repair and maintenance charges, etc.
Source: Crisil Intelligence

Power and fuel

The cement industry is power-intensive, with power and fuel costs accounting for 29-31% of the total expenditure of cement players. Coal is used to fire the kiln as well as to generate power for grinding the clinker. The power requirement of cement plants varies according to the heat-treatment process, i.e., dry process or wet process. Clinkerisation is an energy-intensive process as limestone is converted into clinker at high temperatures in a coal-fired kiln, which is part of an integrated plant. However, SGUs have no fuel requirements due to the absence of the clinkerisation process. They also have lower power requirements as clinker grinding (clinker to cement) and blending with other raw materials are less energy-intensive processes and account for only 15-20% of the total energy consumption of an integrated plant. Hence, a significant portion of the SGU's power requirement is met through grid power supplied by state electricity boards, as these plants have Power Purchase Agreements (PPAs) with state electricity boards.

Power purchase agreements allow players to receive stable and at times low-cost electricity with no upfront cost. They also hedge against energy price increases, improve the resiliency of operations without capital expenditure, and allow players to take advantage of renewable energy tax incentives. The Open Access model enables power consumers to buy relatively cheaper power directly from power producers (open market) at a relatively lower rate. However, a slew of additional charges in the Open Access model makes it less lucrative than the captive model, where players hold partial or full investments in the solar project for their own consumption.

Cement companies are increasingly opting for blended cement, captive renewable power plants, and WHRS to reduce their cost of production and meet their long-term emission targets.

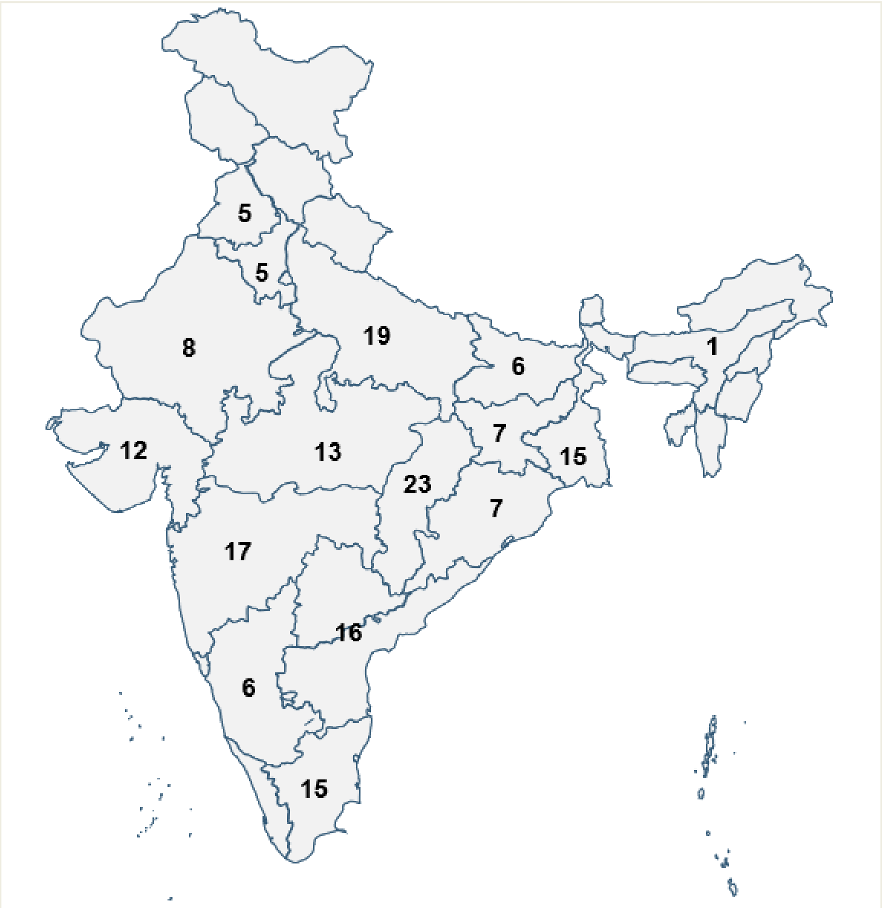
Raw materials

Raw material cost accounted for 19-21% of the total expenditure of cement players for fiscal 2024. Limestone constitutes a major share of this cost. Integrated cement plants are generally located near limestone quarries, as limestone cannot be transported economically over long distances. Limestone availability is largely confined to its cluster regions. Moreover, limestone is considerably bulky in nature, so it does not make economic sense to transport it over long distances. Hence, limestone is converted to clinker, and clinker is transported to satellite grinding units where it is ground with fly ash, slag, and gypsum to manufacture OPC and blended cements like PPC, PSC, and Composite cements.

Other raw materials used in the cement industry include fly ash, slag, and gypsum. Gypsum is available as a natural product and is also derived from seawater and chemical plants. It is mostly found in Rajasthan (which accounts for more than 80%), followed by Jammu & Kashmir (which accounts for ~15%). A small portion of 5% is found in states such as Tamil Nadu, Gujarat, Himachal Pradesh, Karnataka, Uttarakhand, Andhra Pradesh, and Madhya Pradesh. Gypsum from Rajasthan is dispatched to cement plants in India, spread across Rajasthan, Gujarat, Madhya Pradesh, West Bengal, Uttar Pradesh, Bihar, Jharkhand, Chhattisgarh, and Himachal Pradesh. In terms of proportion, gypsum accounts for 4-5% of a tonne of cement.

Fly ash is a fine, glass-like powder recovered from gases created by coal-fired electric power generation in thermal plants. It primarily consists of silica, alumina, and iron. According to the Bureau of Indian Standards, for PPC, fly ash can account for 15-35% of the cement mass, while the BIS standard for slag cement (Portland blast furnace slag cement) allows slag to comprise 25-70% of the cement mass. Slag is a by-product of the steel-making process, produced during the separation of molten steel from impurities in steel-making furnaces and, like fly ash, is used as an additive in cement manufacturing.

Figure 10- State-wise no. of major thermal power plants



Source: Central Electricity Authority- March 2023, Crisil Intelligence

Chhattisgarh, Uttar Pradesh, Maharashtra, and AP-Telangana account for ~43%, i.e., 75 out of the major 175 Thermal Power Plants (TPPs) in India, which leads to an ample fly ash supply in these states as of fiscal 2023. Uttar Pradesh and Bihar combined have ~14% (25 TPPs) of the country's total number of thermal power plants. Uttar Pradesh boasts a significant presence of thermal power plants, with a total of 19 units, ranking second only to Chhattisgarh (having 23 TPPs) in terms of the number of such facilities. This signifies an ample availability of fly ash at low cost for cement manufacturers, making the production of blended cement quite lucrative. While being clinker-deficient states, Uttar Pradesh and Bihar have higher availability of fly ash, which makes it beneficial for cement players producing PPC cement.

However, unlike fly ash, the availability of slag in India is limited and is found mostly in the east, due to the concentration of steel plants in the region. The availability of raw materials is subject to supply disruptions and price volatility caused by various factors, including commodity market fluctuations, freight rates, or changes in government policies.

Inward freight (the cost to transport fly ash/slag from thermal power plants/steel plants to satellite grinding units) forms a substantial portion of the total raw material cost for blended cement manufacturers. The cost of fly ash is minimal, as it is a waste by-product of thermal power plants, and in some of the northern, eastern, and central markets, cement companies are incentivised to lift fly ash from thermal power plants, and/or fly ash is sold at negligible prices to the companies. Hence, proximity to thermal power plants and steel plants is a major advantage for blended cement manufacturers. Plants are strategically situated close to sources of key raw materials, leading to savings in raw material costs. Chhattisgarh, Uttar Pradesh, Maharashtra, and AP-Telangana account for ~43% of the total thermal power plants in India, which leads to an ample fly ash supply in these states.

Freight costs

As cement is a low-value, high-volume commodity, freight costs constitute a significant proportion at 26-28% of the total expenditure of cement players.

There are three major modes of transport used by the cement industry: road, rail and sea. Rail is the preferred mode of transport for long-distance transportation due to lower freight cost. However, the availability of wagons and the extent of last-mile connectivity need to be taken into consideration. Road transportation is beneficial for short distances and bulk transportation, as it minimises secondary handling and secondary freight costs.

Currently, road is the most preferred mode, accounting for ~60% of the cement transported despite higher costs owing to pan-India availability and relatively lower costs involved in handling. Transportation by sea is the cheapest mode. However, only coastal players can take advantage of this mode, as they can transport clinker and cement more economically within the country and to other regions as well. Hence, a very small proportion of cement is transported by the sea route. In order to control freight costs, companies try to strategically locate plants close to raw material sources and end-user segments by opting for split location units.

Other expenses

Other costs include employee cost, packaging cost, administration expenses, and repair and maintenance charges. These account for 22-24% of the total expenditure. Other expenses have increased over the past 3-4 years, led by rising marketing expenses amid stiff competition.

Packaging expenses: Cement as a product is tricky to handle since it is a fine hygroscopic powdery material. Thus, the packaging of cement is an important factor for maintaining product quality. Packaging of cement has assumed strategic importance. To reduce outward freight cost, the players are setting up packaging units close to the bigger demand centres. While it does not reduce the lead distance, it helps lower freight cost through transportation of bulk cement.

Majority of the cement sales are through the trade segment, which accounts for 65-70% of pan-India sales and in the form of 50 kg bags. The most common form of cement packaging is HDPE (high-density polyethylene) bags, followed by paper bags, which are increasingly being used for premium cement brands. However, HDPE remains the most used material due to its price difference. HDPE bags cost Rs 10-15/ bag, less than half of the paper bags' cost of Rs 25-30/ bag.

Since cement is an inexpensive commodity, a Rs 10-15 difference per bag is important to the end user. Thus, replacing HDPE bags with paper bags has been difficult in India. Some regional players also use PP (polypropylene) bags since it is cheaper than HDPE, but the usage is limited. Most large cement players either have their own subsidiary manufacturing bags for them or have outsourced the same to contractors where the entire material procurement is controlled by the cement manufacturer. This helps the player keep control over the quality. In terms of costs, the only variable remains the cost of HDPE, which moves in line with crude prices. Thus, cement players enjoy lower packaging costs whenever crude prices are subdued.

2.4.2 Logistic challenges in the industry

Advantages of clinker transport over long distance compared to cement transportation

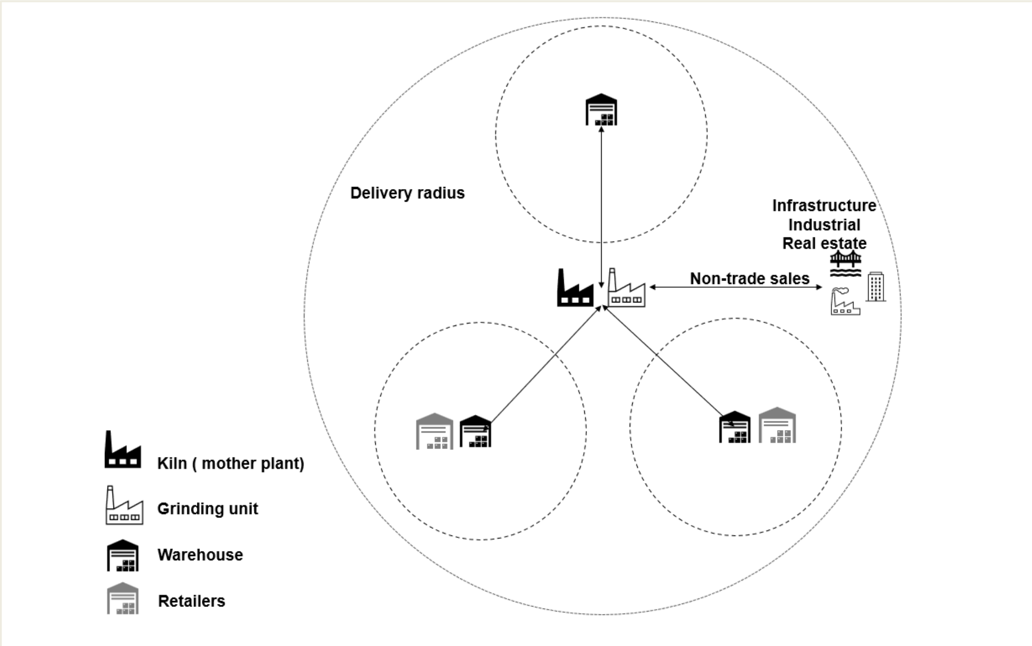
The cost of freight has long been a significant component for the cement industry. Companies often struggle to contain freight costs, particularly when pursuing volume growth. However, in the previous fiscal year, freight costs remained relatively stable, despite steady diesel prices, increased volumes, and improved lead distances resulting from new capacity additions.

Over the years, Indian cement companies have developed strategies to enhance freight efficiencies. In the past decade, cement manufacturers have invested heavily in improving their overall supply chain. Whilst improving supply-chain efficiencies is theoretically beneficial, it is challenging in practice. It is considerably easier to drive efficiencies in plant operations than in logistics, as the latter involves a vast network with demand spread across the country.

Inefficiencies in the supply chain arise when cement manufacturers compete to increase their market share. Conversely, when companies focus on improving their supply-chain efficiencies, their sales volume often takes a short-term hit. Players chasing volumes in the market typically end up with lower realisations per tonne and higher freight costs per tonne. Instead of rationalising their overall supply chain, cement players have largely focused on establishing satellite grinding units closer to demand centres, thereby reducing lead distances. This approach not only lowers overall freight costs but also increases market coverage without increasing lead distances.

The evolution of the strategies is illustrated in two scenarios below:

Figure 11- Cement distribution scenario 1: direct distribution from one integrated plant

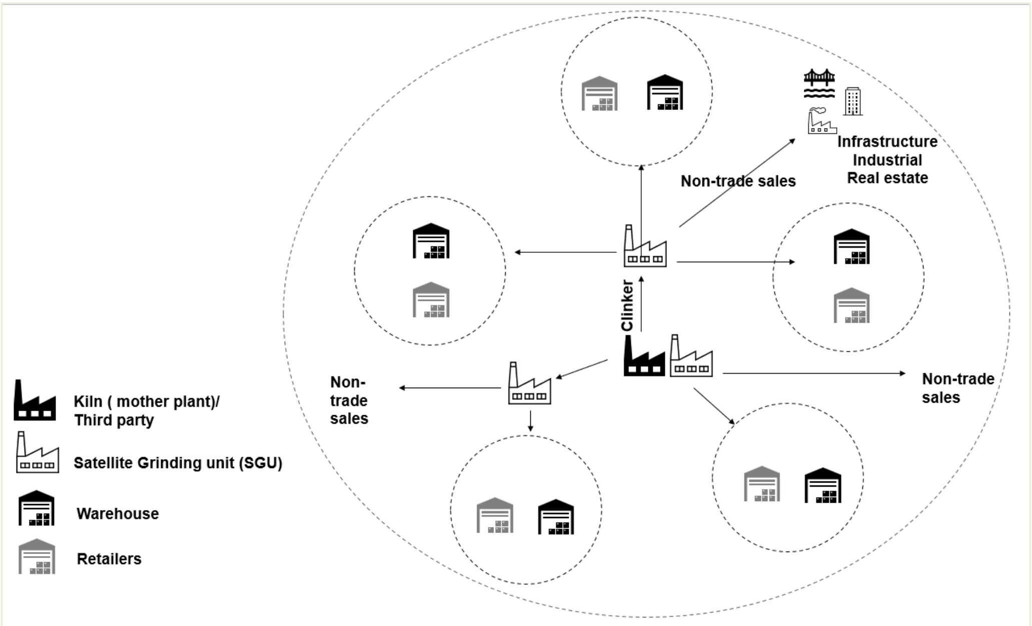


Source: Crisil Intelligence

Traditionally, cement manufacturers have adopted a strategy comprising a large integrated plant and several satellite grinding units. However, this setup has a significant drawback: the higher lead distance for cement transportation, which has kept freight costs elevated over the years. Furthermore, this approach reduces geographical coverage if manufacturers aim to contain overall freight costs.

Moreover, with the increasing proportion of blending, the availability of fly ash and slag has become more critical, making it economical to set up satellite grinding units if coal-based power plants are near the demand centres. Establishing satellite grinding units is a more viable option, as clinker is easier to transport than fly ash. The cost of fly ash varies significantly depending on its geographical location and its chemical, physical, and mineralogical properties, such as lime content and the type of coal used (bituminous, sub-bituminous, or lignite). The primary cost associated with fly ash is transportation, as most power-generating plants are located far from satellite grinding units and main consumer areas. Consequently, satellite grinding units strategically located closer to fly ash sources benefit from lower inward freight costs and lower raw material costs.

Figure 12- Cement distribution scenario: One clinker unit and multiple satellite grinding units



Source: Crisil Intelligence

Over the past decade, cement manufacturers have largely transitioned to a model featuring a large integrated plant supported by satellite grinding units. By establishing plants near demand centres, they have been able to reduce outward freight costs, while setting up facilities adjacent to thermal power plants and large integrated steel plants has helped to limit inward logistics costs.

The introduction of satellite grinding units has eliminated the need for warehouses and stockists, as the distance between satellite grinding plants and major consumer areas has been reduced to less than 150 kilometres. This has enabled cement to be transported directly to the end-user's location or to the retailer's shop, resulting in significant savings on selling costs.

This strategy has not only reduced lead distances but also opened up new market opportunities. Southern-based players have established satellite grinding or packaging units in eastern and western regions to enter these markets. The eastern and western regions, particularly states such as West Bengal, Bihar, and Maharashtra, which have limited limestone deposits, have seen a significant increase in cement grinding capacity additions to meet local demand.

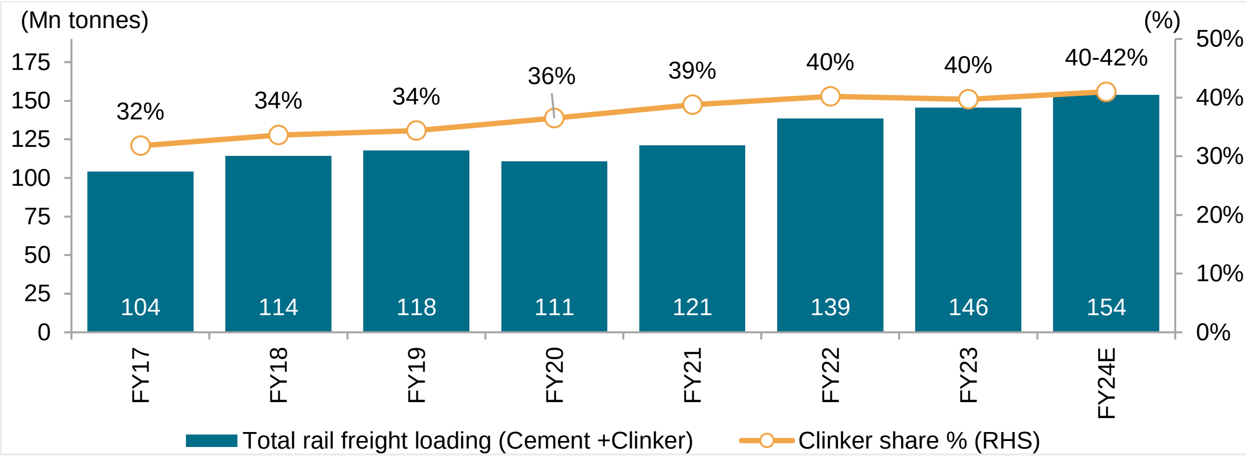
The impact of this strategy is evident in the gradual moderation of freight costs across the industry. Despite a more than 30% increase in diesel prices over the past five years, the freight cost per tonne has risen by only 5-10%.

Lower cost of clinker transportation leads to increased transportation of clinker

The increasing proportion of satellite grinding units has contributed to lower freight costs and the lower transportation cost of clinker compared to cement has also supported cost control measures. Although both materials are hygroscopic in nature, cement is typically transported in HDPE or paper packets, whereas clinker is transported in bulk, making it relatively easier to transport by rail. As a result, the share of clinker transport by rail has been increasing. This trend has led players to establish satellite grinding units near target markets, as transporting clinker over longer distances by rail has become more common.

The cost differential between road transport and rail transport is significant, at Rs 2.5 per tonne per kilometre, resulting in both inward and outward freight savings in the transportation and procurement of cement and clinker. This cost advantage has further reinforced the benefits of the satellite grinding unit model, enabling cement manufacturers to optimise their logistics and reduce their overall freight costs.

Figure 13- Clinker transportation through rail



Source: Crisil Intelligence, Railway Board (Indian Railways)
Note: Clinker share of fiscal 2023 & fiscal 2024 are Crisil estimates as cement and clinker rail freight tonnage not released by Indian Railways after Oct'2023.

Table 8- Cost of clinker transport

Mode of transport	Cost (per tonne per km)	Remarks
Rail	1.4-1.9	For distance greater than 300 kms
Road	3.0-4.0	For distance greater than 300 kms
Sea	1.0-1.5	For distance greater than 300 kms

Note: Rail flare includes clinker transport from mother plant to SGU excluding local freight to/from rail yards; loading and unloading charges not included for above modes

Key Challenges in transportation of cement

Transportation of cement and clinker has always been a major challenge for the cement industry. It has been a major cost component for players. Players have invested significantly to overcome this obstacle, but challenges remain.

- **Demand is distributed:** Unlike most other industries, cement demand is distributed across the country. Hence, reaching every nook and corner of the nation is important. Setting up distribution network and transportation in difficult terrains adds to the cost.

- **Cement is hygroscopic in nature:** Cement and clinker are hygroscopic material. Hence, they have to be kept away from moisture. Though in dry seasons cement can be transported in open wagons, manufacturers prefer closed wagons for fear of exposure to water/moisture on the route. Availability of closed/covered wagons (Body Covered Pneumatic wagon series) has been an area of concern for most of the industries, thus limiting ability of the railways to transport the products.

However, with the gradual implementation of dedicated freight corridor, movement though the railway route will increase further.

- **Cement is inexpensive compared to other commodities; hence freight cost is proportionately higher:** Cement is an inexpensive commodity compared to other commodities but freight cost per tonne per km for cement is largely similar to that of commodities such as steel or aluminium which are around ~10 and ~40 times pricier, respectively than cement. Thus, freight is a huge cost component for the industry.

- **Cement trucks are not used for other commodities:** Truck owners do not move any other commodity in vehicles that are used to transport cement and clinker. This is because these trucks will have cement and clinker traces stuck to them, making them infeasible for transportation of any other commodity.

While this not only leads to lower availability of trucks in the peak season (the fourth quarter of a fiscal) but also results in trucks returning empty from construction sites/warehouses. This, in effect, doubles the freight rates. Recently, truckers have started covering the body of the truck using tarpaulin while transporting cement in a bid to limit the damage and to keep the truck viable for transport of other materials such as food grains. However, this spikes the operating cost as well.

- **Dedicated fleet required to move cement through sea route:** Cement is moved only in dedicated closed bulk vessels. This increases investment required in such fleet. While the likes of Ambuja Cements Limited and UltraTech Cement Limited were early adopters of this mode of transport, players such as Penna Cement, Vicat Bharathi, and India Cements have also adopted this route.

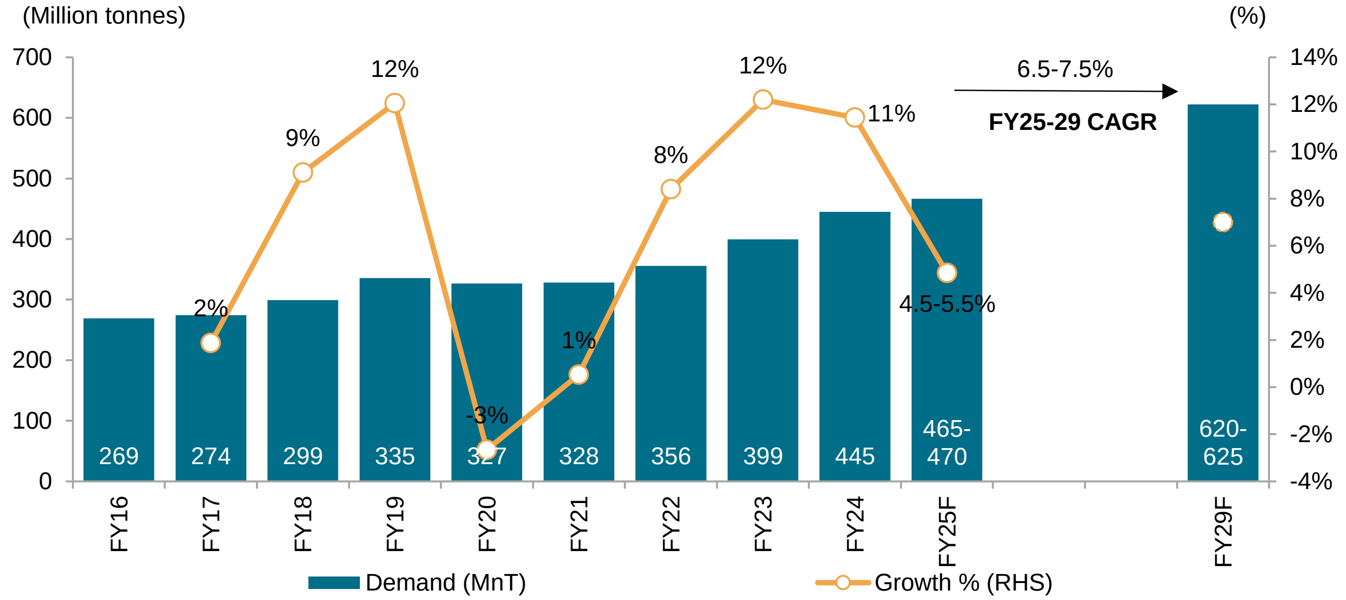
2.5 SWOT analysis of Indian Cement industry

Strength	Weakness
Large market size: India is the second-largest cement producer in the world, with a large and growing market size. India's cement producing capacity stands at ~636 MTPA as of fiscal 2024. **Government Support:** The Indian government has been supportive of the cement industry, with initiatives such as the National Infrastructure Policy and the Housing for All scheme, which has supported cement demand over the years and will continue to do so. **Technological Advancements:** The Indian cement industry has adopted modern technologies, such as dry process kilns and waste heat recovery systems, which have improved efficiency and reduced costs. **Low cost of production:** India has a low cost of production due to the availability of raw materials, such as limestone, and low labour costs.	**High energy cost:** Industry is energy-intensive with power and fuel cost accounting for highest share in total cost component and high energy costs can erode profit margins. **Cyclicality:** Cement industry is highly cyclical in nature and depends largely on the economic growth of the country. There is a high degree of correlation between the GDP growth and the growth in cement consumption. **Dependence on Monsoon:** Demand from the rural housing segment (accounting for 33-35% of total cement demand) is heavily dependent on income from agriculture. **Capital intensive:** Cement industry is highly fixed capital intensive in nature and requires large sum of money to set up manufacturing plant. This also acts as an entry barrier for the new players. **High competitive intensity:** The industry is a highly competitive industry with many large players, thereby limiting pricing power of mid and small players. Also, many new players are entering and adding capacities in the market, which might augment pricing pressure and induce competition related pressures on profitability. **Raw material prices:** Companies operating only grinding units procure clinker from other cement manufacturers, thus at times from companies competing in the same market.
Opportunities	**Threat**
Growing Demand: The Indian government's focus on infrastructure development and housing is expected to drive demand for cement in the coming years. **Increasing Urbanization**: Urbanisation and rising per capita income is expected to provide impetus for better infra connectivity and development in the country, supporting cement demand over medium to long term. **Sustainable Cement**: The Indian cement industry has the opportunity to adopt sustainable practices, such as using alternative fuels and reducing waste, which can improve its environmental performance and reduce costs. **Digitalization**: The industry can leverage digital technologies, such as data analytics and artificial intelligence, to improve efficiency and reduce costs. **Move towards asset light models:** Cement manufacturers are gradually moving towards contract manufacturers in certain geographies where strategic advantages of owning an asset are low.	**Environmental concerns:** The cement industry is identified as one of the 17 categories of highly polluting industries. In cement production, large amounts of CO_2 are emitted. With higher focus towards sustainability and net-zero emissions, the government can play a pivotal role in facilitating the industry's transition towards greener practices by implementing green public procurement policies. **Volatility of key input costs:** Imported coal and pet coke are the key fuels used in captive power plant and clinkerisation kiln, respectively. Prices of these commodities are governed by global demand and supply and are volatile in nature. Any geo-political event impacting crude/coal prices to remain a key monitorable **Cement substitutes:** To reduce environmental impact, newer products are being tested and tried. While such technologies/products are at nascent stage in India, adoption of the same has started globally. It includes LC3 - new type of cement that is based on a blend of limestone and calcined clay; Geopolymers: shown to have similar strength and durability to Portland cement, but they have a much lower carbon footprint.

3. All India cement demand overview and outlook

3.1 Pan-India cement demand review and outlook

Figure 14- Cement demand review and outlook



F: Forecasted; Growth percentage for FY29F indicates CAGR of FY25-29 5 years period
Source: Crisil Intelligence

Domestic cement demand grew at a healthy ~6% CAGR over fiscal 2019 to 2024, despite pandemic-induced slowdown, majorly led by sustained government thrust on infrastructure and affordable housing. In fact, a large part of the growth was due to pre-election spending between fiscals 2018 and 2019 and a healthy uptick in fiscals 2022 and 2023, while in fiscals 2020 and 2021, demand was weak because of pandemic-induced lockdowns. On a low base, pan-India cement demand recovered by 8% in fiscal 2022 and accelerated further by ~12% in fiscal 2023, supported by strong demand for rural housing and infrastructure. A pre-election boost and healthy traction from infrastructure segment led to further 11% on-year growth in fiscal 2024.

Fiscal 2021: Cement demand was flat in fiscal 2021 after a dip in fiscal 2020. Production shutdowns, stalled construction activities and mass exodus of labour following the onset of the pandemic in the first quarter impacted cement demand. Supply chain and labour issues due to extended local lockdowns led to a sharp decline in demand by 30-31% in the first quarter, though pent-up and pre-monsoon construction demand in May and early June cushioned the fall. The moderate demand growth of 3-4% on-year in the seasonally weak monsoon period (June-September) surprised the cement industry positively because of construction activity in September, with migrant labourers returning and Covid-19 restrictions easing in urban areas. There was a gradual pick-up in infrastructure activity in the seasonally strong construction period of December to March because of improving government spending and a recovery in urban housing. A culmination of these factors led to robust demand growth in the second half of the fiscal, thus keeping overall demand flat on-year.

Fiscal 2022: Cement demand in the first half of the fiscal was impacted by the second wave of Covid-19, which slowed the growth momentum, though pent-up demand from the first quarter helped stabilise demand in the second quarter despite the onset of monsoon. In the third quarter, demand took an unexpected hit because of unseasonal rains, labour unavailability due to the wedding season, sand availability issues in some states, and due to festive season, translating into a decline of ~4% on-year. Demand recovered at a snail's pace in the fourth quarter, on a sequential basis, due to high construction cost of building materials. Inflation hit commodities such as steel, aluminium and cement because of geopolitical tensions following the Russia-Ukraine conflict, leading to supply constraints and higher prices of crude oil-derived commodities. This sharply increased prices of building materials such as steel, cement and aggregates, discouraging construction. Thus, after growing in double digits in the first half of the year on a low base, demand was limited to only 8% on an annualised basis in the fiscal.

Fiscal 2023: Demand rose ~12% on-year. In the first quarter, demand logged a robust growth of ~18% on-year on a low base, on a pick–up in infrastructure activities as well as strong recovery in individual housing – both rural and urban. The second quarter witnessed some moderation sequentially on the back of seasonal weakness, but still grew ~9% on-year. Further, with the monsoon receding, inflationary pressures easing, real estate and affordable housing gaining traction, as well as pick-up in infrastructure project execution ahead of the general elections in 2024, demand grew a healthy ~10% on-year in the third quarter. The last quarter registered ~12% on-year growth, driven by continued traction from infra and housing projects ahead of the general elections. In fact, high construction costs, which impacted demand in the early months, cooled off somewhat in the second half of the fiscal. Volume was also supported by tailwinds from strong demand for rural housing and infrastructure. The individual housing segment, especially rural, which was expected to bear the brunt of inflation in the early months of the fiscal, fared well in the second half amid cooling construction costs, higher rural income owing to healthy yields, and increase in crop prices, indirectly supporting demand growth from the rural housing segment. Infrastructure continued its strong growth momentum, led by government spending, primarily across its flagship schemes such as PM Gati Shakti and the National Infrastructure Pipeline.

Fiscal 2024: The infrastructure segment had been the major demand driver, led by central government's higher spending on key infra sectors ahead of elections. In fiscal 2024, central government's capital expenditure had been ~28% higher for road ministry and ~52% higher for railways compared to previous fiscal. Capacity expansion plans of large players in capital-intensive sectors (steel and cement), implementation of the production-linked incentive (PLI) scheme, rising warehousing spaces and return to office/hybrid model drove demand from the industrial and commercial segments. On a high base of last fiscal, rural housing witnessed moderate growth momentum in fiscal 2024 due to impact of El Nino condition on agri profitability, although the rise in demand was supported by a higher shortage of houses and the government's push to attain a central scheme (PMAY-G) targets before elections. Growth from urban housing was supported by traction from real estate although growth was at a slower pace due to elevated interest rates and capital values. Also, the construction pace under PMAY-U slowed down as the scheme nears closure and the sanctions have already surpassed targeted levels. At an overall level, the pre-election boost to infra and housing and growth from I&C segment led to an overall rise of 11% in fiscal 2024 despite high base of previous fiscal.

Fiscal 2025: On two consecutive healthy bases, demand growth is expected to moderate to 4.5-5.5% in fiscal 2025. The moderation is largely due to a high base effect and a slowdown in construction activity during first half of the fiscal. This slowdown can be attributed to an extended heatwave, labour unavailability during the election period, and seasonal weakness. While Infrastructure segment to continue to remain key demand driver, sluggish government spending (~7% degrowth during H1FY25 compared to H1FY24) for key central ministries related to cement industry (roads, railways, urban housing and agriculture) to result in moderation in demand growth from infra segment. That said, the moderation is on a high base and the overall quantum of capex allocation is still high.

The government's focus on developing dedicated rail corridors for energy, mineral, and cement sector, UDAN scheme for airports, expansion of metro rail and Namo Bharat to more cities, ongoing NHAI and Bharatmala road projects should continue to support infrastructure demand given substantial headroom for capex roll outs in the second half of the fiscal, in order to meet budgeted targets.

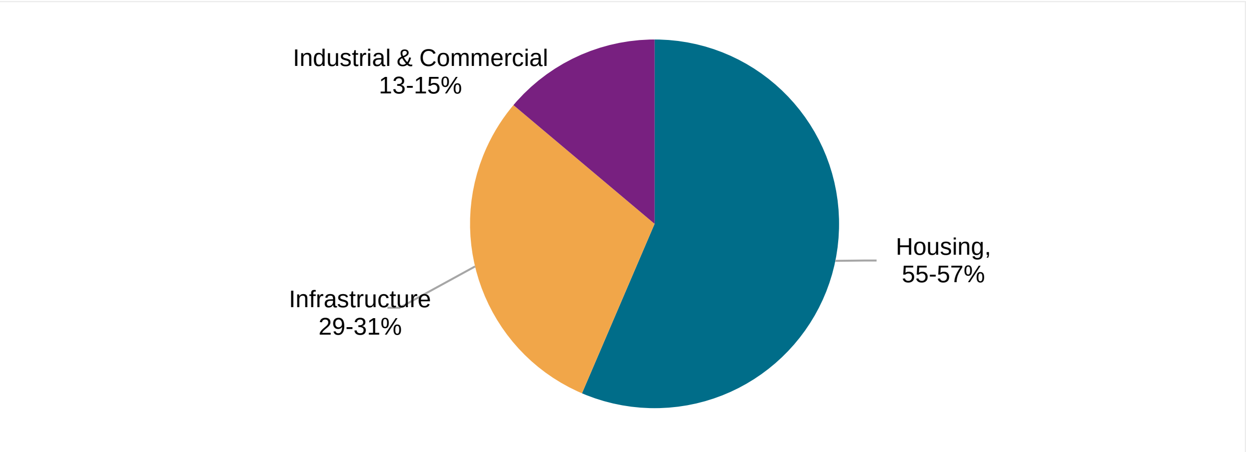
Demand from the housing segment is expected to moderate to 3.5-4.5% largely owing to slowdown from urban housing segment due to elevated interest rates, capital value and excess supply of real estate in the market. However, demand to be supported by resurgence in rural housing owing to the expectation of healthy crop profitability on the back of above-normal monsoon season. Further, on three consecutive healthy bases, growth from the Industrial and commercial (I&C) belt is expected to slow down, however, production-linked incentive (PLI) scheme, traction in commercial real estate and rise in private investments to continue to support traction from the segment. As a result, at an overall level demand growth is expected to moderate to a 4.5-5.5% rate in fiscal 2025.

Over the next five years, i.e., fiscals 2025 to 2029, Crisil Intelligence expects cement demand to clock a healthy 6.5-7.5% CAGR, moderately higher than ~6% CAGR in the previous five years. Growth will be driven by a raft of infrastructure investments and healthy momentum from housing segment. Initiatives undertaken by the Government of India, such as the Bharatmala Pariyojna, Sagar Mala, the Pradhan Mantri Awaas Yojana – Gramin and Urban, Atmanirbhar Bharat Abhiyan, Product Linked Incentive Scheme, Swachh Bharat Mission, Ude Desh ka Aam Naagrik (UDAN) for airports and metro projects along with the thrust on infrastructure will drive demand growth in the medium term for the cement industry in India. This presents a major opportunity for growth in the cement industry in India.

3.2 Demand segmentation by end user industry

As of fiscal 2024, the end-user sector mix in cement demand share mainly comprised housing (56-58%), infrastructure (29-31%), and industrial/commercial (13-15%).

Figure 15- Cement demand segmentation by end user industry



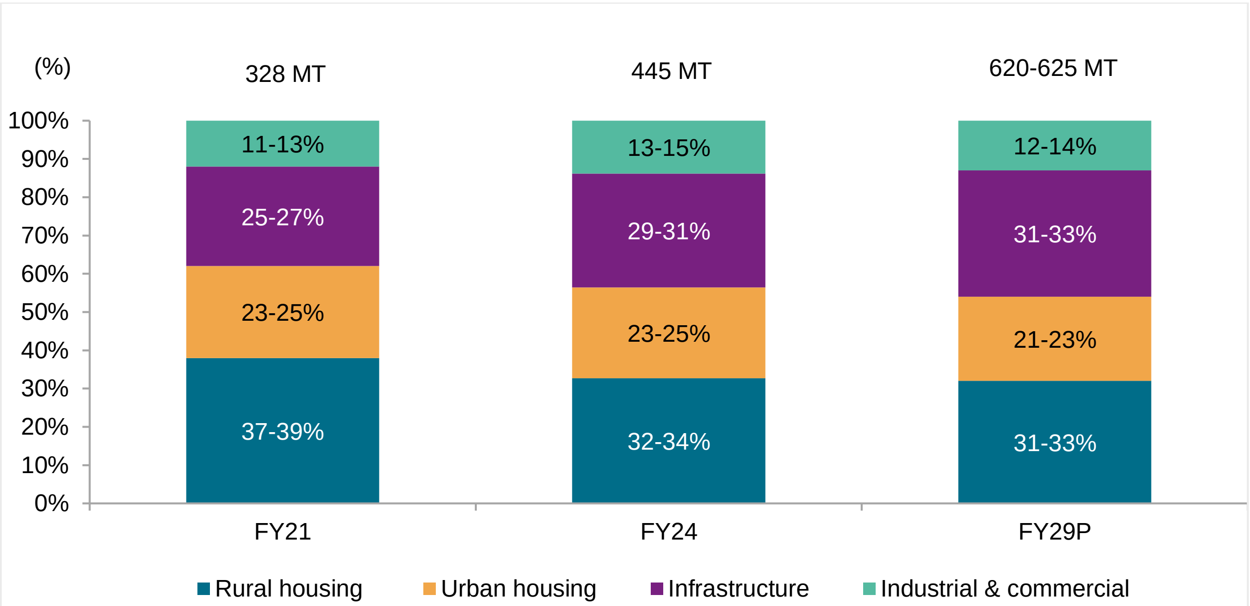
Source: Crisil Intelligence

Over the past five years, while the share of housing and industrial/commercial segment in overall cement demand declined, the share of infrastructure segment increased. The decline in the share of the housing sector in the cement demand pie was because of the sector buffeted by slow economic growth, weak demand, buyer unaffordability and high inventory.

However, following the pandemic, demand for real estate, especially urban housing, rose sharply in fiscal 2021, as work-from-home mandate boosted demand for increased floor space, incomes stabilised, customer preference shifted to home ownership from rental, and the cost of buying declined. Lower concretisation, rising wages, and continued traction in rural housing demand through PMAY, especially during peak of Covid-19, led to higher share of cement demand from rural housing (32-34%) in total cement consumption as well. Hence, overall housing share in cement demand stood at 56-58%.

The share of the infrastructure segment in cement demand has been rising over the past decade as well, because of a surge in the Central government's capex towards the sector. In fact, the sector's share in overall cement demand more than doubled to 29-31% in fiscal 2024 from 11-13% in fiscal 2013.

Figure 16- Sectoral mix of cement demand

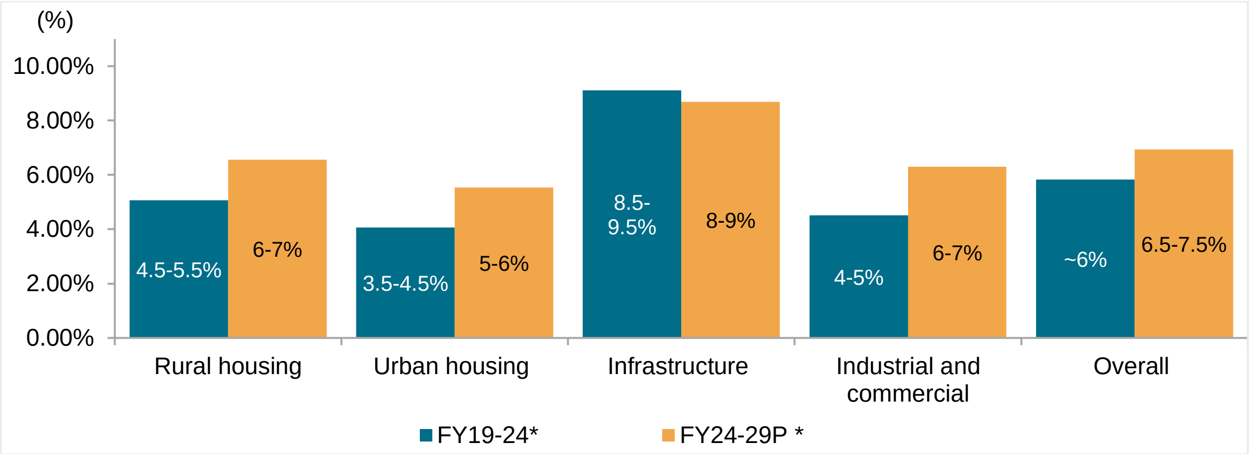


Note: Boxes above the bar represent total demand in million tonnes in that fiscal year
Source: Crisil Intelligence, Industry

While share of housing segment is expected to marginally contract over the next five years (fiscals 2025 to 2029), it will continue to remain a key contributor, backed by a lower concretisation rate in the country (which means high potential for cement demand growth). Even as housing will be the key volume contributor, infrastructure will expand its share, with the government focusing on infrastructure spending through its flagship schemes, such as PM Gati Shakti, and rising investments in roads, railways, metros, airports, and irrigation. The segment's share is expected to increase to 31-33% in fiscal 2029. The Central government's focus on roads, railways, urban infrastructure, and irrigation will boost infrastructure investments.

On the other hand, the share of the industrial and commercial segment is expected to remain almost at par with marginal decline to 12-14% in fiscal 2029. Recent government initiatives, such as the PLI scheme and Atmanirbhar Bharat, focus on multimodal logistics, warehousing, hybrid model of working and rising capex owing to a long-term positive demand outlook are expected to support demand from the industrial segment.

Figure 17- Segment-wise cement demand growth outlook



*Note: *CAGR*
Source: Crisil Intelligence

Table 9- Segment-wise cement demand growth outlook

Segmental growth	FY24	FY24-29P*
Rural housing	7-8%	6-7%
Urban housing	8-9%	5-6%
Infrastructure	18-19%	8-9%
Industrial and commercial	11-12%	6-7%
Overall	**11%**	**6.5-7.5%**

Source: Crisil Intelligence
*Note: * Indicates CAGR for the period*

Thus, in the longer run, cement demand will be driven by the infrastructure segment, which has been key driver in the past as well. Growth in the industrial and commercial segment is expected to be supported by government initiatives, such as the PLI schemes and Atmanirbhar Bharat, focus on multimodal logistics, warehousing, hybrid model of working and rising capex.

The housing segment would continue its healthy growth trajectory, with rural housing outpacing the urban segment on the back of a lower development base and a continued rise in the concretisation of kuccha houses.

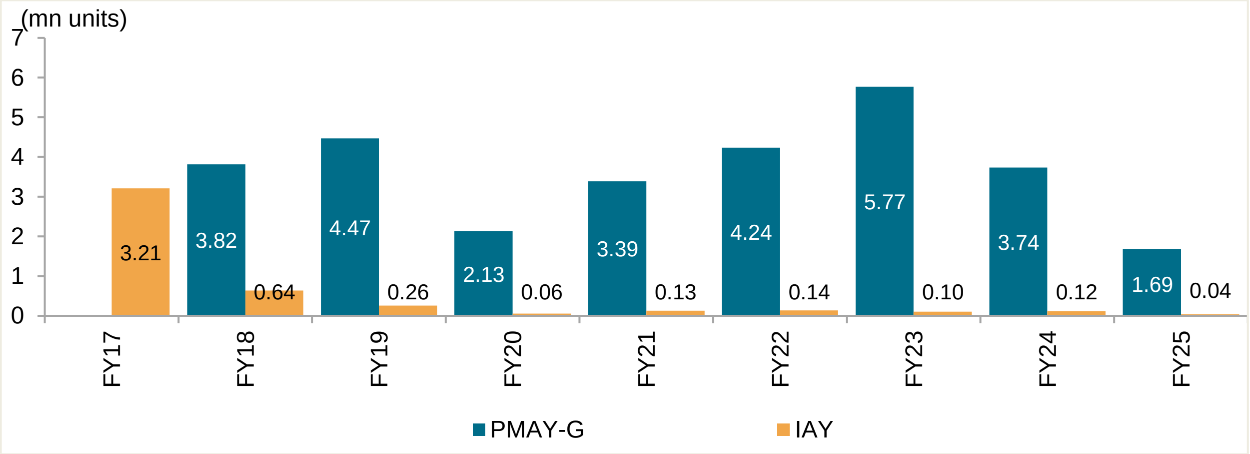
Hence, Crisil Intelligence expects cement demand to log a CAGR of 6.5-7.5% over the next five years, moderately higher than the ~6% CAGR during the past five years driven by a number of infrastructure investments and healthy momentum from industrial and commercial segment.

3.2.1 Housing

Rural housing demand

In order to achieve the target of Housing for All in rural areas, the Ministry of Rural Development implemented Pradhan Mantri Awaas Yojana- Gramin (PMAY-G) with effect from April 2016 to construct 29.5 million houses. The Union Cabinet further approved implementation of additional 20 million houses over fiscal 2025 to fiscal 2029. As of March 2025, a total of ~33.2 million units have been sanctioned, of which, construction of ~27.4 million have been completed (completion rate of ~83% of the total sanctioned units). As many as ~5.7 million units are under construction. Execution pace under PMAY-G moderated in fiscal 2025, due to fund diversion during elections, followed by slower construction pace during erratic monsoon. However, it is expected to ramp up in fiscal 2026 on account of rise in sanctions in later half of fiscal 2025.

Figure 18- PMAY-G construction



Source: Pradhan Mantri Awaas Yojana- Gramin; IAY: Indira Gandhi Awaas Yojna

The announcement in budget 2025, to bring 20 million additional houses under the ambit of PMAY-Gramin scheme over the next five years, will support demand from the housing segment in the long run.

Further, the actual shortage remains well above the deficit identified at 29.5 million units and will continue to drive demand even beyond fiscal 2026. Hence, in the longer run, rural housing is expected to grow by healthy 6-7% CAGR over the next five years, supported by lower development base and continued concretisation of kutcha houses.

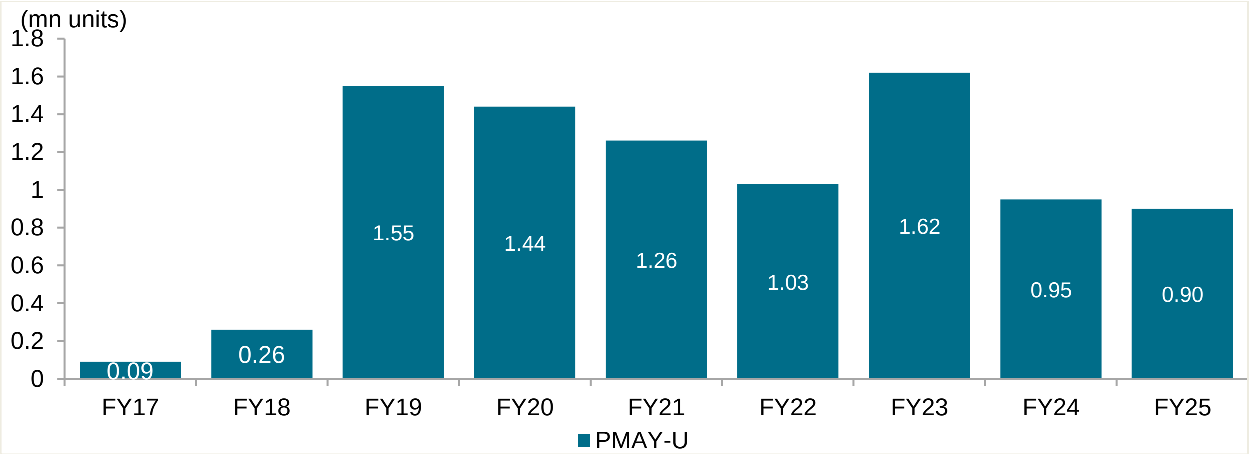
Urban housing demand

PMAY-U is an affordable housing scheme under implementation from 2015. It seeks to achieve the objective of Housing for All by 2022. However. The scheme has been extended to beyond 2024. The scheme comprises four components: (i) in situ rehabilitation of existing slum dwellers (using the existing land under slums to provide houses for slum dwellers) through private participation; (ii) credit-linked subsidy scheme for economically weaker sections and low- and middle-income groups; (iii) affordable housing partnership with states/union territories /cities, including private sector and industries; and (iv) subsidy for beneficiary-led individual house construction.

The PMAY-U programme witnessed healthy construction in fiscals 2019 and 2020, but lost momentum in fiscal 2021 as urban construction was adversely impacted by the pandemic-induced lockdown. While ~1.55 and ~1.44 million units were constructed in fiscals 2019 and 2020, respectively, ~1.26 million were constructed in fiscal 2021, despite the pandemic, as construction pace was healthy in the second half. In fiscal 2022, construction momentum slowed down further to ~1.03 million units due to weak execution in the second quarter. In fiscal 2023, construction pace recovered with fast-paced and steady execution of ~1.62 million units during the fiscal.

Construction pace moderated in fiscal 2024 with ~0.95 million units built after witnessing the fast-paced execution in fiscal 2023. After moderate pace of execution in fiscal 2024, the pace of construction remained steady in fiscal 2025. As of March 2025, ~9.1 million houses have been constructed, while ~2.1 million houses are under various stages of construction (completion rate of ~77% of the sanctioned units). The sanctioning under the scheme has remained muted during fiscal 2025 as it has already surpassed targeted houses, with around 11.9 million houses sanctioned as of March 2025. However, with under-construction units of ~2.1 million houses as of March 2025, execution is expected to pick up pace in fiscal 2026, while funding pace remains monitorable.

Figure 19- PMAY-U construction



Source: Ministry of Housing and Urban Affairs

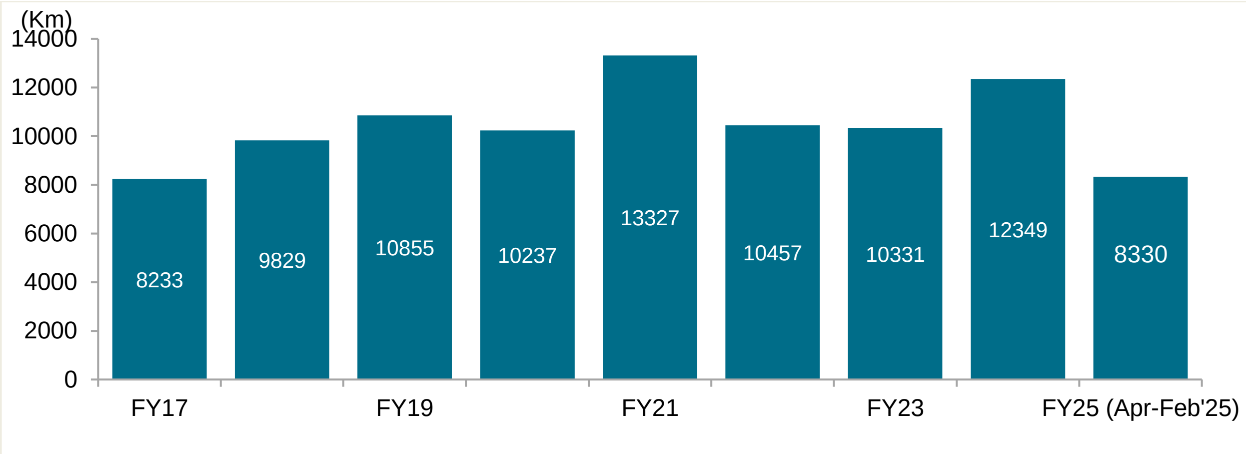
3.2.2 Infrastructure

Within infrastructure, roads have been the largest contributor to cement demand, followed by railways, irrigation, and urban infra. There has been a sharp rise in the capex spending towards infrastructure. In fiscal 2024, the Central government's capital expenditure has been ~28% higher for the road ministry and ~52% higher for railways compared to previous fiscal. Infrastructure to continue its strong momentum, led by the government's spending, primarily across its flagship schemes, such as PM Gati Shakti and the National Infrastructure Pipeline. Projects focusing on port connectivity, tourism infrastructure and amenities on islands, including Lakshadweep, to also support the infra segment along with ongoing metro construction, and development of airports. While the infrastructure segment is expected to remain a key demand driver, only a marginal rise of 4% in capex for core infrastructure ministries for fiscal 2025BE over fiscal 2024RE is expected to slow down demand growth of the infrastructure segment to 6-7% in fiscal 2025. The government's focus on developing dedicated rail corridors for the energy, mineral and cement sectors, higher budget allocation for metro, UDAN scheme for airports, expansion of metro rail and Namo Bharat to more cities, ongoing NHAI and Bharatmala road projects continued to support infrastructure demand in fiscal 2025. With the budgeted amount for fiscal 2026 (BE) remaining unchanged from fiscal 2025 (RE), the pace of growth in road construction will be contingent upon the pace of execution of previously awarded projects.

Roads-NHAI: Bharatmala Pariyojana, an umbrella project of the Central government launched in 2015, aims to improve efficiency in the roads sector. It is expected to supersede the National Highways Development Project (NHDP) and envisages the construction of 83,677 km of highways under the following categories: national corridor (north-south, east-west, and Golden Quadrilateral), economic corridor, inter-corridor roads, and feeder roads. Bharatmala, along with the schemes currently undertaken, requires a total outlay of Rs 6.9 trillion. The roads and highways capex growth for fiscal 2025 had witnessed a sharp moderation in growth rate and was only higher by 3% vis-à-vis fiscal 2024RE. Similar to the fiscal 2024, the entire allocation of Rs 2,72,000 crore was via GBS as the IEBR limit was completely eliminated in order to reduce the NHAI's dependence on market borrowings. The budgetary allocation of Rs 1,70,226 crore towards the NHAI for fiscal 2026 has remained flattish vis-à-vis fiscal 2025RE.

The Phase I target is ~34,800 km: 24,800 km of various categories of roads and 10,000 km of residual NHDP projects at a cost of Rs 5.35 lakh crore. As of February 2025, ~26,425 km has been awarded and ~19,826 km has been completed (~57% completion of target). The balance projects are targeted for awarding by fiscal 2026/27. In fiscal 2024, awarding momentum has been marred by various roadblocks. Phase-1 has witnessed significant cost overrun on account of costlier land acquisition and high inflation. As a result, execution pace moderated in fiscal 2025.

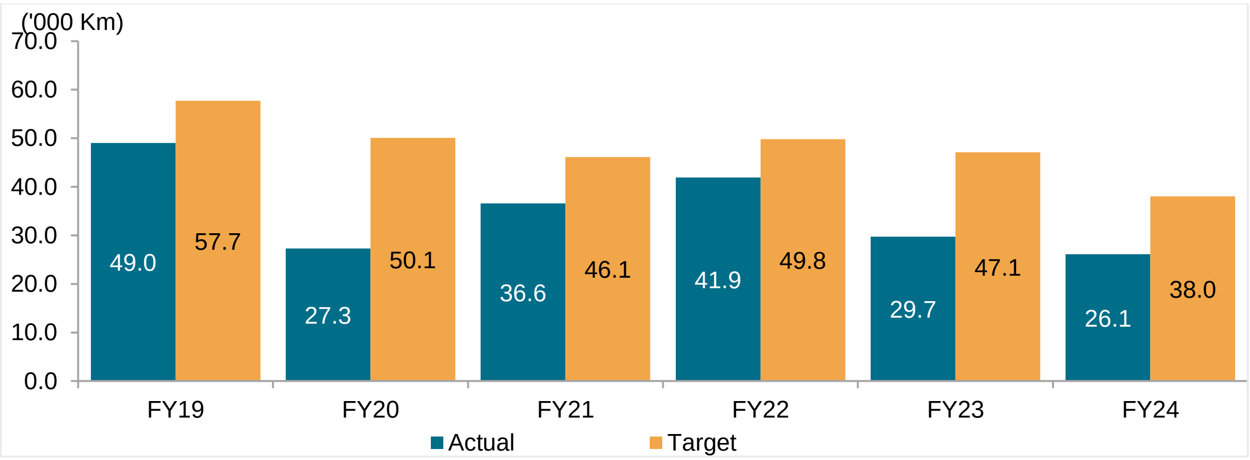
Figure 20- National highways construction (km)



Source: Ministry of Road Transport and Highways, Crisil Intelligence

Roads - PMGSY: The Pradhan Mantri Gram Sadak Yojna (PMGSY) seeks to provide all-weather road connectivity to all eligible unconnected habitations, existing in the core network in rural areas of the country. PMGSY-I was launched in 2000, and 97% of the target was achieved. Under PMGSY-II, 75% of the target was achieved. The target for PMGSY-III is 40% lower than the length of roads constructed over the past five fiscals. Execution under PMGSY improved in fiscal 2022 as ~41,971 km was constructed against a revised target of ~50,000 km (~84% completion rate). The original target of ~61,700 km was revised downward to ~50,000 km. In fiscal 2023, a target of 47,171 km was set under the scheme, of which, ~29,700 km has been constructed. Further out of a lower target of ~38,000 km set for fiscal 24, around 26,100 km has been constructed during the year (~69% achievement). Going ahead, the pace of execution is expected to moderate further in fiscal 2025 since the budgetary allocation for PMGSY has been lower by 29% for FY2025BE over FY2024RE.

Figure 21- Actual road construction v/s target under PMGSY



Source: PMGSY, Crisil Intelligence

Dedicated Freight Corridor (DFC): these corridors are intended to help the Indian Railways regain lost freight share by cutting the turnaround time between importing and consuming destinations, compelling cement industries to realign their logistics strategies. Thus, roads that have outperformed railways over the past decade will lose some share to railways once DFCs are commissioned.

The DFC project is estimated to cost Rs 124,005 crore for the eastern (1,337 km) and western (1,506 km) sectors. As per the project details, the Western DFC covers 1,504 km, linking Jawaharlal Nehru Port Trust near Navi Mumbai, Maharashtra, to Dadri, Uttar Pradesh, passing through Vadodara, Ahmedabad, Palanpur, Madar, Phulera and Rewari. The Eastern DFC covers 1,337 km, connecting Ludhiana, Punjab, to Dankuni near Kolkata, West Bengal, passing through Haryana, Bihar, Uttar Pradesh, and Jharkhand. Both routes account for more than 20% of the pan-India primary freight in billion tonne kilometre (BTKM) terms. Container traffic (~65% of the Western DFC) and bulk commodities (~89% of the Eastern DFC), which dominate the freight carried on these routes, are expected to shift to railways. As of April 2024, 2,741 kms out of 2,843 km have been commissioned (~91% physical progress and 88% financial progress was achieved under both EDFC and WDFC). ~100% of land acquired for WDFC. EDFC all routes have been commissioned while WDFC completion targets are delayed up to December 2024. Further new routes of ~4358 kms have been proposed.

Urban infrastructure: Urban infrastructure includes construction-intensive mass rapid transit system (MRTS), bus rapid transit system (BRTS), water supply and sanitation (WSS) projects, smart cities, and related infrastructure development. Investment in India's urban infrastructure is driven by government schemes such as AMRUT, Swachh Bharat, Clean Ganga and Jal Jeevan Mission. WSS projects, metro construction in major Indian cities, and commencement of work on 105 smart cities have boosted urban infrastructure investment in the past five years.

Metro and MRTS and Smart City Mission

The government intends to expand metro rail and Namo Bharat to more cities with focus on rapid urbanisation. For this, central government has allocated Rs 24,932 crore for FY25BE against Rs 23,104 crore in FY24RE (7.9% higher). As of August 2024, ~1018 km of metro rail is operational in the country while another ~945 km is under construction.

The Government of India launched Smart City Mission (SCM) on June 25, 2015, to improve living conditions in 100 cities across India. At least one city from every state/union territory was selected under the SCM to implement the concept of a ‘smart city’. The goal was to be accomplished by improving infrastructure and services such as water, sanitation, energy, mobility, education and health.

To further push infrastructure spending, the government has approved a budget of Rs 10,400 crore in FY25BE for the development of over 100 smart cities. The focus is on adequate and clean water supply, sanitation, solid waste management, efficient transportation, affordable housing for the poor, power supply, robust IT connectivity, e-governance, safety and security of citizens, health and education. As of July 2024, nearly 73% projects have been completed and remaining 27% projects are under implementation.

PM Gati Shakti Master Plan: PM Gati Shakti National Master Plan (NMP) was launched on 13th October 2021 for providing multimodal connectivity infrastructure to various economic zones. PM Gati Shakti National Master Plan provides a comprehensive database of the trunk & utility infrastructure, ongoing & future projects of various Infra structure and Economic Ministries/Departments of Central Government and States/UTs. This data is integrated with the GIS-enabled PM Gati Shakti platform, there by facilitating the integrated planning, designing, and monitoring of the Next Generation infrastructure projects on a single portal.

Economic Zones like textile clusters, pharmaceutical clusters, defence corridors, electronic parks, industrial corridors, fishing clusters, agri zones etc. are being mapped for integrated infrastructure planning and make Indian businesses more cost competitive. This will boost economic growth, attract foreign investments while de-risking investments by visualizing the connectivity, and enhance the country’s global competitiveness in export markets.

While the development of integrated infrastructure development is addressed through the PM Gati Shakti NMP, efficiency in services (like processes, digital systems, and regulatory framework) and human resources is addressed by the National Logistics Policy, 2022 through its Comprehensive Logistics Action Plan (CLAP). NMP and National Logistics Policy together provide a framework for creating a data-driven decision support mechanism for an efficient logistics ecosystem aimed at reducing logistics costs and enhancing logistics efficiency in the country.

PM Gati Shakti is a Whole-of-Government approach adopted to facilitate integrated planning of multimodal infrastructure through collaboration among the concerned Ministries. As of Dec 2023, the Logistics Division of DPIIT has conducted 62 Network Planning Group (NPG) meetings to assess the comprehensive area-based socio-economic development of infrastructure projects.

Table 10- Infrastructure targets for 2025

Ministries	Parameter	Target
Ministry of Roads, Transport and Highways	Total Length of NH in the country (in kms) to be built	2,00,000
Ministry of Railways	Total cargo capacity to be achieved in the country (in million tonnes)	1,600
Ministry of Civil Aviation	Total no. of Airports/ Heliports/Water/ Aerodromes to be built in the country	220
Ministry of Ports, Shipping and Waterways	Total cargo capacity to be achieved in ports (in MMTPA)	1,759
Ministry of Petroleum and Natural Gas	Total length of pipelines to be built (in kms)	34,500
Ministry of Power	Total transmission networks to be built (in circuit kms)	4,54,200
Ministry of Renewable Energy	Total Capacity to be achieved (in GW)	225
Department of Telecommunications	Total no. of Gram Panchayats to be connected	2,600,00

Source: Ministry of Commerce & Industry, GOI

National Infrastructure Pipeline: The government launched the National Infrastructure Pipeline (NIP) with a forward-looking approach and with a projected infrastructure investment of around Rs. 1,11,00,000 crore during FY20-25 to provide high quality infrastructure across the country. The NIP has been made on a best effort basis by aggregating the information provided by various stakeholders including line ministries, departments, state governments and private sector across infrastructure sub-sectors identified in the Harmonised Master List of Infrastructure. To draw up the NIP, a bottom-up approach was adopted wherein all projects costing greater than Rs 100 crore per project under construction, proposed greenfield projects, brownfield projects and those at the conceptualisation stage were sought to be captured. During the fiscals 2020 to 2025, sectors such as energy (24%), roads (18%), urban (17%) and railways (12%) amount to ~71% of the projected infrastructure investments in India. The NIP currently has 8,964 projects with a total investment of more than Rs. 108,00,000 crores under different stages of implementation.

3.2.3 Industrial and Commercial

The industrial segment was significantly impacted by the Covid-19 pandemic. The depressed utilisation and stretched financials of players led to the deferral of planned capex for fiscals 2021 and 2022, as companies looked to conserve cash in uncertain times. However, rapid post-pandemic cement demand recovery, continued economic growth and softening commodity prices propelled players to go on a capex spree in fiscal 2023 and fiscal 2024 leading to healthy industrial growth during the period. Cement demand from the industrial and commercial segment has grown by healthy ~13% and ~12% in fiscal 2023 and fiscal 2024 respectively. Further, on two consecutive healthy base, demand growth from Industrial and Commercial (I&C) segment is expected to moderate and grow by 4.5-5.5% in fiscal 2025. Demand to be supported by the implementation of PLI scheme, higher investments in warehouses and data centres and hybrid working model. Additionally, rising demand for commercial real estate owing to the development of IT/ITes industry, the establishment of MNCs & Global Capability Centres (GCCs)and corporate offices, etc will support demand growth in the long run.

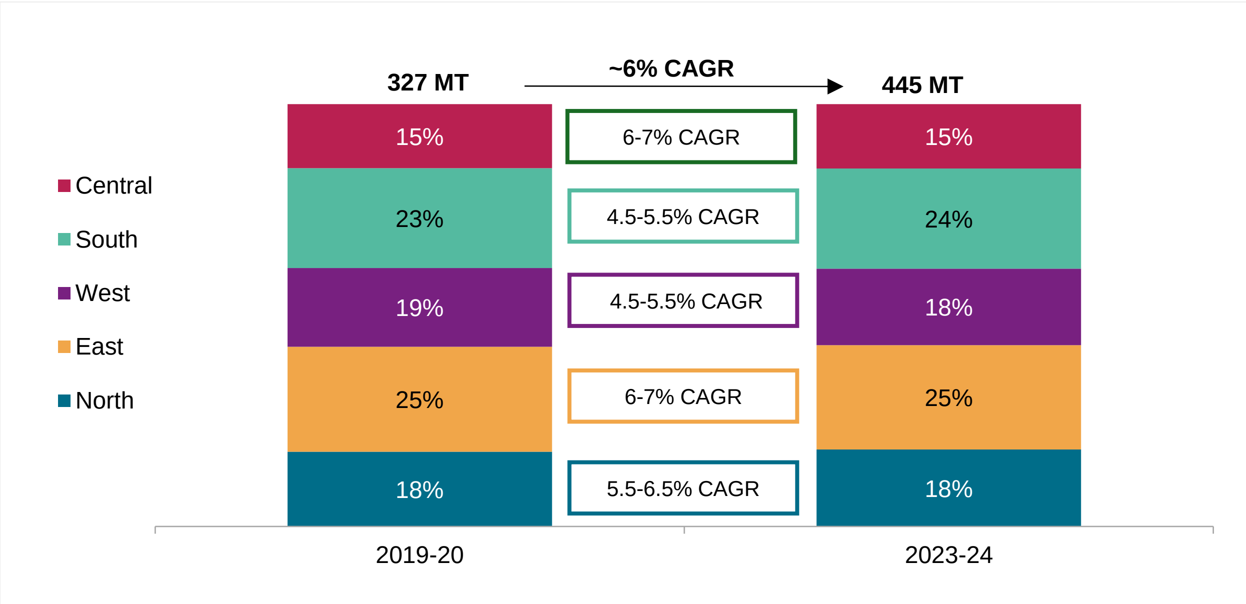
4. Regional demand overview and outlook

4.1 Overview of regional demand

Over the past five years (fiscals 2020-2024), the eastern region (Odisha, Bihar and West Bengal), followed by the central region (Uttar Pradesh and Madhya Pradesh) saw strong demand growth, led by a surge in infrastructure construction and rural housing. Moreover, the eastern region witnessed the highest growth since it was less affected by Covid-19-led demand disruptions as it is a rural concentrated region.

Overall, cement demand logged a healthy CAGR of ~6% over the five-year period, mainly dragged down by the economic slowdown in fiscal 2020 and Covid-19 disruptions in fiscal 2021.

Figure 22- Regional cement demand trend

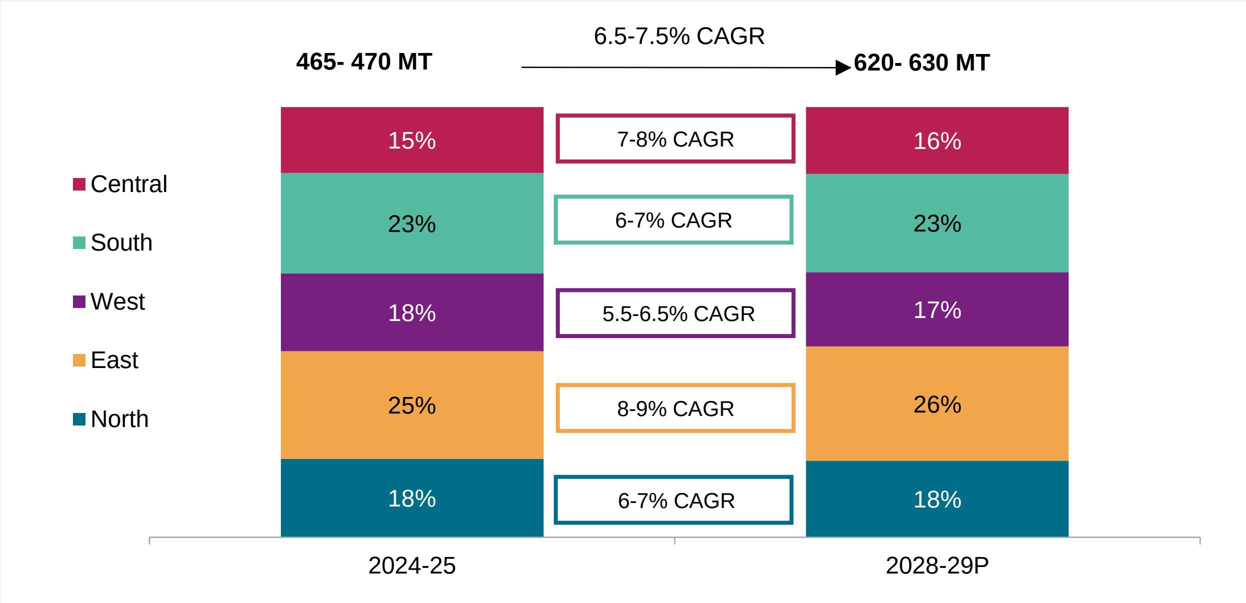


Source: Crisil Intelligence
Note: Regional break up of key states –

North: Delhi, Haryana, Rajasthan; **East:** Bihar, Jharkhand, West Bengal, Odisha, All 8 north eastern states; **West:** Maharashtra, Gujarat, Goa: **South:** Andhra Pradesh-Telangana, Karnataka, Tamil Nadu, Kerala; **Central:** Madhya Pradesh, Uttar Pradesh

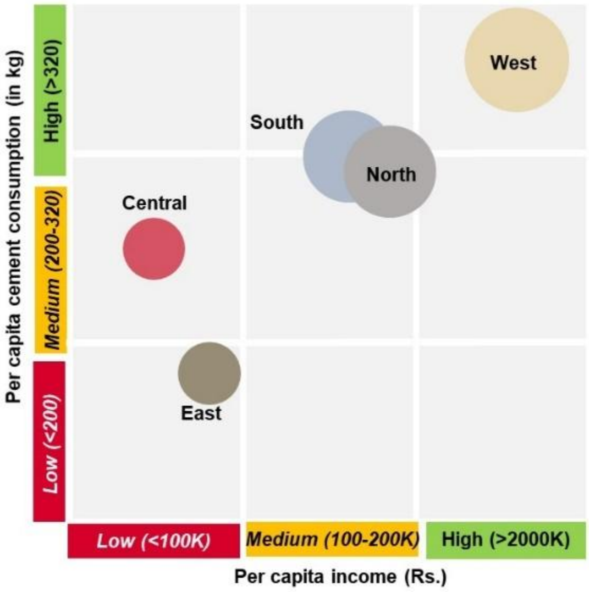
Crisil Intelligence expects cement demand to log a slightly higher 6.5-7.5% CAGR between fiscals 2025 and 2029. During this period, the eastern and central regions, which have a higher housing shortage and a lower base in terms of per capita cement consumption, are expected to exhibit robust growth, followed by the north and south. Demand in the southern region will be supported by real estate and urban housing projects, and road and irrigation infrastructure projects. Central vistas project, metro projects in Delhi and Gurgaon will continue to support demand in the north. The western region is expected to witness moderate growth but likely to grow at a faster rate compared with the previous five fiscals. This region has high-budget infrastructure projects under execution (Mumbai-Ahmedabad bullet train, multiple expressways and metro projects in Mumbai) but already has the highest per capita cement consumption, which will limit the demand growth potential.

Figure 23- Shift in region-wise demand over next five years



Source: Crisil Intelligence

Figure 24- Region-wise per capita income vs per capita cement consumption



Source: Crisil Intelligence, Ministry of Statistics and Programme Implementation (MoSPI), 2011 Census

Eastern and central regions to outperform others in the medium term

Continuing the past decade's trend, the eastern (including north-east) and central regions will continue to drive cement demand in India in the medium term, led by the government's thrust on infrastructure and housing, coupled with a low base of development. Per capita income and per capita cement consumption in these two regions are well-below pan-India numbers, thereby providing significant potential upside. Though the northern, western and southern regions comprise the more industrialised states, demand growth has been relatively low in the past; they are expected to continue lagging the other two regions in the future as well.

Further, the eastern and central regions account for over a third of the rural housing shortage, according to the 2011 census. Although the shortage has lessened over the years on the back of central and state government schemes such as PMAY-G and Biju Pucca Ghar Yojana in Odisha, it remains high.

North: Demand outlook to marginally improve in longer term

Review (fiscal 2020-2024): Infrastructure projects and affordable housing helped cement demand log 5.5-6.5% CAGR in the northern region over fiscals 2020-2024. Demand from metro projects in and around the National Capital Region (NCR) and construction by the NHAI and border roads in Rajasthan continued to support demand during the period. The projects included the DFC in Haryana; metro projects in Delhi and Gurgaon; smart-city-related development in Delhi, Rajasthan and Haryana; and several road and highway projects. In addition, affordable housing continued to support demand growth.

Table 11- Cement demand review and outlook for the northern region

Region	Housing	Infrastructure	Commercial/industrial	FY20-24	FY24	FY25P	FY25-29P
North				5.5-6.5%	12%	5.5-6.5%	6-7%

Moderate growth less than 7% Healthy growth above 7%

Source: Crisil Intelligence, Industry

Outlook (fiscal 2025-2029): Crisil Intelligence estimates growth to moderate in fiscal 25 to 5.5-6.5% on two consecutive high base years. Also, impact of heat wave during the first quarter to limit demand growth. Various infrastructure projects -- roads, metros, DFC, etc. will support growth in the region in this fiscal along with traction from real estate. Over fiscals 2025-2029, Crisil Intelligence expects cement demand in the region to log a 6-7% CAGR growth. Key infrastructure projects in the region such as metro projects in Delhi, Gurugram (Gurugram-Alwar metro); smart-city-related development in Delhi, Rajasthan (Jaipur and Udaipur) and Faridabad (Haryana); several road and highway projects, etc., will drive cement demand in the region. Real estate development in key existing and emerging pockets will gradually support demand as well. However, demand for housing in the region is expected to remain moderate on account of low levels of housing shortage and higher levels of pucca/ concrete houses.

West: Infrastructure and real estate to support demand growth

Review: Cement demand growth witnessed a modest CAGR of 4.5-5.5% over the past five years, owing to swaying demand and the pandemic's impact in fiscal 2021. After a healthy uptick in fiscal 19, the growth declined in fiscal 20 owing to the high base and floods that affected rural areas and infrastructure construction, reducing demand in Maharashtra and Gujarat. In fiscal 2021, demand declined a further 1-3% since the region was the hardest hit by the first wave of Covid-19. In fiscal 22 and 23, the region witnessed recovery on a low base of two consecutive years and due to a pickup in real estate after a reduction in stamp duty, low interest rates, customer preference for individual homes, and pickup in infrastructure projects. In fiscal 24, demand grew further by ~12% even after rebounding sharply in the two previous fiscal years largely led by urban housing and real estate pickup.

Table 12- Cement demand review and outlook for the western region

Region	Housing	Infrastructure	Commercial/industrial	FY20-24	FY24	FY25P	FY25-29P
West				4.5-5.5%	13%	5.5-6.5%	5.5-6.5%

Moderate growth less than 7% Healthy growth above 7%

Source: Crisil Intelligence, Industry

Outlook: Demand growth to moderate in fiscal 2025 to 5.5-6.5% in anticipation of temporary slow-down in funding for infra projects post Lok Sabha elections. However, healthy traction gained from infra and housing projects in Maharashtra ahead of state elections in Nov 2024. In the longer run, Crisil Intelligence expects cement demand in the west to log a 5.5-6.5% CAGR over the forecast period, higher than the growth seen in the previous five years. Development of infrastructure, such as urban infrastructure projects (metros, expressways, national highways), state roads in Gujarat, the Mumbai-Ahmedabad bullet train, multiple expressways and healthy traction in demand for real estate and urban affordable housing to support demand in the region.

East: Social infrastructure and housing development to boost demand

Review: With 6-7% CAGR during fiscals 2020-2024, cement demand in the eastern region (along with central region) outpaced that in most other regions. State governments' focus on development in the region and the low-base effect (east is one of the lowest cement-consuming regions in the country) drove the growth. The demand picked up during the period, driven by healthy growth in affordable housing under the PMAY-G, strong rural demand, smart city-related construction, and IHB. However, some slowdown was witnessed in fiscal 20 and 21 on the back of demand destruction in Odisha due to cyclone Fani and a slowdown in construction in Bihar and Jharkhand due to an acute water shortage. After continued slowdown during fiscal 22 as well, demand rebounded sharply in fiscal 23 largely propelled by traction under rural housing, specially under PMAY-G. Rural housing remains the key demand driver in the region amid a higher housing shortage. Although, fiscal 24 witnessed relatively lower demand growth owing to sand and aggregate availability issue as well as funding issue in West Bengal and Bihar during second half of the fiscal.

Table 13- Cement demand review and outlook for the eastern region

Region	Housing	Infrastructure	Commercial/industrial	FY20-24	FY24	FY25P	FY25-29P
East				6-7%	9%	5-6%	8-9%

 Moderate growth less than 7%  Healthy growth above 7%

Source: Crisil Intelligence, Industry

Outlook: In fiscal 2025, growth is expected to moderate to 5-6% in line with post-election moderation in demand. Also, moderate slowdown expected post assembly elections in Odisha during Q1FY25 which will limit further demand uptick. In the longer run, rural housing (IHB and PMAY-G) and infrastructure (roads and railways) development should propel healthy cement demand during fiscals 2025-2029. Demand in this region is expected to log 8-9% CAGR during the period, supported by lower base of development in north-eastern region. With the lowest per capita cement consumption in the country and a 30-35 million housing shortage identified in the region, Crisil Intelligence expects demand for cement to remain healthy in the long term. Further, an uptick in infrastructure investments is also expected via key projects, such as metro development in Kolkata, Patna and Ranchi; several road and rail connectivity projects in the north-east; smart-city-related development in Odisha (Bhubaneswar), West Bengal (Newtown Kolkata), Jharkhand (Ranchi), Bihar (Bhagalpur), and Chhattisgarh (Raipur); and several other road and highway projects. Industrial demand is also expected to be healthy on the back of investments by the government and private players in the railways, power, cement and steel sectors. Also, fund announcement and allocation under Purvodaya scheme in Union Budget 2025 for eastern states to augur healthy demand over medium term.

Central: Housing and infrastructure development to drive healthy growth

Review: Over the five-year period, cement demand logged a strong 6-7% CAGR in the region. Demand growth remained healthy in fiscal 19, however, the region witnessed a slowdown during fiscal 20 and 21 on account of previous two healthy base, water scarcity in Bundelkhand and flooding in MP. Although, in fiscal 22 and 23 pre-election spending in Uttar Pradesh with a slew of infrastructure projects under execution, majorly roads, airports, and metro, supported the demand revival in the region and grew at a healthy rate. In fiscal 24 demand witnessed another year of healthy growth owing to infrastructure construction, a pick-up in urban housing development in Uttar Pradesh and healthy rural housing demand in Madhya Pradesh.

Outlook: On two consecutive healthy bases, demand growth is expected to moderate to 4.5-5.5% in fiscal 2025. Fund diversion during elections caused temporary slowdown of infra projects leading to demand moderation. Excess rainfall in various regions of Uttar Pradesh and Madhya Pradesh also hampered construction activities during the second quarter of the fiscal. Further, lower budgeted state spending for the year in MP will limit growth. However, during fiscals 2025-2029, cement demand in the region is expected to log healthy 7-8% CAGR, moderately higher than growth seen in the previous five years. Key infrastructure projects in the region, such as metro projects in Bhopal, Meerut, Agra and Indore; smart-city-related development in Madhya Pradesh (Bhopal, Indore and Jabalpur) and Uttar Pradesh (Lucknow); road and highway projects; irrigation projects and the waterway project across Varanasi-Haldia will back cement demand. Further, housing demand in the new emerging pockets of Meerut (after metro linkage to the NCR) and Aligarh, and development in the key centres of Indore, Bhopal and Noida will continue to boost demand. With higher housing shortage and lower developmental base of infrastructure, region to witness healthy growth from housing and infra segment, while growth from commercial and industrial segment is expected to be moderate. Lower presence of corporate hubs/MNCs to limit growth from commercial segment.

Table 14- Cement demand review and outlook for the central region

Region	Housing	Infrastructure	Commercial/industrial	FY20-24	FY24	FY25P	FY25-29P
Central				6-7%	12%	4.5-5.5%	7-8%

 Moderate growth less than 7%  Healthy growth above 7%

Source: Crisil Intelligence, industry

South: Demand growth over medium term to be supported by infrastructure projects

Review: The southern region clocked in CAGR of 4.5-5.5% during the past 5 years. The region was most severely impacted during fiscal 20 and 21 amidst disruptions in demand due to general and assembly elections, the cancellation of several awarded projects, the stalling of construction work in Amaravati and stricter lockdowns and related labour and supply-chain disruptions due to Covid-19 leading to a sharp decline. Going forward, demand recovery was faster in Andhra Pradesh and Telangana led by government spending on housing and infrastructure projects. In fiscal 22 and 23, the demand rose sharply on a low base, driven by a pickup in infrastructure execution and housing projects across southern states. In fiscal 24, growth momentum continued its healthy pace led by traction from infrastructure project executions, primarily roads, expressways, metros, etc.

Outlook: In fiscal 2025, growth is expected to only marginally inch up by 2-3% on two consecutive healthy bases. Formation of new state government in AP/Telangana, heavy rains and floods in Kerala and Tamil Nadu and sand issues in Karnataka, negatively impacted demand in first half of the fiscal. Although, over fiscals 2025-2029, the demand in the region is expected to log a 6-7% CAGR. States with poor growth in the past, such as Tamil Nadu and Karnataka, are expected to witness an upward bias on the back of growth in the state infrastructure segment. Expressways, such as Chennai-Tiruchirapalli expressway, Namma Metro construction in Bengaluru, Kochi metro, irrigation projects, etc, would drive incremental cement demand during the next five years. Allocation of ~Rs. 15,000 crores for developmental projects in Amravati under the Purvodaya scheme to also aid demand growth over medium term.

Table 15- Cement demand review and outlook for the southern region

Region	Housing	Infrastructure	Commercial/industrial	FY20-24	FY24	FY25P	FY25-29P
South				**4.5-5.5%**	**12.5%**	**2-3%**	**6-7%**

Moderate growth less than 7% Healthy growth above 7%

Source: Crisil Intelligence, industry

Table 16- Summary of regional cement demand growth

Region	Housing	Infrastructure	Commercial/industrial	FY20-24	FY24	FY25P	FY25-29P
North				5.5-6.5%	12%	5.5-6.5%	6-7%
West				4.5-5.5%	13%	5.5-6.5%	5.5-6.5%
East				6-7%	9%	5-6%	8-9%
Central				6-7%	12%	4.5-5.5%	7-8%
South				4.5-5.5%	12.5%	2-3%	6-7%

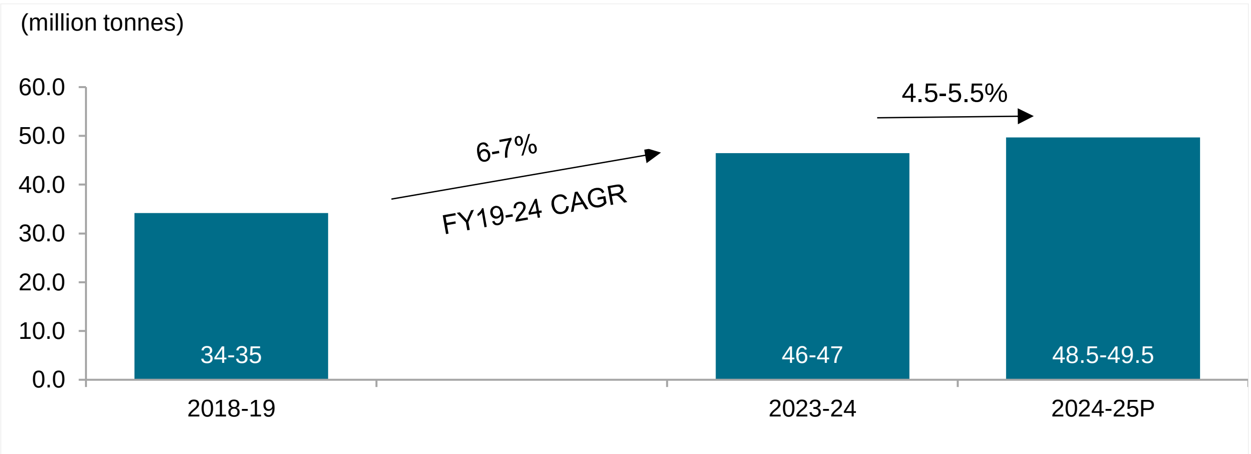
Moderate growth less than 7% Healthy growth above 7%

Source: Crisil Intelligence, industry

4.2 State-wise demand review and outlook

4.2.1 Uttar Pradesh

Figure 25- Cement demand review for Uttar Pradesh



Source: Crisil Intelligence

Uttar Pradesh's cement demand is estimated to reach 46-47 million tonnes in fiscal 2024. The state's cement demand has grown at a healthy 6-7% CAGR between fiscals 2019 and 2024. After experiencing flattish growth in fiscal 2021 due to pandemic-induced disruptions, demand surged in fiscal 2022, driven by robust government spending ahead of state elections in the fourth quarter. Although pandemic-related uncertainties limited growth during the latter half of the fiscal, demand growth momentum picked up pace in fiscal 2023, driven by the mitigation of sand and coarse shortage issues in the state.

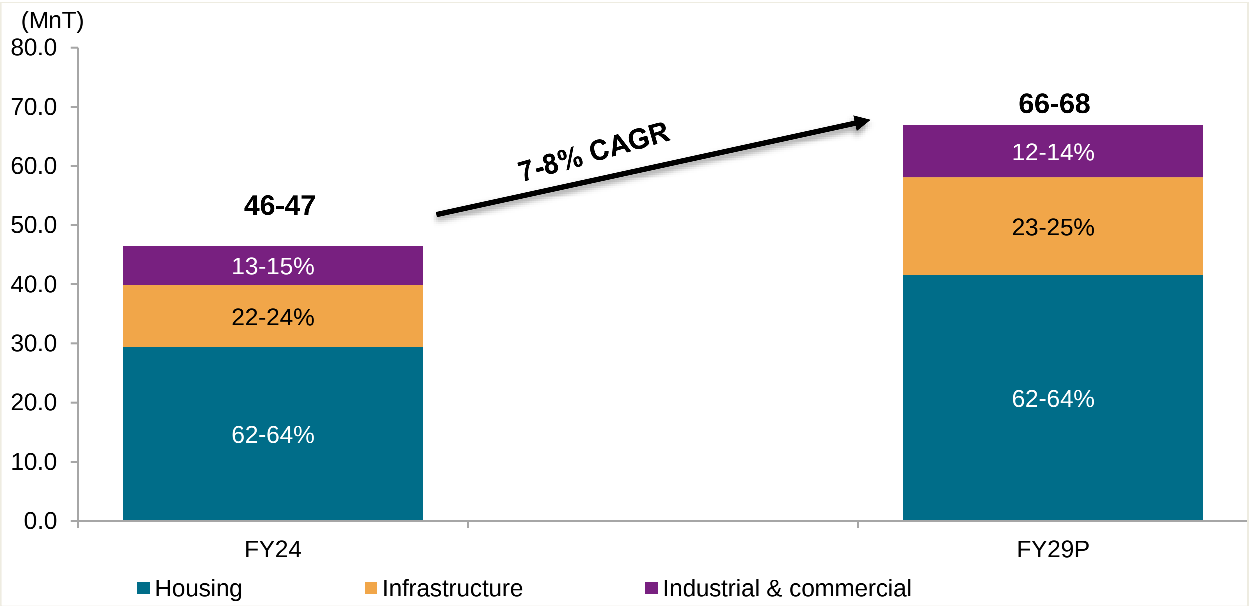
The demand growth momentum continued in fiscal 2024, driven by higher traction in the infrastructure and housing segments. The central government's emphasis on projects such as the Ganga expressway, metro projects in Agra, Lucknow, and Kanpur, ahead of general elections, contributed to robust demand despite a high base.

The housing sector accounts for 62-64% of the state's demand, with Individual House Building (IHB) contributing 70-75% to total housing demand. The remaining demand comes from affordable housing and real estate. Demand from the housing sector increased at 5-6% over the past five years (fiscal 2020-2024). Rural housing grew at a relatively faster pace, led by the PMAY-G and IHB, and was further bolstered by the conversion of kuccha to pucca houses and large-scale reverse migration in the state during the pandemic years.

The infrastructure segment expanded at a healthy 9-10% CAGR over the past five years, driven by the state's focus on infrastructure development, particularly roads and expressways, such as the Yamuna expressway, Bundelkhand expressway, Purvanchal expressway, Delhi-Meerut expressway, and the Delhi-Mumbai Industrial Corridor. The state has also seen significant investment in metro projects, including those in Agra, Lucknow, Kanpur, Noida, and Meerut, as well as airports, such as the Noida Jewar airport. With approximately 1,974 km of expressway under construction and 1,225 km of operational expressway as of September 2024, the state has earned the nickname "Expressway Pradesh". Additionally, around 16,177 km of PMGSY roads were constructed between fiscals 2020 and 2024, accounting for approximately 10% of pan-India construction under the scheme, indicating healthy traction in road construction in the state.

Demand from the industrial/commercial segment grew at a sturdy 4-5% over the past five years, driven by the commercialisation of the Noida/Greater Noida region, with various companies opening offices due to better connectivity and infrastructure development.

Figure 26- Cement demand outlook for Uttar Pradesh



Source: Crisil Intelligence

Crisil Intelligence expects cement demand in Uttar Pradesh to grow at a robust 7-8% CAGR over the next five years to reach 66-68 million tonne in fiscal 2029, led by affordable housing and metro and roads development from the infrastructure segment.

Table 17- Segmental cement demand review and outlook for Uttar Pradesh

Segment	Demand growth (FY20-24)	Demand growth (FY24-29P)
Housing	5-6%	7-8%
Infrastructure	9-10%	8-9%
Industrial & commercial	4-5%	5.5-6.5%
Overall	**6-7%**	**7-8%**

Source: Crisil Intelligence

Housing

The demand for housing is expected to remain robust, driven by the continued focus on affordable housing. IHB is likely to remain a major demand driver in the state, led by rising urbanization, a higher housing shortage, and the conversion of kuccha to pucca houses. Under the PMAY-G scheme, approximately 3.58 million units have been constructed out of 3.64 million sanctioned units as of September 2024, with an additional 0.06 million units under construction. The state accounts for around 14% of pan-India rural housing construction under the scheme and ranks first, along with Madhya Pradesh and Bihar. The allocation of new state targets under the announcement of additional PMAY houses in the Union Budget 2024-25 is expected to further boost demand from the rural housing segment. As a result, the state holds immense potential for cement demand from rural housing. The rise in urbanization and increase in concretization are expected to continue to lead to traction in the urban housing segment. Due to limited options and high property prices in Delhi and Gurgaon, the real estate markets of Noida and Greater Noida have gained focus, given the better infrastructure and connectivity in the region.

Infrastructure

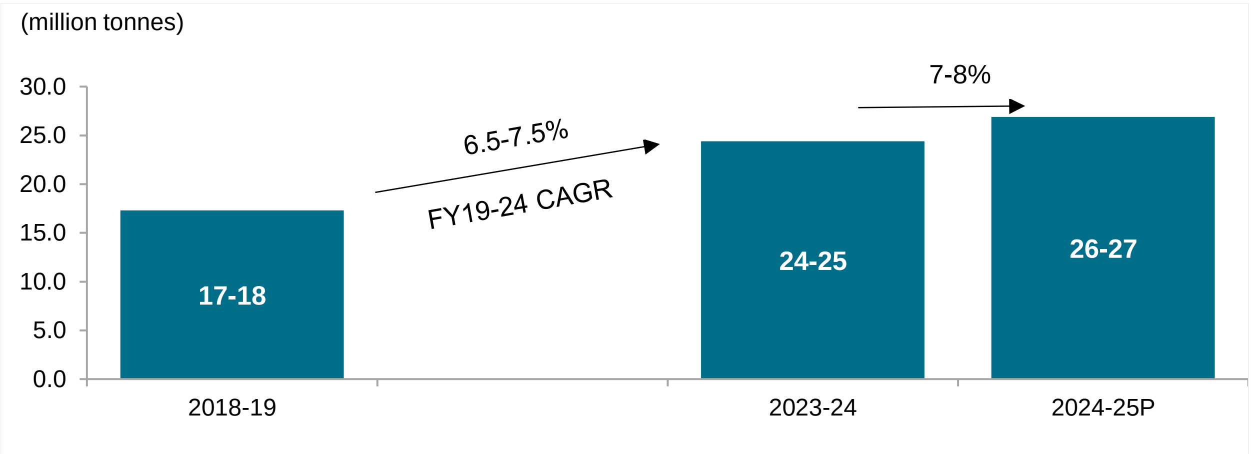
Under the Bharatmala Pariyojana program, 4,800 km (7% of the pan-India target) of roads are to be constructed in phases 1 and 2. Various mega expressways are under construction, including the 594-km Ganga Expressway, 91-km Gorakhpur Link Expressway, and 63-km Kanpur-Lucknow Expressway, among others. Around 46 km of metro line work is under construction in the state, with an additional 36 km approved as of June 2024. The Delhi-Meerut Rapid Rail Transit System (RRTS) is also being completed, with 42 km of the total 82 km route already operational. More than 50% of the work on the remaining route has already been completed. Other infrastructure projects include the construction of Phase 1 of the Film City near the Yamuna Expressway, the rejuvenation of the Ayodhya Dham Railway Station, and others. The government is also investing Rs 950 crore to develop a defence corridor, with work worth Rs 187 crore already completed and an additional Rs 537 crore under construction. Phase 1 of the Ayodhya International Airport was completed in December 2023, while Phase 2 construction is yet to begin. The government has set a target to complete 14 irrigation projects, including the Madhya Ganga Canal Phase-II, Arjun Sahayak irrigation project, and Saryu Nahar Pariyojana, by 2025.

Industrial and Commercial

The industrial and commercial segment is expected to witness healthy growth, driven by a sharp demand revival post-pandemic, and is likely to see further investments going ahead. The construction of expressways, metros, and airports in the state is expected to be a game-changer for the Noida and Greater Noida commercial real estate markets, as connectivity improves in the region.

4.2.2 Bihar

Figure 27- Cement demand review for Bihar



Source: Crisil Intelligence

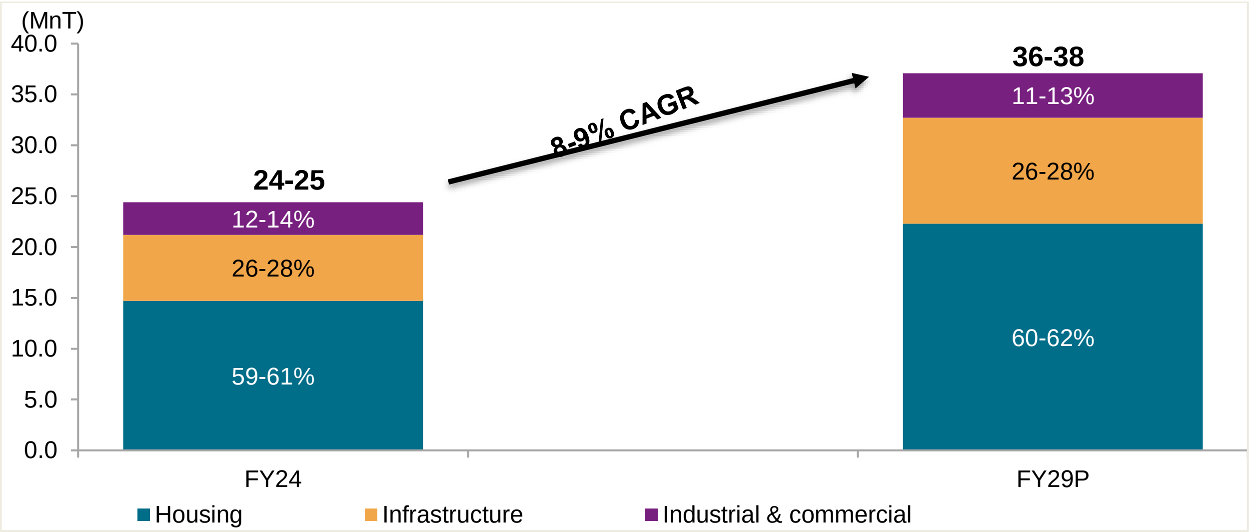
Bihar has been one of the fastest growing markets in India, clocking 6.5-7.5% CAGR over the past five years to reach 24-25 MTPA in fiscal 2024. Rapid development of infrastructure along with concretisation of rural as well as urban houses boosted cement demand in the state. However, cement demand was stagnant in fiscal 2021 as demand dropped in the past three quarters after witnessing sharp growth in the first quarter on a low base. Heavy monsoon in the second quarter, unseasonal rainfall in the third quarter and prolonged sand scarcity issues limited demand growth in the fiscal. However, continued traction in affordable housing and pick-up in roads and bridges construction on the back of improved government spending prevented any fall in demand and led to flattish demand growth in fiscal 2022. Demand rebounded sharply in fiscal 2023, amidst improved sand availability in the state. Continued traction from affordable housing- and pickup in roads and bridges construction on back of improved government spending supported demand growth. Further, demand growth moderated in FY24 but still hovered at healthy levels largely supported by traction from housing in H1FY24. However, various issues such as aggregate availability and transporter’s strike in H2FY24 impacted demand momentum limiting further growth during the fiscal. In fiscal 2025 demand is expected to moderately bounce back by 7-8% and clock a higher than average growth compared to Pan-India owing to rise in state spending by ~9% during 5MFY25 compared to 5MFY24 and focus on rural housing.

The housing segment is the key demand driver in the state, accounting for close to ~60% of the total cement demand as of fiscal 2024. Housing shortage in the state is estimated at ~8 million, with over ~5 million kaccha houses. Rapid execution under PMAY-G in the state has led to steady demand from the housing segment.

The infrastructure segment recorded robust CAGR of 10-11% in the state over the past five years, led by steep rise in state capital outlay towards water supply, sanitation and roads. The rapid pace of NHAI construction along with over 9037 km of PMGSY construction over fiscals 2020-24 (~6% of pan-India construction under the scheme) aided demand from the infra segment in the state. State expenditure on transport also increased by around 7.5% CAGR in last five years. State has built ~25 major bridges in last 5 years majority of them over Ganga river.

Stable political scenario and robust services growth led to surge in investments and resultant steady growth from the industrial and commercial segment as well.

Figure 28- Cement demand outlook for Bihar



Source: Crisil Intelligence

Crisil Intelligence expects cement demand in Bihar to increase at 8-9% CAGR over the next five years to reach 36-38 million tonne in fiscal 2029, on the back of healthy traction from the rural housing and infrastructure segments.

Table 18- Segmental cement demand review and outlook for Bihar

Segment	Demand growth (FY20-24)	Demand growth (FY24-29P)
Housing	5.5-6.5%	8-9%
Infrastructure	10-11%	8.5-9.5%
Industrial & commercial	6.5-7.5%	6-7%
Overall	**6.5-7.5%**	**8-9%**

Source: Crisil Intelligence

Housing

Like most states in the eastern region, the housing segment in Bihar is largely drive by IHBs, contributing close to half the demand in the state. Continued focus of central and state government on housing in the state, along with improvement in rural income is expected to lead to healthy growth of 8-9% CAGR from the segment. High share of kutcha and semi-pucca houses in the state (40-45%) will also aid demand growth on the back of increasing concretisation. Rural housing dominates in the state from cement demand point of view. IHB and PMAY to remain key demand levers in medium term amidst higher housing shortage. As of Sep-24, 3.80 million units have been sanctioned by the state government of which ~3.65 million units have been constructed (~96% completion rate). Around ~0.14 million units are under various stages of construction. Announcement of new state target under the scheme to remain positive monitorable.

Infrastructure

Demand from the infrastructure segment is expected to shoot up, led by improvement in road, bridges and railways construction in the state. Under Bharatmala Pariyojana, 1,670 km (3% of pan-India target) of roads are to be constructed in phases 1 and 2. Major ongoing projects include construction of Gorakhpur- Siliguri Expressway passing through 10 districts of Bihar and expected to increase by 2025. Land acquisition process ongoing for Amas Darbhanga expressway. In Union Budget 2024-25, GOI announced multiple road projects in the state worth Rs 26000 crore rupees such as Patna-Purnea Expressway, Buxar-

Bhagalpur Expressway, Bodhgaya, Rajgir, Vaishali and Darbhanga spurs, and additional 2-lane bridge over river Ganga at Buxar.

Special allocation of Rs. ~58,000 crore for various projects in Bihar along with Purvodaya scheme in union budget 2025 to provide healthy boost to state demand. Patna Metro Phase-1 with 2 lines of 22 kms is under construction and further 9 km has been approved. The first section of Phase 1, which includes 5 stations, is expected to be operational by March 2025. Meanwhile, the entire Phase 1 is likely to be completed by 2027. In Jun'24, state cabinet granted approval for new metro projects in Gaya, Muzaffarpur, Darbhanga and Bhagalpur. Feasibility report and DPR preparation to be followed in near term.

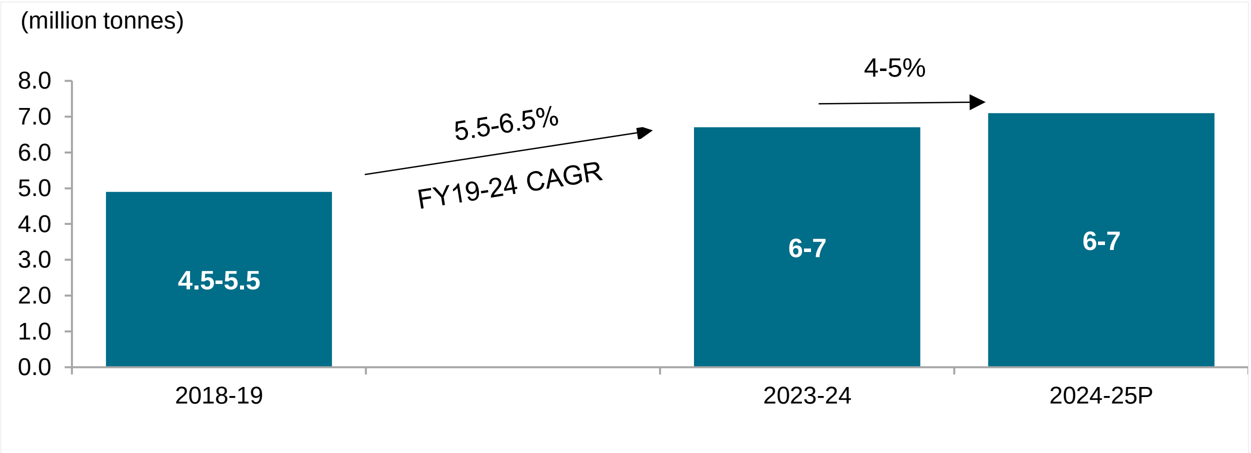
Industrial and commercial

The industrial and commercial segment is also expected to witness healthy growth as industrial capex picks up in the state. Also, completion of the Eastern Dedicated Freight Corridor is likely to lead to investments in warehousing. Increased urbanisation will also lead to pick up in commercial demand, especially in Patna.

4.2.3 Delhi

Delhi's cement demand in fiscal 2024 stood at 6-7 million tonnes. Cement demand in the state has grown at a healthy 5.5-6.5% CAGR over fiscals 2019-24. State witnessed negative growth during fiscal 2020 as the region battled with stringent pandemic related curbs and limitations, hampering construction momentum. Demand gradually improved in fiscal 2021 and rebounded sharply in fiscal 2022 and fiscal 2023 with pent up demand post Covid-19 disruptions. Further, on high base of fiscal 2023, demand witnessed healthy growth in fiscal 2024 largely propelled by pre-election infra push and execution of roads, airport, industrial corridors, parliament redevelopment project, etc. as well as traction from commercial real estate. Construction of central vistas projects, major expressways and highways also supported demand growth in the state during the year.

Figure 29- Cement demand review for Delhi

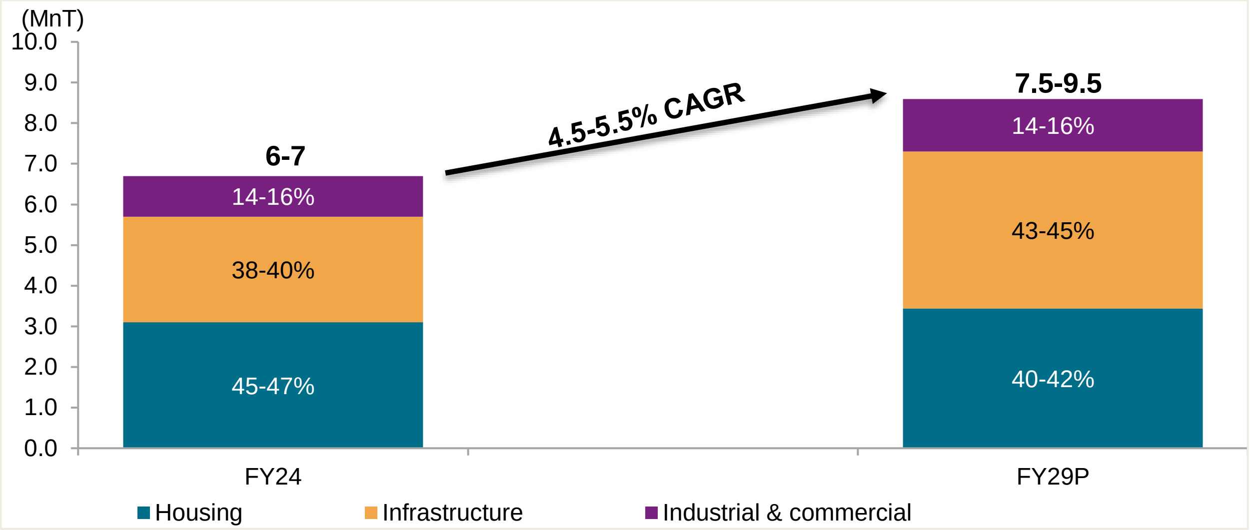


Source: Crisil Intelligence

The housing sector accounts for 45-47% of the demand in the state with higher demand from real estate. Demand from housing increased at moderate 3-4% in the past five years (fiscal 2020-2024). Urban housing grew at relatively better pace than rural housing. Share of rural housing is negligible in the state with quite low housing shortage identified under the segment. Growth from this segment has been subdued with degrowth in past 5 years. Additionally, no targets have been set by government under centrally sponsored scheme of PMAY-G. Urban Housing segment witnessed moderate growth in the last 5 years, limited by slowdown in real estate market and high inventory levels. However sharp recovery in sales was seen in fiscal 2023 and fiscal 2024. Housing segment in the state is highly saturated and demand comes from real estate, renovation, modernisation and re-development of existing houses.

Infrastructure led cement demand has grown robustly by 10-11% in the last 5 years (fiscal 2020-2024) on back of metro development and road projects. State capital outlay for transport witnessed robust growth of ~30% during the 5-year period. Share of demand from infra segment has increased from ~32% in fiscal 19 to 38-40% in fiscal 24. Various projects under Central Vista project propelled healthy growth. New phase of Delhi metro, Delhi-Meerut expressway, Delhi-Panipat road, redevelopment project of Chandni chowk, etc. supported demand growth from infrastructure segment.

Figure 30- Cement demand outlook for Delhi



Source: Crisil Intelligence

Demand from industrial/commercial has remained healthy at 5.5-6.5% in the last 5 years. Hybrid model of work and reopening of offices has led to renewed focus on commercial sector in the last two fiscals. However, demand from industrial segment remains tepid in the state as it majorly comes from warehousing segments.

Crisil Intelligence expects cement demand in Delhi to grow at a moderate pace of 4.5-5.5% CAGR over the next five years to reach 7.5-9.5 million tonne in fiscal 2029. Demand growth to remain moderate on account of saturation and high base of development already existing in the state.

Table 19- Segmental cement demand review and outlook for Delhi

Segment	Demand growth (FY20-24)	Demand growth (FY24-29P)
Housing	3-4%	2-3%
Infrastructure	10-11%	6.5-7.5%
Industrial & commercial	5.5-6.5%	4.5-5.5%
Overall	**5.5-6.5%**	**4.5-5.5%**

Source: Crisil Intelligence

Housing

Demand from the housing segment to marginally inch up by 2-3% supported by growth in urban housing. Urban housing to grow moderately on wheels of real estate and redevelopment projects while elevated interest rates and capital appreciation to limit significant growth. On contrary, rural housing growth is expected to remain flattish with lower share of kuccha houses in the state. Also, no traction from central schemes of PMAY-U and PMAY-G to keep demand in check.

Infrastructure

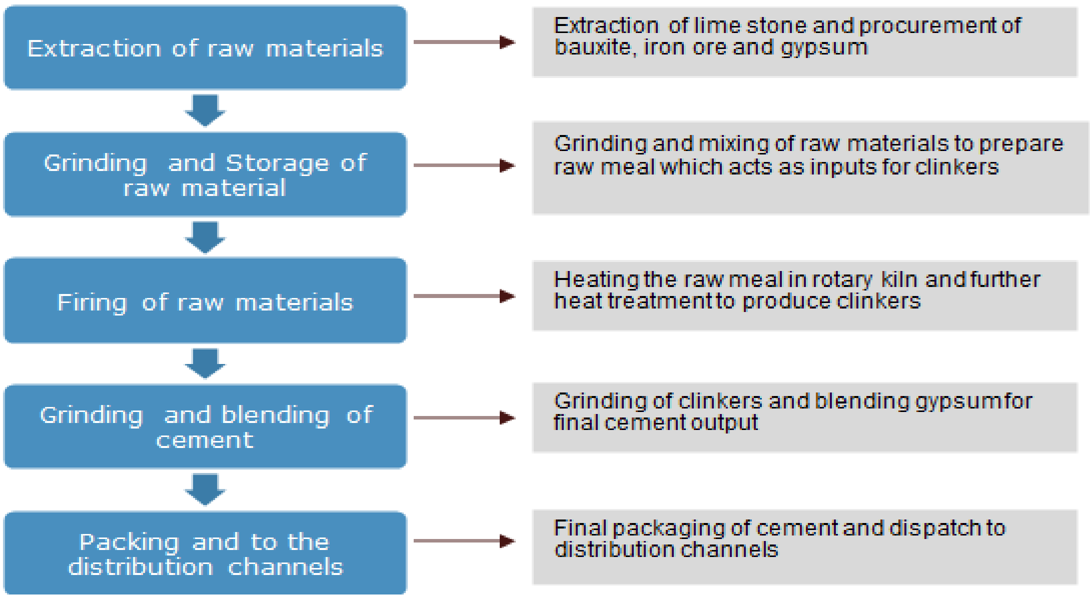
Demand from infra to grow in next 5 years by 6.5-7.5% on high base. Negligible traction under NHAI/PMGSY, robust existing infra base, etc to limit any uptick. However, ongoing infra projects like Delhi metro phase-IV, RRTS, PWD works, expressways and state focus on education and health infra to support demand from infra segment. Delhi Metro Rail (Phase IV) of 65 km is under construction as of Jun’24 and is estimated to be completed by 2026. Major other projects under construction include Chandni Chowk redevelopment, Barapullah Phase III, new waste management plants in places like Burari; shopping complex at Gandhi Maidan, 100 crores redevelopments of 5 iconic markets like Lajpat Nagar, Sarojini Nagar, Kamla Nagar, Kirti Nagar and Khari Bawli, etc.

Industrial & Commercial

In the next 5 years, industrial and commercial segment to grow by ~4.5-5.5% on a moderate base. Demand from commercial spaces to be limited due to saturation and lower availability of free space left in the state.

5. Cement production process

Figure 31- Stages of cement manufacturing



Source: Crisil Intelligence

5.1 Stage I: Manufacturing clinker

Limestone is a key input to produce clinker, to which additives such as bauxite, iron ore, and gypsum are added to manufacture cement. The grades of limestone and proportion of additives used determine the quality of cement produced. Similarly, the choice of fuel depends on availability, cost, and process efficiency. Players are also considering using alternatives generated from agro waste, waste oils, animal meal, rice husk, etc to address the shortage in these inputs and their rising prices.

Step1: Limestone mining, exploration, drilling and blasting

In limestone benching, the quality of input is assessed and compared with benchmarks before the additives are mixed. The benched limestone is then drilled and blasted into small pieces.

Step 2: Crushing

The limestone is crushed to make particles suitable for blending and storage. After this, all raw materials, including additives are ground. The fineness depends on the process requirement and the grinding mill used.

Step 3: Pre-homogeneous stage

In this stage, crushed limestone is packed and transported for stacking in piles. The stacked limestone is then reclaimed by a reclaimer, which transports the limestone to a hopper, where additives such as silica, alumina, and iron ore are added to make the mixture uniform to reduce chemical variations in limestone.

Step 4: Raw mill grinding

Here, the raw meal, comprising limestone, clay, and additives, is finely ground (so that it *reacts fully*) before being burnt in the kiln. There are two types of mills – while vertical roller mills are used for large capacities, ball roller mills are used by smaller plants.

Step 5: Blending and storage

The raw meal/feed is stored in the first silo while continuously blended in the second silo. The feed could also be simultaneously blended and stored in one large silo, wherein blending is done through a series of orifices in the base, with limited fluidisation.

Step 6: Pre-heating stage and kiln

Post blending, the raw meal is heated in a preheater, followed by a rotary kiln to ensure better product quality. Preheater consists of vertical cyclone chambers, where the raw material passes through and meets hot gases from the kiln.

The shape and size of the kiln is also central to cement-making. The kiln is lined with refractory bricks for insulation throughout high-heat zones. The kiln is cylindrical and slightly inclined (by 3-4 degrees) and completes 2-4 revolutions per minute.

The solid material passes down *towards the flame*. Gas, oil, or pulverised coal is used to ignite the flame at the lower or front-end of the kiln. The formation of clinker involves multiple processes, beginning with evaporation of water, thermal decomposition of clay minerals, calcite formation, liquid formation, and finally, formation of clinker.

The clinker then passes into a cooler, before being ground further. The heat is reclaimed and recycled to the kiln as secondary combustion air. Other gases reclaimed from the suspension pre-heater, pre-calciners and the cooler are used as primary combustion air in the kiln. Excess air from the cooler is cleaned and released into the atmosphere.

Introduction of pre-calcination increases clinker output by 2.0-2.5 times and aids the use of low-calorific value coal, as well as various agricultural and industrial combustible wastes. Systems have been developed to use fuels like lignite and petcoke, and other alternatives.

5.2 Stage II: Clinker to cement

Grinding and blending

Cement is produced in a separate grinding mill by grinding cooled clinker with gypsum. Depending upon the grade and the type of cement being manufactured, blast-furnace slag, fly ash, natural pozzolanas, etc, or limestone are also added to the clinker. The mixture of clinker, gypsum and fly ash/ slag is then ground into a fine and homogenous powder in a ball mill/vertical roller mill/roller press. The cement is stored in silos before being dispatched either in bulk or as bags.

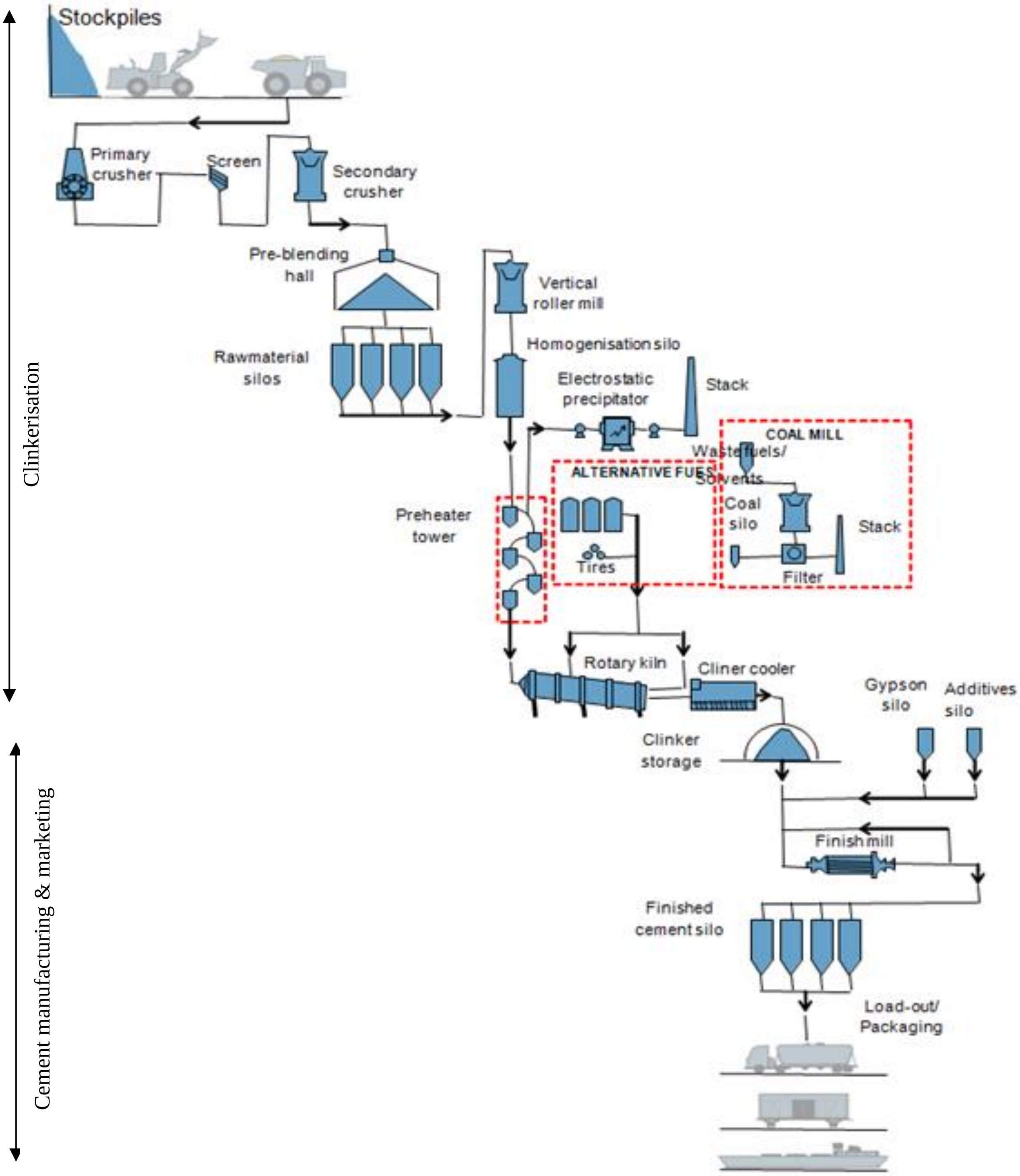
Step 1: Grinding

Ball mills: Ball mills are cylindrical rotating grinding machines that use steel balls to crush and grind materials like clinker and gypsum into the fine powder needed for cement production. Ball mills can operate in either open or closed circuits, with open circuits grinding material directly and producing coarser products, while closed circuits recirculate material for finer grinding and higher efficiency. ***Closed circuit systems***: cement plants use a closed-circuit system, where material from the grinding mill is taken to an air separator or a classifier. Here, based on the particle's size, the mass is separated into a 'fine product' stream and a 'coarse reject' stream. The 'coarse reject' stream is then reground. The diameter of the mill is up to 4.5 metres, with a length-to-diameter (L/D) ratio of ~3. The 'coarse reject' stream is recirculated at a rate similar to that of the clinker feed.

The closed-circuit grinding system is more efficient than the open circuit system, as the rejected particles can be re-circulated, and power consumption is also lower (especially for higher compression cement).

Thus, closed-circuit grinding systems consume 35-40 kWh/tonne. In case of higher compression cement variants, which harden rapidly, such as the OPC-43 and OPC-53 grades, 3-5% of energy is saved, as compared to the open circuit grinding system, where the energy consumption is 55 kWh/tonne.

Figure 32- Cement manufacturing process



Source: Crisil Intelligence, Industry

Vertical Roller Pre-Grinding Mill (VRPM): This technology acts as a pre-grinder, reducing particle size before feeding material to the main mill, most commonly a ball mill. VRPM improves grinding efficiency and increases mill capacity while consuming significantly less energy.

Vertical roller mill (VRM): This is another breakthrough in the grinding process. Besides a higher drying capacity, the VRM consumes 20-30% less power as compared to ball mills.

High pressure grinding rolls (HPGRs): HPGRs operate in different modes: open circuit, pre-treatment with circulation, pre-treatment with de-agglomeration, and recirculation and closed circuit. Such installations could increase capacity by up to 200% and consume 30-40% less power compared to ball mills.

Horizontal roller mill: This is capable of producing uniform raw meal and has advantages in processing raw materials containing higher % of quartz. However, this technology system is yet to be adopted in India.

Separator: The material passes through a dynamic separator which separates fine material from the coarse material. Fine material is then stored in the cement silo as final product and the coarse material is recirculated in the ball mill circuit for finer grinding.

Step 2: Blending

In the past few years, blended cement is gaining popularity over OPC because of advantages such as higher output at lower cost, less requirement of limestone, etc. Further, concerns regarding quality and properties of blended cement have decreased, with the product being accepted across India now. The increased acceptance is a positive for cement makers as they can produce more cement with the current clinker capacity by increasing the blending ratio. Typically, there are two types of blending materials:

Fly ash

Fly ash is a finely divided residue from thermal power plants resulting from the combustion of pulverised bituminous coal or sub-bituminous lignite, which comprise inorganic mineral constituents of coal and organic matter that are not fully burnt. It is generally grey in colour and refractory in nature. Owing to its *pozzolanic properties*, fly ash can be mixed with clinker to form Portland pozzolana cement (PPC). When fly ash is added to cement, it improves its strength and durability and reduces carbon dioxide emissions. However, cement manufacturers can only use up to 35% fly ash in every tonne of cement as per Bureau of Industrial Standards (BIS) norms.

Slag

Slag, which is produced as waste material in steel plants, is the next best blending material. Slag is a non-metallic product, comprising glass containing silicates of lime and other bases, and is obtained as a by-product while manufacturing pig iron. Granulated slag is used to manufacture Portland slag cement.

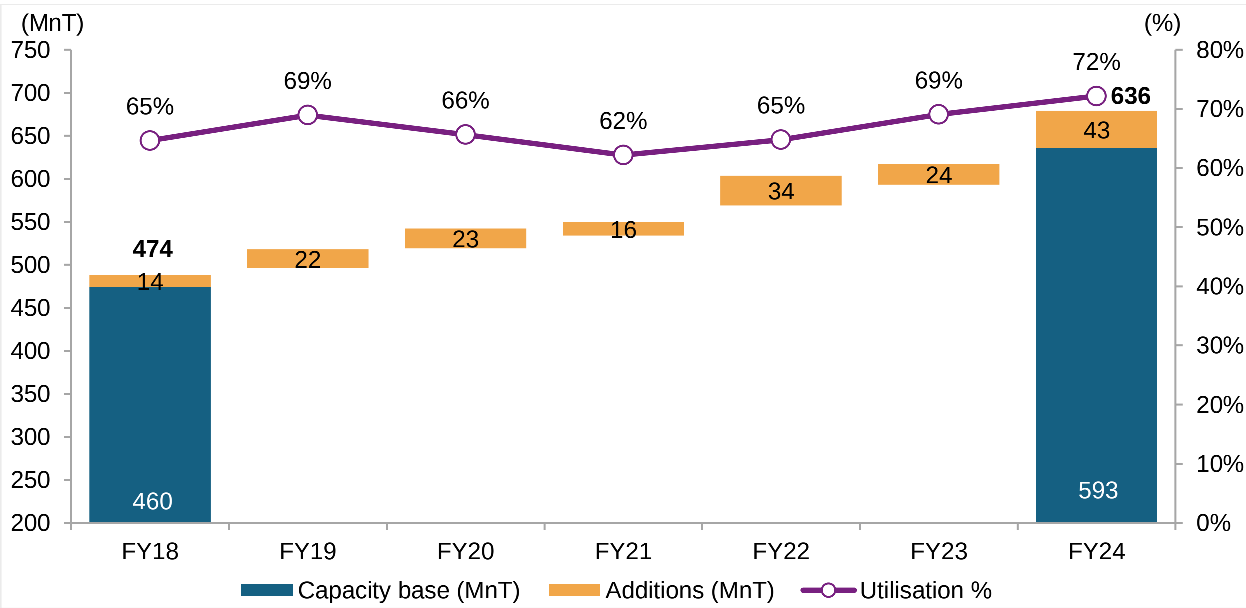
Slag cement can be used for all plain and reinforced concrete constructions, and mass concrete structures, such as dams, reservoirs, swimming pools, river embankments, bridge piers, etc. It is advantageous to use slag cement where low heat of hydration and resistance to alkali-silica reaction are preferred for structures in environments where there are chemical and mildly acidic waters.

Slag adds strength and durability to concrete. It also improves concrete's plastic properties, such as workability and finishing. Slag is environment friendly as well, as is it a recycled material. Also, for each cubic yard of concrete in which it replaces Portland cement, slag cement significantly reduces power consumption and greenhouse gas emissions. The BIS has capped the maximum usage of slag in cement at ~70% in every tonne of cement.

6. All India cement supply overview and outlook

6.1 Pan-India Supply review

Figure 33- Historical capacity additions and capacity utilisation trend



Source: Crisil Intelligence

Fiscal 2021: The cement industry, already struggling amid the economic slowdown in fiscal 2020, was hit hard by the Covid-19 pandemic. Many cement manufacturers delayed their capex plans with no capacity additions undertaken in the first half to focus on cash in hand. With a sharp demand revival, backed by affordable housing and government expenditure on infrastructure in the latter half of the year, cement companies started resuming capex despite the pressure of overcapacity and rising input costs. Around 16 MTPA capacity was added in fiscal 2021, taking the total installed base to 535 MTPA. Despite lower capacity additions during the year, utilisation dropped to ~62% since cement demand was still impacted by pandemic-induced disruptions.

Fiscal 2022: Capacity additions announced on the back of strong demand growth in fiscals 2018 and 2019 came online in the second half of fiscals 2021 and 2022, mounting pressure on the already low utilisation levels. Around 34 MTPA capacity was added in fiscal 2022, taking the total capacity base to 569 MTPA. With a sharp recovery in demand, operating rates rose from 62% to 65% during the year.

Fiscal 2023: After healthy additions in fiscal 2022, capacity addition moderated to ~24 MTPA in fiscal 2023 (inclusive of grinding and integrated units). Higher input costs, led by rising power, fuel and freight prices, which rose further in the first half of 2022, affected profitability, thereby slowing down capex plans. However, strong demand growth led by infrastructure and housing propelled healthy additions during the year as well as strong operating rates of ~69%.

Fiscal 2024: In fiscal 2024, the cement industry added ~43 million tonnes (MT) of cement grinding capacities, inclusive of grinding and integrated units, as against ~24 MT added in fiscal 2023, as players' profitability rebounded in lieu of easing cost pressures which in turn led to higher cash accruals for the capex spending during the fiscal. Healthy demand growth led to rise in utilization level to ~72% despite rise in capacity additions.

Player-wise capacity growth

The Indian cement industry is highly fragmented and competitive, with the presence of a few large players and several medium and small players.

Large and mid-sized players have used both organic and inorganic routes to grow. While UltraTech Cement Limited has undertaken the maximum capacity additions in absolute terms, other large players such as Dalmia Bharat Limited and Shree Cement Limited have added capacity aggressively as well. Among the mid-sized players, JK Cement Limited, JK Lakshmi Limited, JSW Cement Limited and The Ramco Cements Limited have undertaken healthy capacity growth, led by organic expansion to newer regions.

Table 20- Player-wise installed cement grinding capacity (top 10 players)

MTPA	FY14	FY19	FY23	FY24
UltraTech Cement Limited	54.0	109.4	127.0	140.8
Ambuja Cements Limited	28.0	29.7	31.5	78.9*
ACC Limited	30.5	33.4	36.1	
Shree Cement Limited	17.5	37.9	46.4	53.4
Dalmia Bharat Limited	22.8	26.5	38.6	44.6
Nuvoco Vistas Corporation Limited	11.0	11.8	23.6	25.0
The Ramco Cements Limited	15.5	16.7	22.0	23.1
JK Cement Limited (India - grey cement)	7.5	10.5	20.7	22.3
JSW Cement Limited	5.5	12.8	16.6	20.6
Birla Corporation Limited	8.5	15.4	19.3	20.0
JK Lakshmi Cement Limited.	7.7	12.5	14.0	16.5
Industry	395.0	496.0	593.0	636.0

Note: Only domestic operations have been considered for UltraTech Cement Limited and Shree Cement Limited. The company-wise installed base is mentioned. For fiscal 2024 Capacity of Ultratech excludes cement capacity of Kesoram Industries. Within the Adani Group, Ambuja Cements Limited capacity includes cement capacity of ACC Limited and Sanghi Industries.
Source: Company annual reports and publications

Table 21- Trend in share of top 5 players

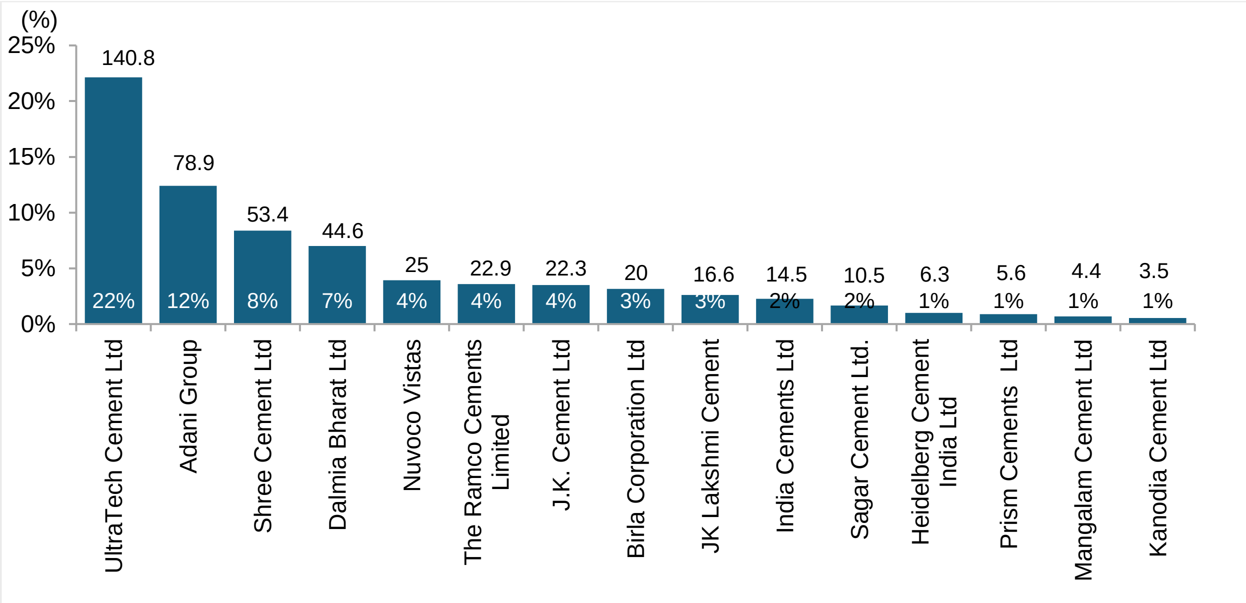
Capacity in MT	FY14	FY19	FY23	FY24
UltraTech Cement Limited	54.0	109.4	127	140.8
Ambuja Cements Limited	28.0	29.7	31.5	78.9*
ACC Limited	30.5	33.4	36.1	
Shree Cement Limited	17.5	37.9	46.4	53.4
Dalmia Bharat Limited	22.8	26.5	38.6	44.6
Nuvoco Vistas Corporation Limited	-	-	-	25.0
Share of Top 5 Players	**39%**	**45%**	**47%**	**54%**

Note: Only Domestic operations have been considered for UltraTech Cement Limited and Shree Cement Limited. Prior to fiscal 2024, ACC Limited, Ambuja Cements Limited, UltraTech Cement Limited, Dalmia Bharat Limited and Shree Cement Limited considered in top 5 players; Top 5 players share of 47% till FY23 does not include Nuvoco Vistas Corporation Limited. In fiscal 2024, Nuvoco Vistas Corporation Limited is included in top 5.
**In fiscal 2024, Ambuja Cements Limited and ACC Limited capacity of 78.9 MTPA includes cement capacity of Sanghi Industries*
Source: Company annual reports and publications

Market share of cement players based on capacity

The share of the top five players in the industry has grown to ~54% (as of FY2024), led by consolidation and higher organic growth by large players. Their share has grown from around 45% back in fiscal 2019 led by a spree of capacity acquisitions, especially by Adani group, UltraTech Cement Limited, Nuvoco Vistas Corporation Limited and Dalmia Bharat Limited. The top five players have gained market share both at a capacity and sales level at the cost of mid- and small-sized players.

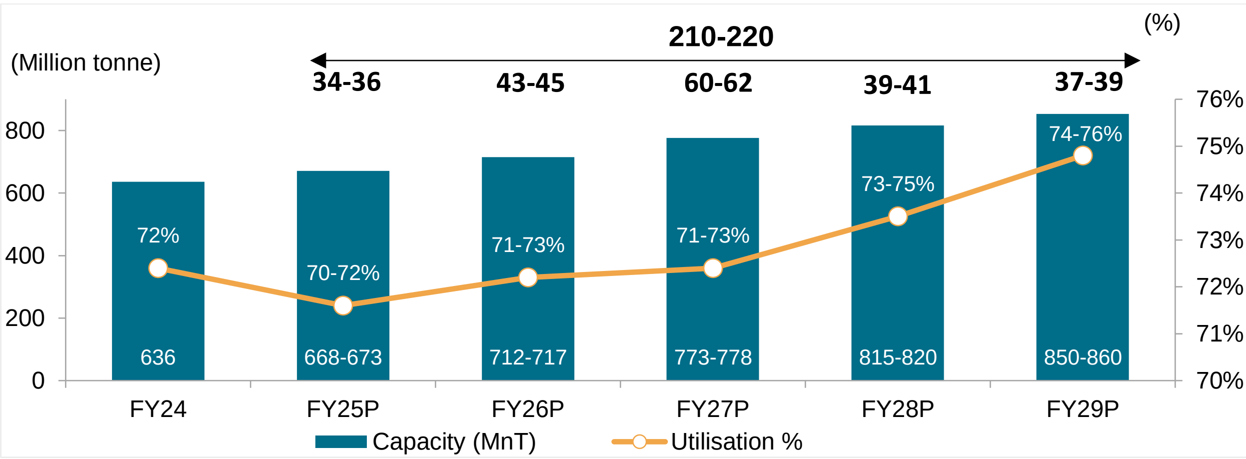
Figure 34- Player-wise market share based on domestic capacity of key players in the industry as of fiscal 2024



Note: Data label above the bars represent capacity in MTPA (Million Tonnes Per Annum); Data based on FY2024 capacity. Adani group includes Ambuja cements Limited, ACC Limited and Sanghi Industries
Source: Company annual reports, Industry

6.2 Pan-India Supply outlook

Figure 35- Installed capacity and utilisation rates outlook



Note: Boxes above the bar represent capacity addition for that fiscal; Commissioning year of new capacities is as per Crisil Intelligence estimates based on directions provided by companies
Source: Crisil Intelligence, company reports and publications

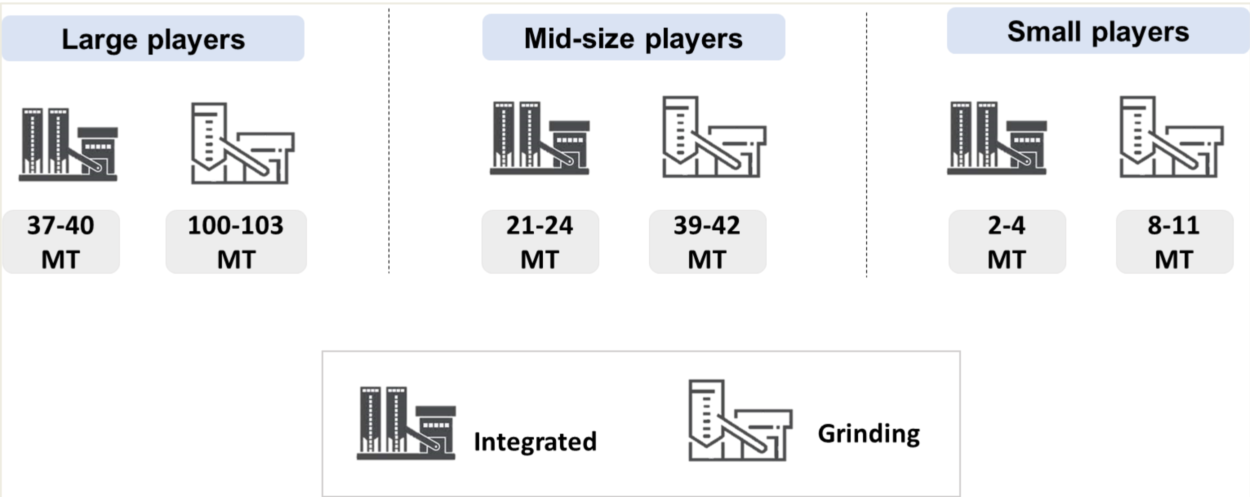
Crisil Intelligence expects the cement industry to add 210-220 MTPA of grinding capacities between fiscals 2025 and 2029. The industry added ~34 MT of grinding capacity in fiscal 2022. However, higher input costs in the form of elevated power and fuel prices in early fiscal 2023 dented profitability, leading to lower cash flows and capex slowdown. Hence, relatively lower capacity of ~24 MT was added in fiscal 2023. With rebound in profitability and higher cash accruals in fiscal 2024, players further added ~43 MT during the year.

In fiscal 2025, Crisil Intelligence expects the operating rates of cement players to marginally lower to 70-72%, after having risen to ~72% in fiscal 2024. Utilisation levels improved in fiscal 2024 from ~69% in fiscal 2023 and ~65% in fiscal 2022, amidst a healthy demand uptick. Utilisation levels breached 70% mark for the first time in past decade. Higher utilisation levels were supported by strong tailwind of higher demand from housing and infra segment despite capacity additions of ~43 MT during FY24. However, with expected moderation in demand growth on account of post-election slowdown coupled with 34-36 MT of capacity additions in fiscal 2025, operating rates are expected to slightly lower but still remain healthy at 70-72% level.

That said, improving demand expectations in the medium term and efforts to gain higher market share has triggered a wave of new-capacity announcements, especially by large players. Despite higher supply, rising demand to support operating rates and elevate to 74-76% in the coming five fiscals.

In fiscal 2024, the installed capacity totalled ~636 MTPA. Assuming 210-220 MT of capacity additions, the total installed capacity is projected at 850-860 MTPA by fiscal 2029. Out of the total upcoming capacities, share of satellite grinding units to be higher with around 148-153 MT new grinding units as against 62-67 MT of Integrated units.

Figure 36- Integrated and grinding capacity additions by the manufacturers (fiscal 2025 -2029)



Note: Large (capacity ≥ 25 MTPA); medium (capacity: 8-24 MTPA); small (capacity: <8 MTPA)
Source: Crisil Intelligence

6.3 Key challenges in setting up cement capacities in India

Greenfield plants are becoming more difficult to set up than brownfield

Longer gestation: The gestation period for setting up an integrated greenfield unit is 3-4 years, while that of a brownfield unit is 1.5-2.5 years. Greenfield units take longer to get started because of extended land acquisition-related timelines. On the other hand, brownfield plants have lower gestation because of availability of land, and lesser time required for securing environment-related approvals and processes such as conducting environmental impact assessment/environment management plan study, appraisal by the ministry committee, and public hearing.

Inadequate limestone reserves: Post amendment in the Mines and Minerals (Development and Regulation) Act (MMDR), mines can be leased only through bidding by respective state governments. As the process is only carried out once or twice a year and is nullified in the absence of sufficient bidders (usually 3), securing limestone reserves has become difficult.

Long list of approvals required: Further, the applicant must get the mining plan approved by Indian Bureau of Mines (IBM) and secure environment clearance from MoEFCC for mines of area greater than 50 hectares. It also must get approval of other authorities such as Central Ground Water Board (CWGB).

Land acquisition issues: Since logistics costs are a significant part of overall costs, a plant should not be located away from a limestone mine for economic operations. Acquisition of land in proximity to a mine is a challenging task, particularly where the land is fertile. Similarly, acquisition of land from government can become a tedious process, especially in cases where the land involved falls in the forest category. In certain cases, greenfield plants have received opposition from local communities, impacting progress of work. Usually, these problems are not found in brownfield plants.

Relatively higher funding required: Higher capex is required per tonne for greenfield, which necessitates higher funding/lending. Moreover, as gestation periods tend to be long and entry into the market is difficult for new players, these projects are perceived as being risky by lenders and therefore entails tough lending terms. That said, capex or investment costs required for setting up a plant varies significantly based on whether it is an integrated/grinding unit, as well as the nature of expansion (greenfield/brownfield).

Table 22- Capex requirement for cement manufacturing (per tonne basis)

Type	Costs per tonne of capacity for Grinding plant (in Rs.)	Costs per tonne of capacity for Integrated plant (in Rs.)
Greenfield	3,000-4,000 per tonne	6,000-7,000 per tonne
Brownfield	1,500-2,500 per tonne	4,000-5,000 per tonne

Source: Industry, Crisil Intelligence

Compared to integrated units, setting up satellite grinding units is a relatively more straightforward and efficient process. This is attributed to several key advantages, including:

- A shorter gestation period (18-24 months), excluding time for environmental clearances which enables faster project implementation and quicker time-to-market
- Further, as satellite grinding units of capacity less than 1 MTPA are exempt from obtaining clearances from the Ministry of Environment, Forest, and Climate Change (MoEFCC), these projects are usually completed faster than large-size projects
- Lower capital expenditure, reducing the financial burden and risk associated with project development
- Faster land acquisition and approval processes, minimizing delays and bureaucratic hurdles

These advantages collectively make satellite grinding units a more attractive and viable option for companies seeking to expand their production capacity and enter new markets.

6.4 Emerging trends in the domestic cement industry

6.4.1 Rising share of Satellite Grinding Units (SGUs) vis-à-vis Integrated Units (IUs)

The cement industry is undergoing a significant transformation with the expansion of SGUs by manufacturers. This strategy offers several benefits, including:

Reduced overall logistics cost

The cement industry is characterised by high freight costs, which form a substantial part of total expenditure. Transporting cement bags, bulk cement or fly ash is more expensive on a per kilometre basis than transporting clinker. To optimise the overall logistics cost, companies have started setting up satellite grinding units (SGUs) closer to consumption centres by balancing the following:

Reduced primary freight costs (IGU to consumption centres), as cement no longer needs to travel from the mother plant, covering distances of up to 300-700 km (or higher for states in central India without integrated plants)

Reduced secondary freight costs (wholesalers to consumption centres), SGUs enable direct transportation of cement to local consumers within a 50-150 km radius, reducing trans-shipments. Additionally, consumers can collect cement directly from SGUs, eliminating secondary freight costs

Reduced inward freight costs of fly ash and slag, as the blending proportion increases, the availability of fly ash and slag becomes more critical. At times, establishing SGUs near coal-based power plants (the source of fly ash) helps lower inward freight costs and enhances overall profitability, as clinker is easier to transport than fly ash

- **Efficient supply chain by eliminating the need for warehouses**, the introduction of SGUs has eliminated the need for warehouses, as the distance between these units and major consumer areas has been reduced to under 200 kilometres. As a result, cement can be transported directly to the end-user's location or to retailers' shops, reducing selling costs and working capital requirements. This avoids loading and unloading charges, spillages and damages at the warehouse. Fresher cement delivery to the end consumer due to lower handling also helps in commanding a better realisation.

Micro-marketing and location flexibility

SGUs offer higher location flexibility compared to integrated units, as they can be situated near target markets. This also opens up opportunities in new markets. Companies have established satellite grinding or packaging units in central, eastern, and western regions to enter these markets. The eastern and western regions, particularly states such as West Bengal, Uttar Pradesh, Bihar, and Maharashtra, which have limited limestone deposits, have seen a significant increase in cement grinding capacity additions to meet local demand.

Furthermore, companies can strategically locate SGUs in states that promote industrial development and benefit from various state subsidies and incentives available for supplies within the state (e.g., SGST reimbursements).

Lower capex requirement and related risks

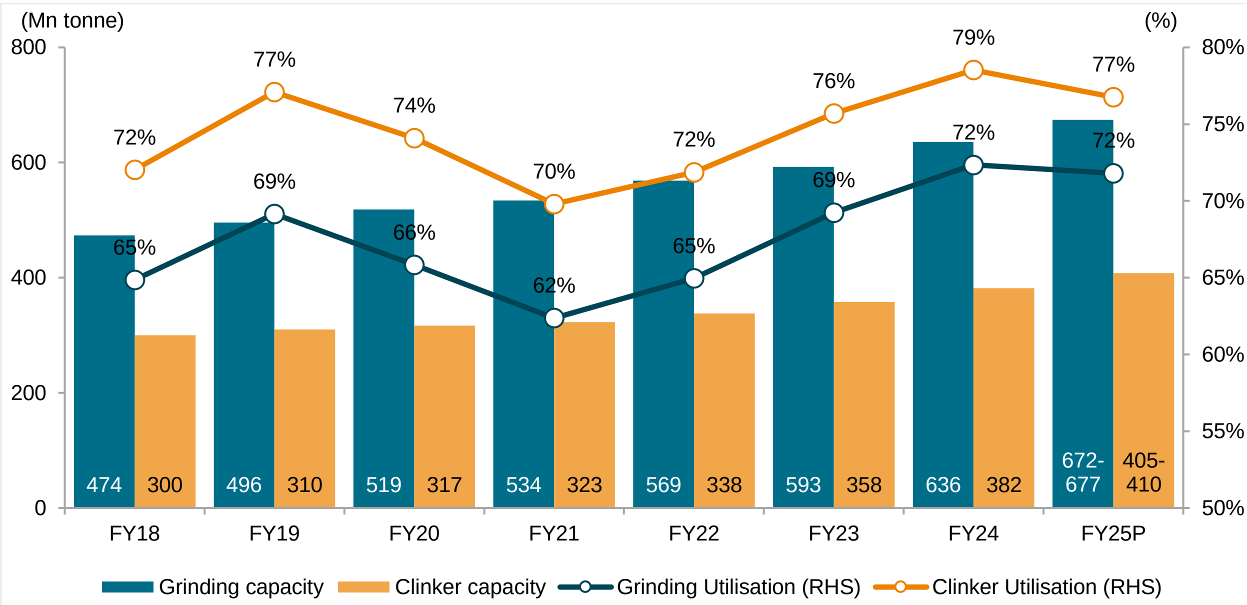
SGUs can help in focusing on micro-markets where an IU is not viable. Setting up SGUs requires lower capital expenditure compared to integrated units, due to lower land area and plant equipment requirements. This, in turn, reduces the financial burden and risks associated with project development.

The clinkerisation process is energy-intensive, as limestone is converted into clinker at high temperatures in a coal-fired kiln. However, SGUs have lower power requirements, as clinker grinding (clinker to cement) and blending with other raw materials are less energy-intensive processes, accounting for only 15-20% of the total energy consumption of an integrated plant. Thus, while establishing SGUs require lower considerations towards emissions and power supply.

The impact of the above is evident in the moderation of freight costs, despite a 30% increase in diesel prices over the past five years. Freight costs per tonne have risen only 5-10%, as well as reduced distribution costs, have contributed to overall savings in total costs, enhancing profitability for players with SGUs.

The trend of establishing SGUs is expected to continue, with the central and eastern regions likely to witness the highest grinding capacity addition between fiscals 2025 and 2029. The gap between grinding and clinker utilisation is expected to shrink, driven by healthy grinding capacity addition and moderate clinker addition, amidst lower clinker usage and higher blended cement consumption. Blending rates are set to rise further, driving up grinding utilisation.

Figure 37- Trend in industry capacity utilisations for cement and clinker



Source: Crisil Intelligence

Table 23- Key player-wise no. of SGUs & Integrated units, cement and clinker capacities as of fiscal 2024

Players	No. of satellite grinding units	No. of Integrated plants	Total Cement capacity (MTPA)	Total Clinker capacity (MTPA)
UltraTech Cement Limited	24	29	140.8	NA
Adani Group (Consolidated)	19	18	78.9	NA
Shree Cement Limited	11	5	53.4	33.4
Dalmia Bharat Limited (Consolidated)	5	9	44.6	22.6
Nuvoco Vistas Corporation Limited (Consolidated)	6	5	25	13.5
The Ramco Cements Limited (Consolidated)	6	5	23.1	15.9
J K Lakshmi Cement (Consolidated)	4	3	16.5	9.9

Players	No. of satellite grinding units	No. of Integrated plants	Total Cement capacity (MTPA)	Total Clinker capacity (MTPA)
J K Cement (Consolidated)	6	5	22.3	14.5
Birla Corporation (Consolidated)	4	4	20.0	NA
Total	**85**	**83**	**424.7**	**109.8**

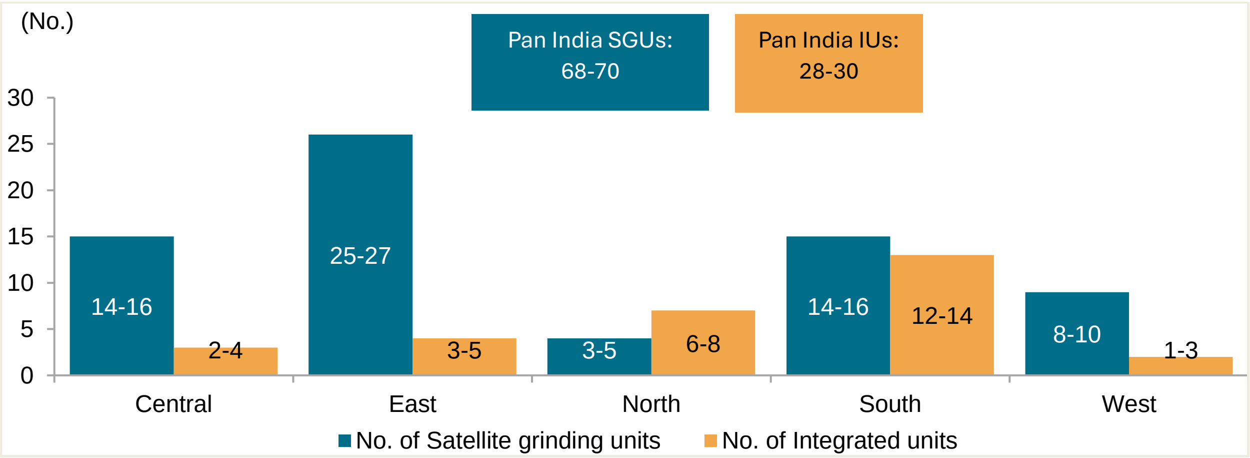
Note: Only domestic operations have been considered for UltraTech Cement Limited and Shree Cement Limited. The company-wise installed base is mentioned. FY24 Capacity of Ultratech excludes cement capacity of Kesoram Industries. Adani Group capacity includes cement capacity of Ambuja Cements Limited. ACC Limited and Sanghi Industries.
Source: Company annual reports and publications

Table 24- Key player-wise upcoming no. of SGUs & Integrated units, cement and clinker capacities (fiscal 2025-2029)

Players	No. of satellite grinding units	No. of Integrated plants	Cement capacity-SGUs (MTPA)	Cement capacity-Integrated (MTPA)	Total Cement capacity (MTPA)	Total Clinker capacity (MTPA)
UltraTech Cement Limited	13	6	26	15.6	41.6	NA
Adani Group (Consolidated)	8	4	16.8	3.2	20	11
Shree Cement Limited	2	3	6.4	12	18.4	8.8
Dalmia Bharat Limited (Consolidated)	1	3	0.5	4.4	4.9	4.5
Nuvoco Vistas Corporation Limited (Consolidated)	-	-	-	-	-	-
The Ramco Cements Limited (Consolidated)	-	1	-	1.5	1.5	3.2
J K Lakshmi Cement (Consolidated)	4	2	4.8	6.1	10.9	3.3
J K Cement (Consolidated)	5	-	8	-	8	-
Birla Corporation (Consolidated)	1	-	1.4	-	1.4	-
Total	**34**	**19**	**63.9**	**42.8**	**106.7**	**30.8**

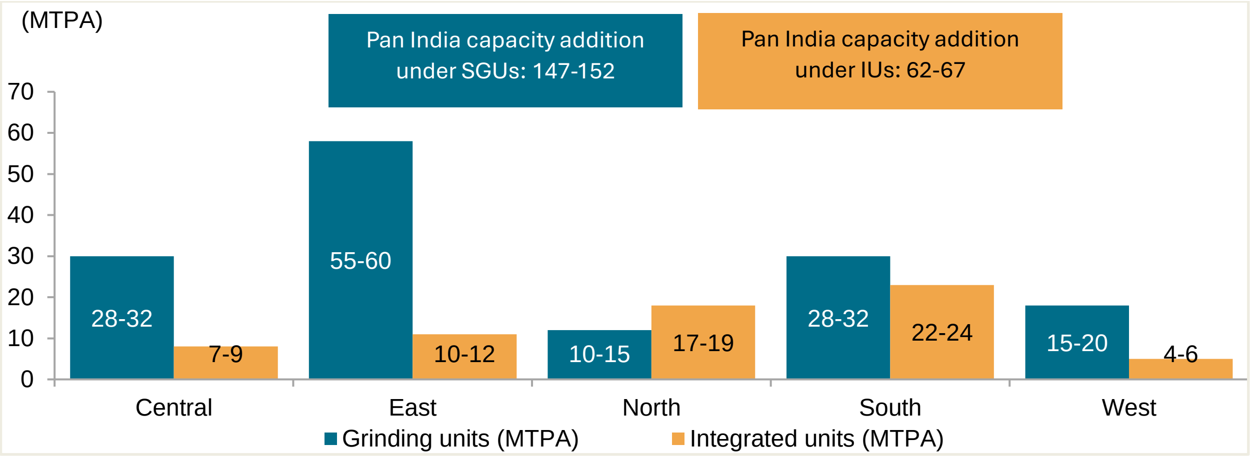
Note: Consol.- Consolidated operations including subsidiaries
Only domestic operations have been considered for UltraTech Cement Limited and Shree Cement Limited. The company-wise installed base is mentioned and includes capacity additions through expansion, de-bottlenecking and reclassification. Within the Adani Group, Ambuja Cements Limited has additional projects of ~16 MTPA clinker expansion and ~21 MTPA of cement expansion at various stages. Details for the same is yet to be disclosed by the company.
Source: Company annual reports and publications

Figure 38- Region-wise split of number of upcoming grinding and integrated units (fiscal 2025-2029)



Source: Crisil Intelligence

Figure 39- Region-wise split of upcoming cement capacity additions under grinding and integrated units (fiscal 2025-2029)



Source: Crisil Intelligence

6.4.2 Blending ratio to continue rising over the near term

The major types of cement products are: • Ordinary Portland Cement (OPC) • Portland Pozzolana Cement (PPC) • Portland Slag cement (PSC) • Portland Composite Cement (PCC)

- **OPC:** One of the most widely used cements globally, OPC is a hydraulic cement that becomes water-resistant once curing is complete with water. It is primarily used as a construction material for building houses (structures such as beams, slabs, columns, footings, etc), bridges, pavements, and so on. Additionally, it is used for various purposes, including the production of concrete and mortars. OPC is manufactured by inter-grinding gypsum and clinker. The key characteristics of OPC are its quick setting properties and ability to reach optimal strength quickly, thereby increasing the speed of construction. OPC can also be blended with other mineral admixtures to form blended cement, such as PPC and PSC

- **PPC:** This type of Portland cement is characterised by the presence of Pozzolana particles, such as fly ash and volcanic ash, which are added to OPC in a ratio of 15% to 35%, as specified by the Bureau of Indian Standards (BIS). Due to the presence of Pozzolana particles, PPC becomes a cement that uses less clinker but has the durability and strength while increasing the settling time. As it uses a lower concentration of clinker, it is less expensive and more environmentally friendly than OPC. PPC is used in the construction of residential buildings, masonry mortars, hydraulic structures, dykes, sewage pipes, dams, etc

- **PSC:** This blended cement is created with a combination of 35-70% blast furnace slag, 25-65% clinker, and 3-5% gypsum, as specified by the BIS. Slag is essentially a non-metallic product comprising more than 90% glass with silicates and alumino-silicates of lime. Due to its low heat of hydration, it is considered the best cement to use for mass construction. It is used in the construction of all types of residential, commercial, and industrial projects, dams, and other mass concrete works, water-retaining structures, concrete roads, and flyovers, etc

- **PCC**: It is a mixture of high-quality clinker, fly ash, granulated slag, and gypsum. The typical range of these components is clinker (35% to 65%), fly ash (15% to 35%), granulated slag (20% to 30%), and gypsum (3% to 5%). For composite cement, the BIS allows slag and fly ash to comprise 40-65% of cement mass. It reduces the carbon footprint by utilising industrial by-products, enhances resistance to chemical attacks and cracking, and provides better workability and long-term performance. High-strength cement, enhanced durability and sustainability, reduction of concrete bleeding and segregation, and increased safety of structures are a few benefits of composite cement

Table 25- Types of cement and their characteristics

	OPC		PPC		PSC		Composite	
Raw material proportion	Clinker	95%	Clinker	60-65%	Clinker	25-65%	Clinker	35-65%
	Gypsum	5%	Gypsum	4-5%	Gypsum	3-5%	Gypsum	3-5%
			Fly-ash	15-35%	Slag	35-70%	Fly-ash	15-35%
							Slag	20-30%
End uses	IHB (Individual House Builders), roads, bridges, beams, columns		Residential & Commercial		Housing, dams, marine structures, sewage pipes		Eastern/coastal	
Minimum clinker requirement	95%		60%		25%		35%	
Environmental benefits	Low		Medium		High		High	

Note: Proportion of clinker is the minimum clinker requirement. For example, OPC must contain at least 95% clinker as per BIS norms.

Source: Crisil Intelligence

The proportion of blended cement (PPC, PSC, and Composite cements) has been rising, with the share of PPC being the highest. By blending low-cost additives, such as fly ash or slag (waste by-products of thermal power plants and steel plants, respectively), in substitution of natural resources like limestone with OPC, cement producers can lower power, fuel, and raw material costs, thereby improving their overall profitability. As these waste products are used to replace energy-intensive clinker, the main contributor to CO_2 emissions in cement manufacturing, blended cements are less carbon- and energy-intensive, thus helping to lower carbon emissions. Hence, the use of blended cement instead of traditional cement makes sense environmentally and economically, making it a profitably viable and cost-effective option for cement players.

The production of PSC is concentrated in the eastern and southern regions. This is due to the greater number of steel plants in the region, leading to a higher availability of slag, as proximity to steel plants is important for the supply of slag. The western, central, and northern regions have a higher share of PPC compared to the eastern and southern regions.

Fly ash: Fly ash is a finely divided residue resulting from the combustion of pulverised bituminous coal or sub-bituminous lignite in thermal power plants, comprising inorganic mineral constituents of coal and organic matter that are not fully burnt. It is generally grey in colour and refractory in nature. Owing to its pozzolanic properties, fly ash can be mixed with clinker to form PPC. When fly ash is added to cement, it improves its strength, durability, and reduces carbon dioxide emissions. However, cement manufacturers can only use up to 35% fly ash in every tonne of cement, as beyond this level, it is not allowed as per BIS norms.

Slag: Slag, produced as a waste material by steel plants, is the next best blending material. Slag is a non-metallic product comprising glass containing silicates of lime and other bases and is obtained as a by-product while manufacturing pig iron. Granulated slag is used to manufacture Portland Slag Cement. Slag cement can be used for all plain and reinforced concrete constructions, mass concrete structures such as dams, reservoirs, swimming pools, river embankments, bridge piers, etc. Slag adds strength and durability to concrete. Slag cement also improves concrete's plastic properties, such as workability and finishing. Slag is also environmentally friendly, as it is a recycled material, and for each cubic yard of concrete in which it replaces Portland cement, slag cement significantly reduces power consumption and greenhouse gas emissions. The BIS has capped the usage of slag in cement at about 70%.

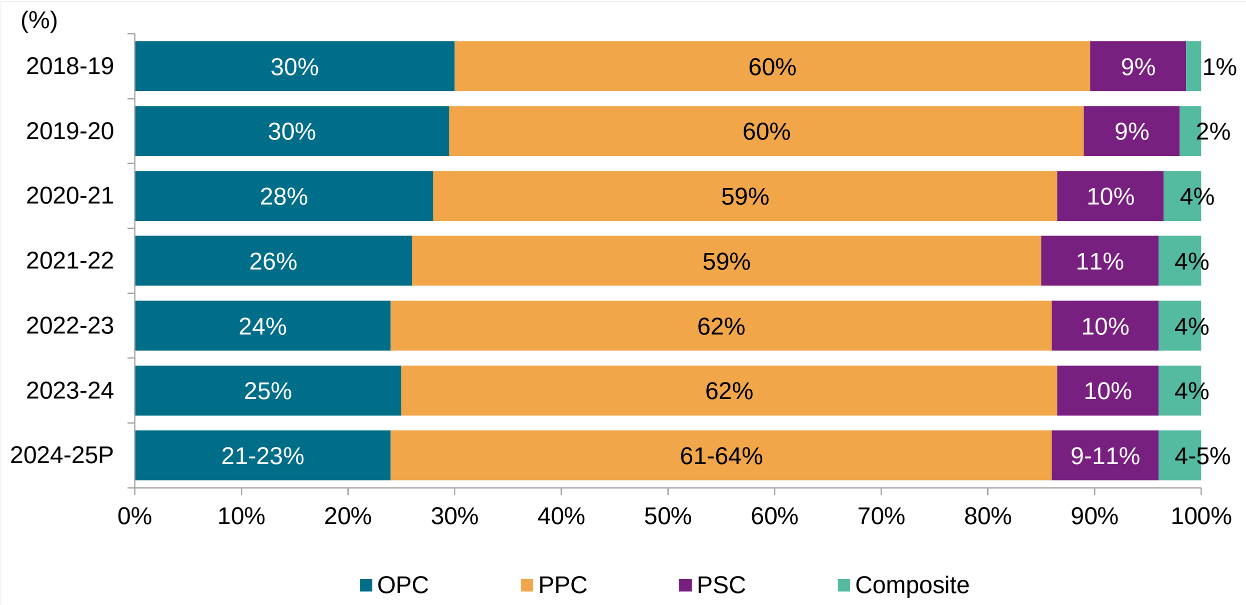
Other raw materials used in the cement industry include fly ash, slag, and gypsum. Gypsum is available as a natural product, also derived from seawater (used for specific applications like white cement production) and chemical plants. It is mostly found in Rajasthan (which accounts for more than 80%) followed by Jammu & Kashmir (which accounts for ~15%). Gypsum is also imported from Oman, Bhutan, Iran and UAE.

Inward freight forms a substantial portion of raw material costs for blended cement manufacturers, as transportation costs are a major cost component. In fact, fly ash is sold at minimal prices in few eastern, northern and central markets, but inward freight costs take overall raw material costs higher. Hence, proximity to thermal power plants and steel plants can create a major advantage for blended cement manufacturers.

The blending ratio has risen due to higher acceptance and applications of blended cement, such as PPC, PSC, and composite cement. Besides faster growth in the east, permission to use PPC in state Public Works Department (PWD) works has been driving the increase in the blending ratio. Along with a rise in demand for PPC cement, demand for composite cement is gaining momentum, leading players to convert to composite cement production. However, slag and composite cement will be confined to regions where steel plants are located, as being a low-cost commodity, it becomes unviable to transport it over longer distances.

The blending ratio for the cement industry has risen to 1.46 in fiscal 2024 (based on a sample covering 70% of the industry's production) from 1.41 in fiscal 2019, owing to the rising usage of PPC, PSC, and Composite cement, where the proportion of blending material is higher. However, the blending ratio marginally declined in fiscal 2024 due to higher usage of OPC cement in infrastructure projects. The share of OPC inched up in fiscal 2024 compared to the decline witnessed in fiscal 2023 and fiscal 2022 (2% each), majorly due to the infrastructure boost received during the pre-election year, which led to higher usage of OPC cement, given its nature of durability and strength.

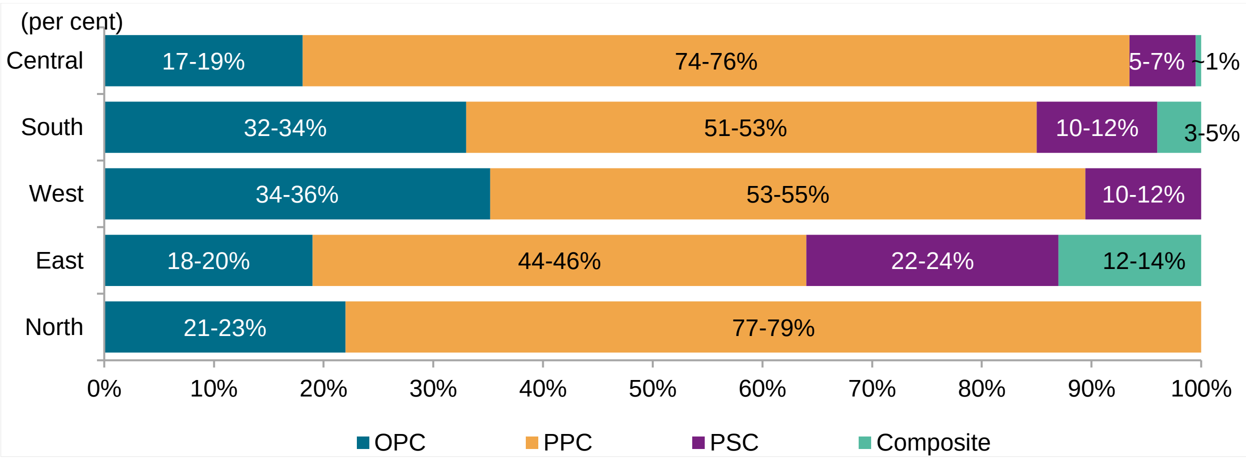
Figure 40- Consumption split of different types of cement



Note: P: Projected; OPC: Ordinary Portland Cement; PPC: Pozzolana Portland Cement; PSC: Slag cement
Source: Industry, Crisil Intelligence

We expect the share of blended cement to rise further in fiscal 2025 to lower production costs and cut emissions by blending low-cost additives, such as fly ash or slag, in the substitution of energy-intensive natural resources, such as limestone. Further, with a higher focus on environmental aspects, players will continue to push blended cement to meet emission norms targets and cut production costs. Thus, in the long run, Crisil Intelligence estimates the blending ratio to improve, led by a shift towards PPC, PSC, and composite cement.

Figure 41- Region-wise share of different types of cement (fiscal 2024)



Note: OPC: Ordinary Portland Cement; PPC: Pozzolana Portland Cement; PSC: Slag cement
Source: Industry, Crisil Intelligence

At the regional level, the usage of OPC cement is highest in the west and south, followed by the north. Being a region dominated by the infrastructure segment, the share of OPC cement in the west is estimated to be at 34-36%. However, due to the lack of availability of slag, the share of PSC cement is lower, while that of composite cement is negligible. A similar trend has been observed in the south, although a minimal amount of composite cement is also used in the housing segment. In the north, only OPC and PPC types are predominantly used because of the higher share of the infrastructure segment, coupled with the lower availability of slag in the region. On the other hand, in the eastern and central regions, the share of OPC is relatively lower, since the housing segment holds a significant proportion in overall demand segments. Also, with the presence of steel plants in the eastern belt, the availability of slag is abundant, leading to the highest share of PSC and composite cement.

6.4.3 Renewable power addition

Coal-fired power plants have dominated the Indian power generation landscape, with large manufacturing industries also relying on coal-based captive power plants. However, manufacturers have been shifting to clean energy sources, especially wind and solar, due to falling capital costs and government incentives for setting up renewable capacities, as well as a sharpened focus on lowering carbon emissions.

Coal and lignite-based capacity additions, which stood at approximately 89 GW over fiscals 2013 to 2017, resulted in significant capacity build-up, particularly in the private sector. Consequently, falling plant load factors due to unutilized capacities and rising debt because of under-construction and stuck projects impacted capacity additions of power generation companies (GENCO's). Therefore, incremental coal-based additions plunged over the past few years, with only approximately 21 GW added over fiscal 2018 to fiscal 2024.

However, a large constraint to growth in power from coal-based power plants will be the increasing supply from renewable energy sources. The Indian government has set a target of 500 GW of non-fossil-based energy by 2030 to achieve energy security and its climate-change commitments. The share of renewable energy in total installed power capacity has increased from approximately 35% in fiscal 2019 to approximately 47% in fiscal 2025 and is expected to increase to approximately 60% by fiscal 2029, reaching 435-445 GW.

Lower power demand and the government's focus on increasing the share of renewables in the country's energy mix are likely to prod GENCO's to go slow on new conventional capacity addition plans over the subsequent years as well. Also, fresh project announcements are limited, as players are opting for the inorganic route for expansion, given the availability of assets at reasonable valuations.

Still, the inherent flexibility of coal-based capacities to quickly scale up or down generation to meet variations in demand will support capacity additions in the medium term, as renewable capacities will take time to cope with this flexibility. Coal capacity additions, though, are expected to be driven entirely by central and state companies, as major private GENCO's have announced ambitious targets to add renewable energy capacities, signalling a decisive shift.

Cement players have been employing the same strategy. Most large and mid-sized players have been investing heavily in renewable capacities, not only to limit carbon emissions but also to lower the cost of energy. The top 15 cement players in India, accounting for close to 80% of total grinding capacity, have added close to 600 MW of renewable capacities over the past decade (FY14-24), along with considerable investment in waste heat recovery systems (WHRS). In fact, renewable energy capacity addition has grown rapidly over a low base, with the total installed base reaching approximately 1550 MW in fiscal 2024 from approximately 350 MW in fiscal 2017. Most of the additions were, however, in the solar space, with wind providing support as well. Several players, such as UltraTech Cement Limited, have set a target to completely shift to renewable energy by 2050.

The share of renewable and WHRS in the total power mix has gone up significantly for these players, from a meagre 16-17% in fiscal 2010 to 38-40% in fiscal 2024. While the focus on WHRS has sharpened over the years, leading to a sharp pickup in its share from 3-4% in fiscal 2010 to 16-18% in fiscal 2024, there has been a fresh focus on renewable energy over the past few years. The share of renewables is only likely to increase going forward, with extensive investments in both solar and wind power plants and is likely to cross the 60% mark over the next five years.

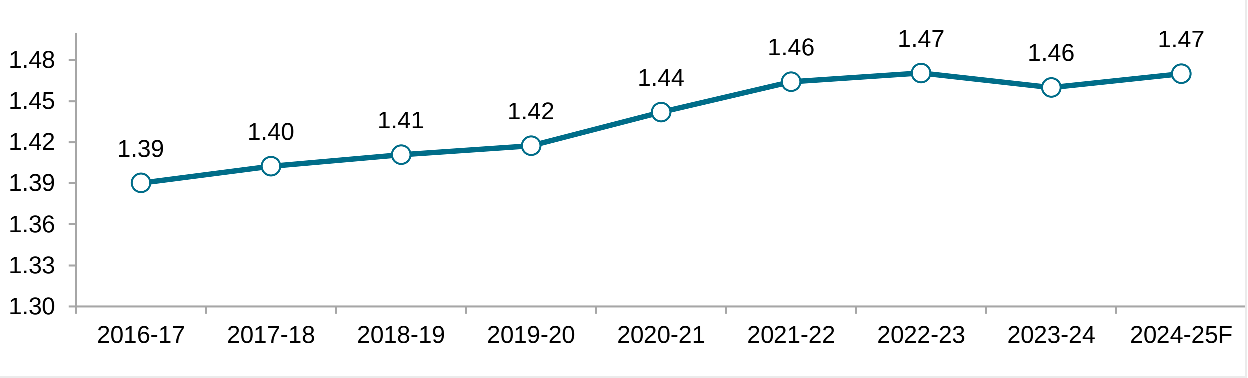
Over the past five years, integrated cement companies have been increasingly opting for captive power plants to reduce their cost of production and dependence on grid power, as their coal-fired kiln has a high power requirement due to the clinkerisation process, where limestone is converted into clinker. However, SGUs have lower power requirements, as clinker grinding and blending are less energy-intensive processes and account for only 15-20% of total energy consumption of an integrated plant.

Blended cements, such as PPC, PSC, and PCC typically consume 10-15% lower power per tonne, as fly ash/slag, which are already in a ground/powdered state, consume lesser power. Similarly, due to lower clinker requirements in PPC and PSC, thermal energy consumed per tonne is also lower. Hence, SGU's power requirement is met through grid power supplied by state electricity boards, an open access model, or captive/contracted sources of power. Conventionally, players rely on state electricity boards for their power requirements. The open access model enables power consumers to buy relatively cheaper power directly from power producers (open market) at a relatively lower rate. However, a slew of additional charges in the open access model makes it less lucrative than the captive model, where players hold partial/full investments in the solar project for their own consumption.

6.4.4 Cement to clinker ratio (clinker factor) rises to an all-time high

The cement-to-clinker ratio has risen over the years in line with the rise in share of blended cement. Players have taken several steps to ensure lower utilisation of clinker, not only to bring down the cost of production but also to meet their ESG/emission targets. Further, better availability of fly ash, on the back of improved transportation of the same, has helped players increase the cement-to-clinker ratio to an all-time high of 1.47 in fiscal 2023.

Figure 42- Trend of clinker factor of Indian cement industry



Note: F: Forecasted
Source: Industry, Crisil Intelligence

The cement-to-clinker ratio for the cement industry was 1.46 in fiscal 2024 (based on a sample covering ~70% of the industry's production) from 1.41 in fiscal 2019, owing to the rising usage of PPC, PSC and PCC, where the proportion of blending material is higher. However, the cement-to-clinker ratio marginally declined in fiscal 2024 due to the higher usage of OPC cement. The share of OPC inched up in fiscal 2024, majorly due to the infrastructure boost received during the pre-election year, which led to higher usage of OPC cement, given its nature of durability and strength.

Near term outlook for clinker ratio

We expect the cement-to-clinker ratio to rise back to 1.47 times in fiscal 2025 as players focus on blended cement in the post-election year. PPC, PSC, and PCC help players to lower their production costs and cut emissions by blending low-cost additives, such as fly ash or slag, in substitution of the energy-intensive natural resource, limestone. Thus, players have started using differential pricing for blended and OPC cement. Further, with a higher focus on environmental aspects, players will continue to push blended cement to meet emission norms targets and cut production costs. Thus, in the long run, the blending ratio is expected to improve, led by a shift towards PPC, PSC, and PCC.

7. Regional supply overview and outlook

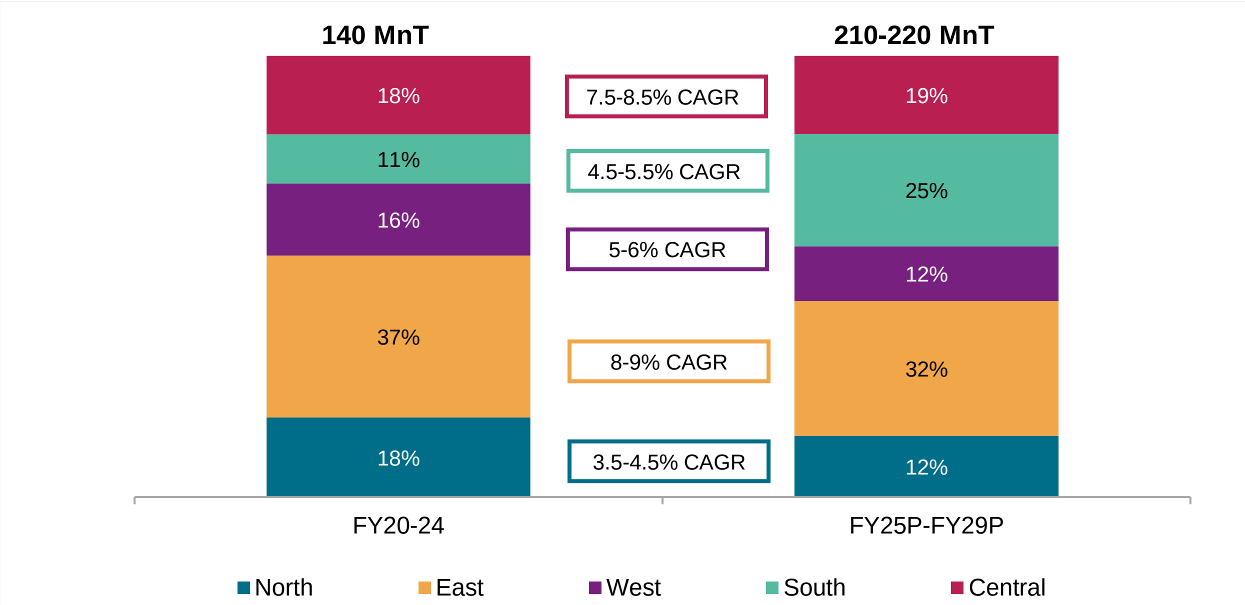
7.1 Regional supply dynamics

Over fiscals 2020-2024, the northern, eastern and central regions collectively comprised ~73% of overall capacity additions. The eastern region has seen the largest share of capacity additions in recent years, led by the rapid expansion by Nu Vista Limited (formerly Emami Cement, now a wholly owned subsidiary of Nuvoco Vistas Corporation Limited), Dalmia Bharat Limited, JSW Cement Limited, The Ramco Cements Limited and Shree Cement Limited, which helped these companies gain share in a fast-growing market.

Over fiscals 2025-2029, the east and south are expected to drive capacity additions, followed by the central, northern and western region.

Improving demand outlook over the medium term and the push to gain market share have triggered a wave of capacity addition announcements from cement manufactures, especially large players. Over fiscals 2025-2029, Crisil Intelligence expects the industry to add 210-220 MTPA of grinding capacities, taking the country's total installed capacity to 850-860 MTPA by fiscal 2029.

Figure 43- Regional break-up of capacity additions

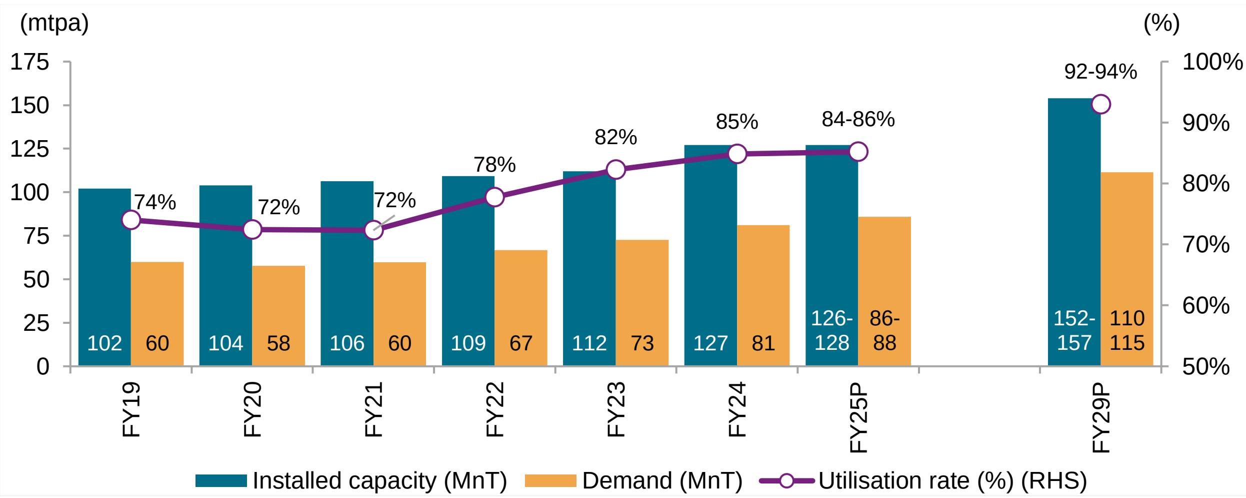


Note: CAGR per cent in boxes represent supply CAGR growth from FY25-29 period
Source: Crisil Intelligence, industry

7.1.1 Capacity, demand-supply balance and utilisation in the northern region

In fiscal 2021, utilisation was stable, despite the pandemic-caused lockdowns as demand recovered in the second half of the fiscal. However, utilisation improved in fiscal 2022, with few capacity additions and robust demand revival on the back of government spending and pick-up in construction, leading to ~78% utilisation levels in the region. In fiscal 2023, utilisation levels picked up pace and reached ~82% amid lower capacity addition. In fiscal 2024, utilisation further improved to ~85%, despite the rise in capacity additions, majorly due to healthy demand growth. In fiscal 2025, despite demand moderation, operating rates are expected to remain stable majorly due to no new capacity addition expected in the region during the fiscal. Although, these levels are expected to remain elevated compared to other regions in the coming 5 years amid a positive demand outlook and lower capacity additions.

Figure 44 - Demand–supply and utilisation rates for northern region

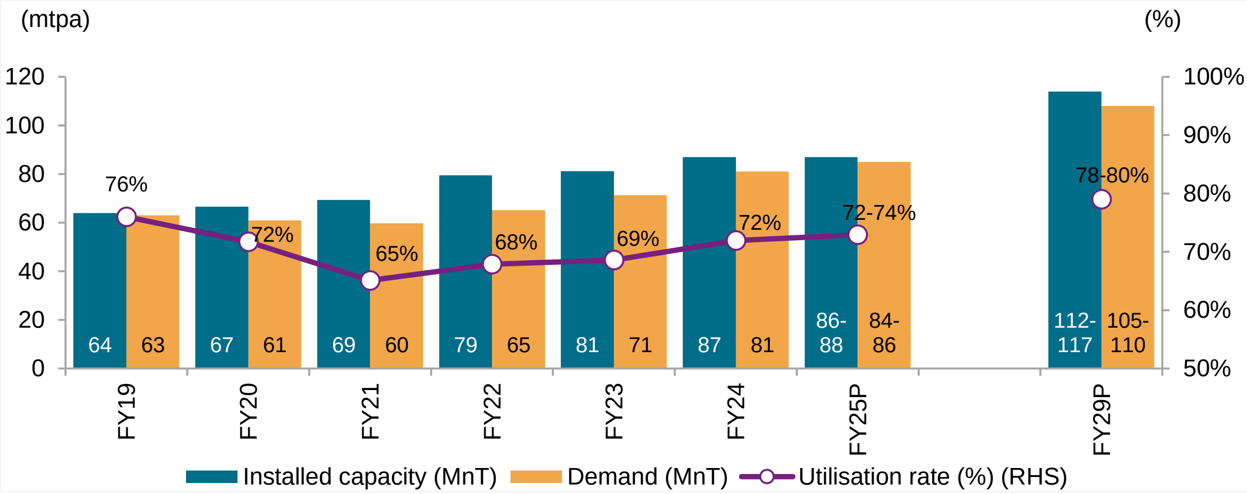


Note: Capacity utilisation is basis effective capacity – considering on the date of commissioning of the plant; capacity utilisation is calculated with production in the region divided by effective capacity and does not take into consideration inter-regional movement
Source: Crisil Intelligence, industry

7.1.2 Capacity, demand-supply balance and utilisation in the western region

The west was the most impacted region in fiscal 2021, due to stringent lockdowns leading to production shutdowns. As a result, utilisation rate declined to ~65% from a high of ~72% in fiscal 2020. However, in fiscal 2022, ~10 MT capacity was installed in the west, which limited the rise in utilisation levels, despite healthy demand, leading to ~68% utilisation rate. Utilisation levels remained almost stable in fiscal 2023 and improved to ~72% in fiscal 2024 due to healthy demand growth. Further, in fiscal 2025, utilisation levels are expected to remain rangebound owing to moderation in demand as well as lower inbound cement movement from the south (Karnataka) and north, leading to lower cement supply. Going forward, these levels are expected to improve to 78-80% on account of the slower pace of capacity additions over the next five years and healthy growth in demand.

Figure 45 - Demand–supply and utilisation rates for western region

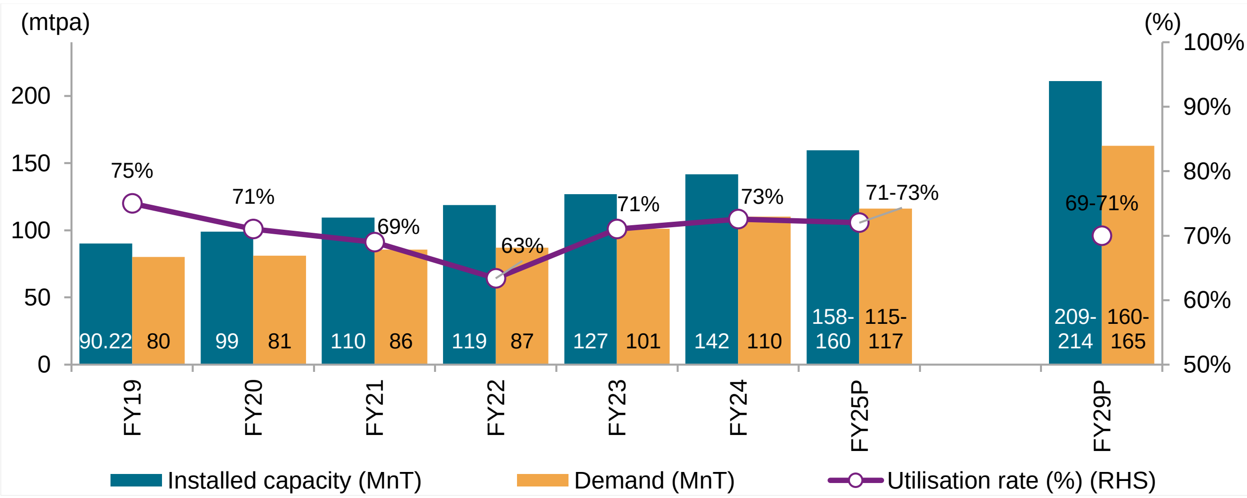


Note: Capacity utilisation is basis effective capacity – considering on the date of commissioning of the plant; capacity utilisation is calculated with production in the region divided by effective capacity and does not take into consideration inter-regional movement
Source: Crisil Intelligence, industry

7.1.3 Capacity, demand-supply balance and utilisation in the eastern region

The eastern region was able to better tackle the pandemic owing to a large share of rural areas and lesser congested urban settlements. Demand support from rural housing and government-led infrastructure projects led to healthy production. Hence, utilisation rate declined to ~69% in fiscal 2021. However, with positive demand outlook amid low per capita cement consumption and healthy government spending, many players announced capacity addition plans in fiscal 2021. This put pressure on utilisation levels, which dropped to ~63% in fiscal 2022 amid higher capacity additions and weak demand due to sand issues and untimely rainfall. However, in fiscal 2023, utilisation rebounded to 71% on the back of robust demand growth on a low base, supported by the traction in rural housing, infra push, lower per capita consumption and higher housing shortage. In fiscal 2024, the operating rate improved to 73%, although limited by slow demand momentum during the second half of the fiscal. In fiscal 2025, it is expected to inch down to 71-73% amidst higher capacity addition in pipeline.

Figure 46 - Demand–supply and utilisation rates for eastern region

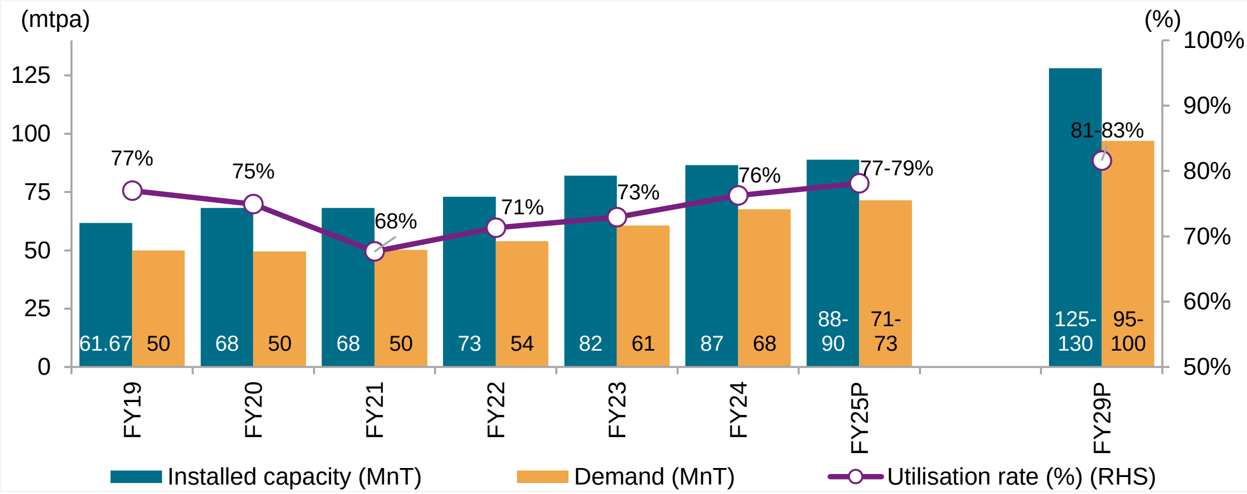


Note: Capacity utilisation is basis effective capacity – considering on the date of commissioning of the plant; capacity utilisation is calculated with production in the region divided by effective capacity and does not take into consideration inter-regional movement
Source: Crisil Intelligence, industry

7.1.4 Capacity, demand-supply balance and utilisation in the central region

In the central region, capacity utilisation reached lows of ~68% in fiscal 2021 due to production shutdowns in the first quarter. However, it recovered in fiscal 2022 to reach ~71%, as demand rebounded on the back of pre-election spending in Uttar Pradesh and pick-up in housing and construction activity. Thereafter, in fiscal 2024, it improved to 76% on account of healthy traction from rural housing and infra segment coupled with lower capacity addition during the year (~4.5 MT added). In fiscal 2025, utilisation levels are expected to improve moderately due to lower capacity addition expected in the current fiscal. In the longer run it is expected to improve and operate at 81-83% level till fiscal 2029 due to strong demand prospects in the region.

Figure 47 - Demand–supply and utilisation rates for central region

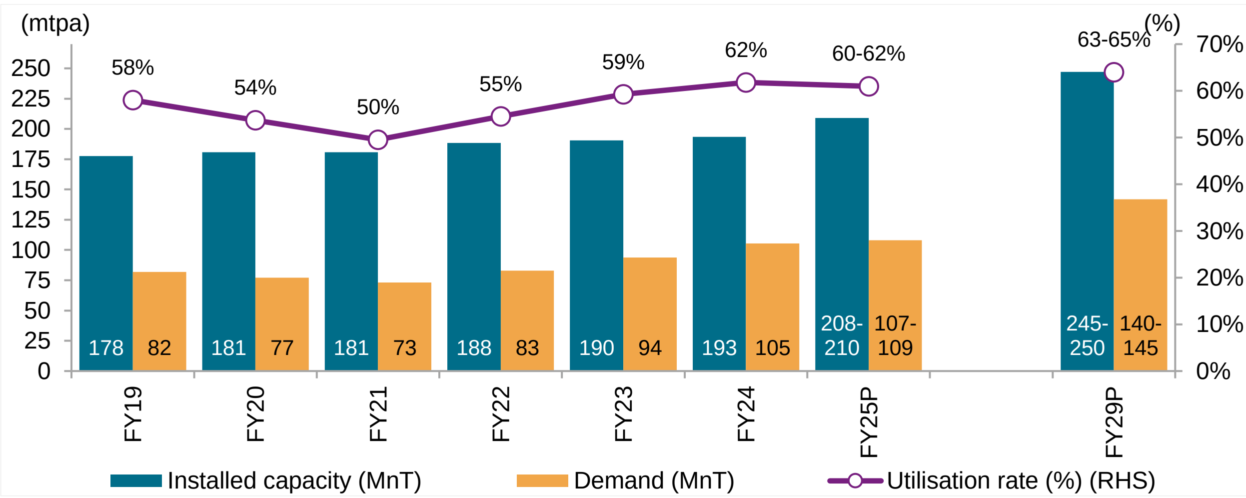


Note: Capacity utilisation is basis effective capacity – considering on the date of commissioning of the plant; capacity utilisation is calculated with production in the region divided by effective capacity and does not take into consideration inter-regional movement
Source: Crisil Intelligence, industry

7.1.5 Capacity, demand-supply balance and utilisation in southern region

Capacity utilisation in the south is the lowest, owing to a wide gap between capacity and production over the years, further aggravated by a slump in demand. Post Covid-19 slump, enhanced demand from the infrastructure and housing sectors and moderate capacity additions propelled utilisation to improve to ~59% in fiscal 2023. In fiscal 2024, the region breached the 60% mark for the first time in a decade as demand growth accelerated. The region is expected to continue to witness low-capacity utilisation compared with other regions. Utilisation rates are projected to marginally inch down in fiscal 2025, although rise to 63-65% level over fiscal 2029 from now owing to healthy demand but limited by higher capacity additions in the region.

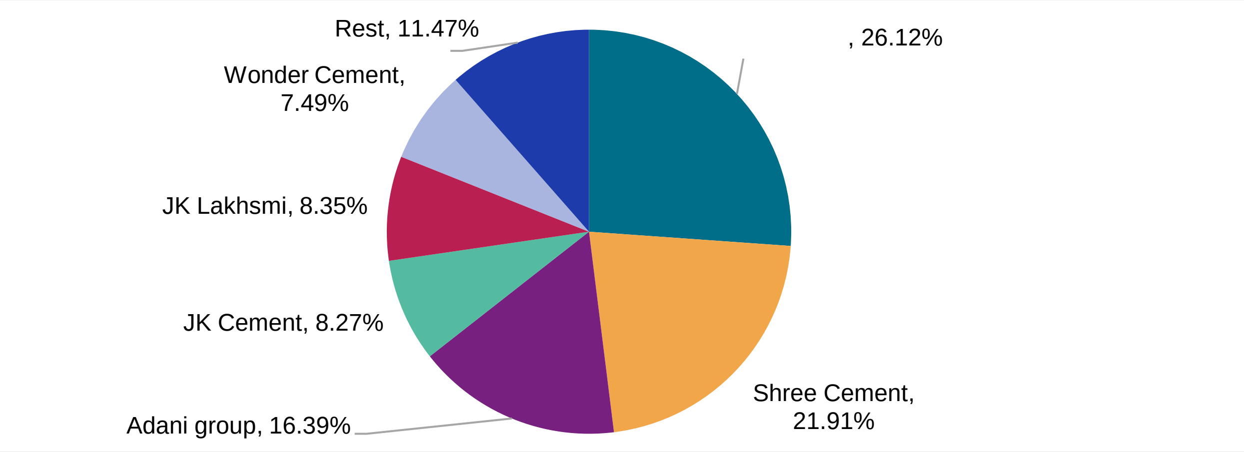
Figure 48 - Demand–supply and utilisation rates for southern region



Note: Capacity utilisation is basis effective capacity – considering on the date of commissioning of the plant; capacity utilisation is calculated with production in the region divided by effective capacity and does not take into consideration inter-regional movement
Source: Crisil Intelligence, industry

7.1.6 Regional capacity break-up (As of FY2024)

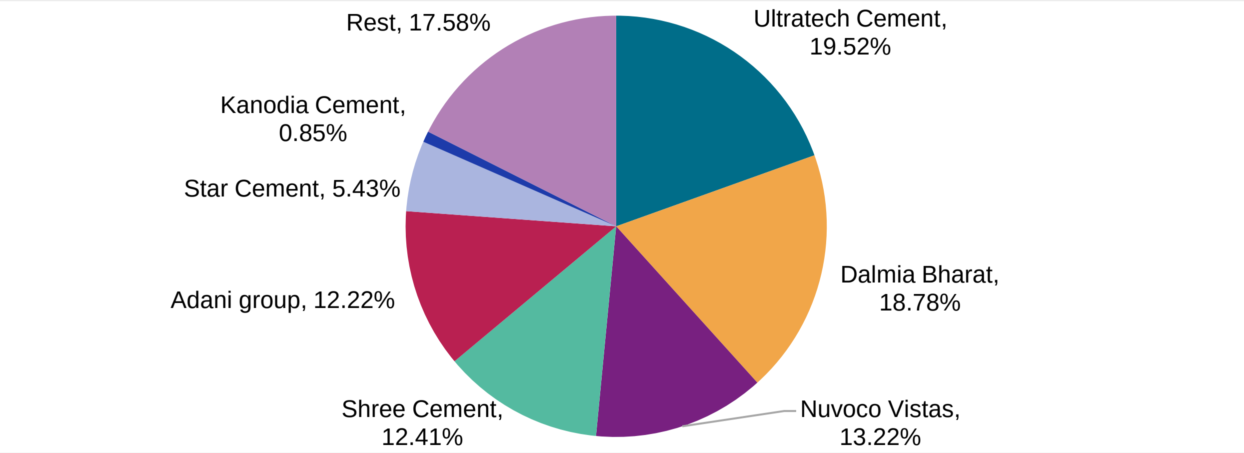
Figure 49- Player wise capacity breakup for the northern region



Source: Crisil Intelligence, Company reports

The northern region is the most consolidated region of the country with the top five players/groups accounting for over 81% of the total capacity in the region. Shree Cement Limited and UltraTech Cement Limited are the two largest players in the region as of FY2024.

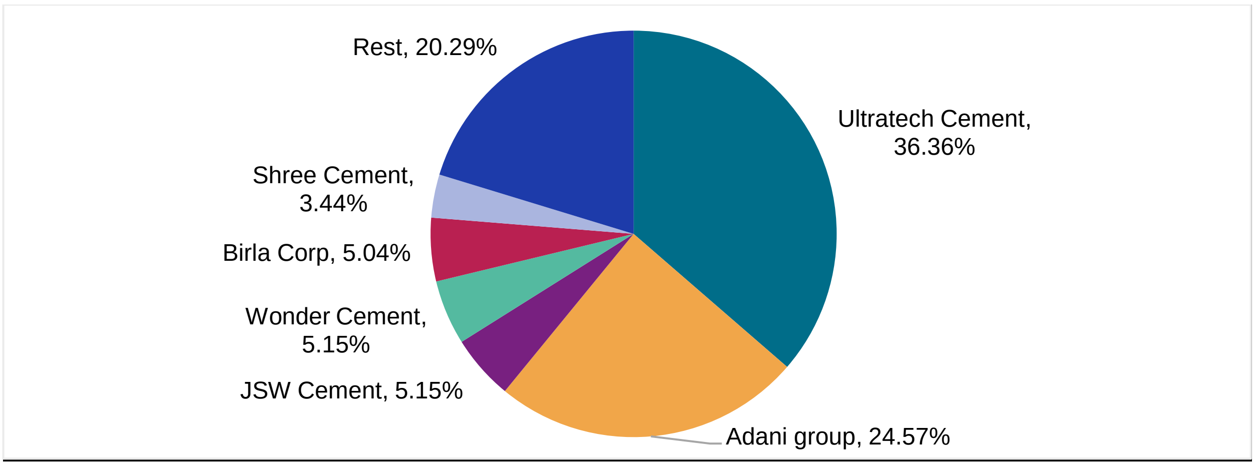
Figure 50- Player wise capacity breakup for the eastern region



Source: Crisil Intelligence, Company reports

The eastern region is largely dominated by the top five players in India with lower presence of mid-sized and small players. The top five players account for ~76% of the capacity in the region. The region has very few local players barring the northeast, where most are multi-regional players. Kanodia Cement Limited has 1 unit in the region of 1.2 MTPA capacity, accounting for ~0.85% of the installed capacity in the region.

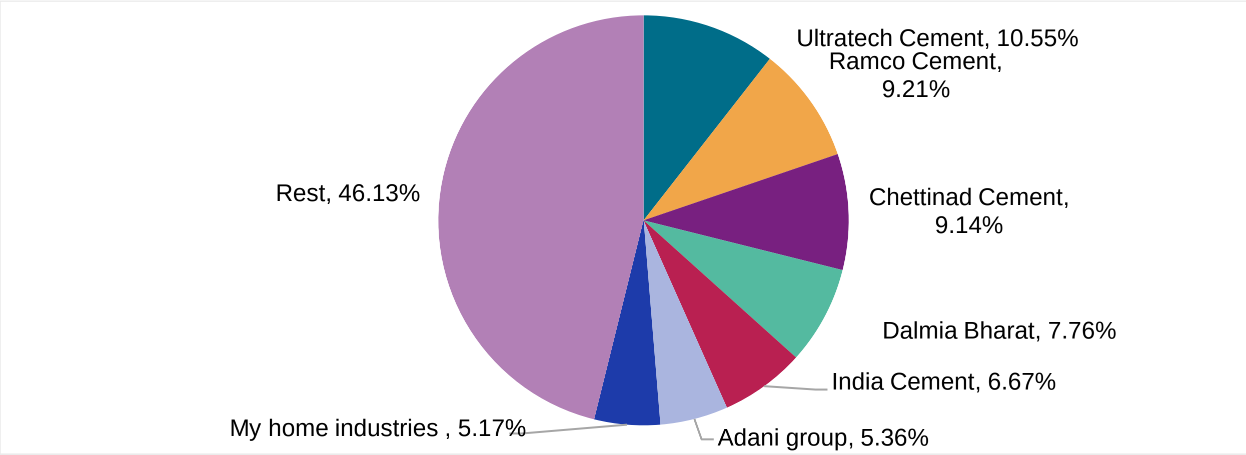
Figure 51- Player wise capacity breakup for the western region



Source: Crisil Intelligence, Company reports

The western region is one of the most competitive regions in the country along with the South. Further, the region receives a lot of inbound material from the North and South, making it even more competitive. UltraTech Cement Limited is by far the largest player in the region, accounting for 36% of the total capacity.

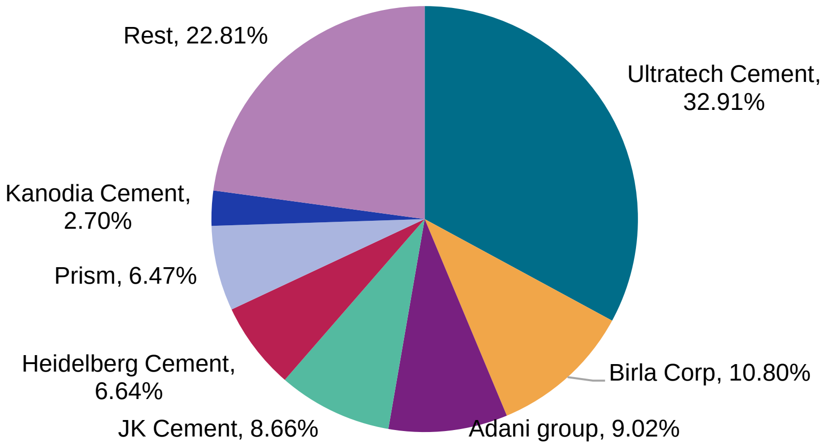
Figure 52- Player wise capacity breakup for the southern region



Source: Crisil Intelligence, Company reports

The southern region is the most competitive in the country with over 34 players. Unlike the other four regions, no player holds more than 15% capacity in the region. UltraTech Cement Limited is the largest player with just 11% of the total capacity in the region. The market is dominated by several mid-sized regional players such as The Ramco Cements Limited, Chettinad Cement Corporation Private Limited, India Cements Limited, Kesoram Industries, My Home industries.

Figure 53- Player wise capacity breakup for the central region



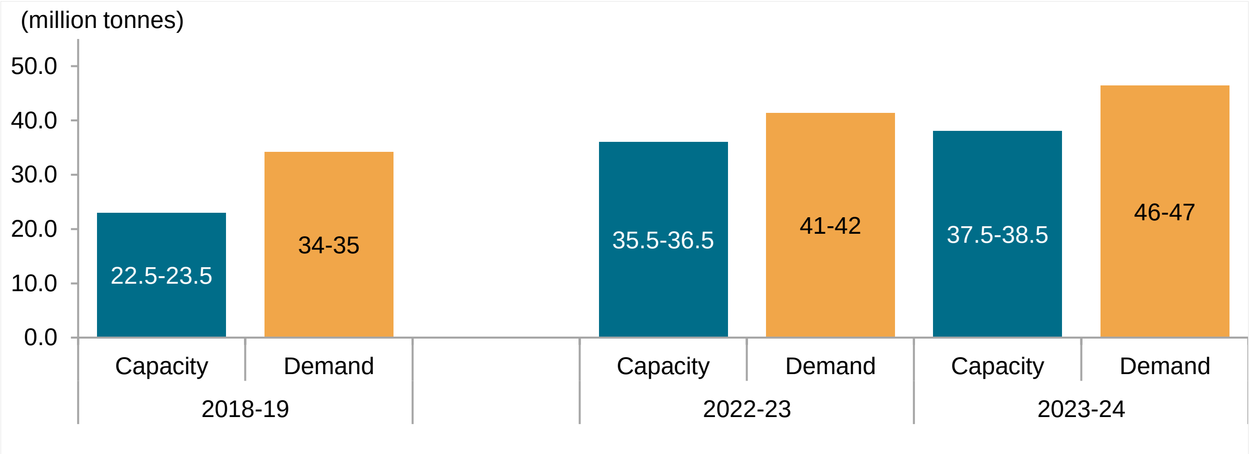
Source: Crisil Intelligence, Company reports

The central region is quite consolidated, but it receives a lot of inflows from the northern region. Players have started setting up split grinding in the region (especially UP) to curb cement inbound and limit lead distance. UltraTech Cement Limited is the largest player in the central region as well with ~33% market share by capacity. Kanodia Cement Limited has most of its capacity in the region with 2.34 MTPA as of fiscal 2024 accounting for ~2.70% market share in the region.

7.2 State-wise supply review and outlook

7.2.1 Uttar Pradesh

Figure 54- Cement supply review for Uttar Pradesh



Source: Crisil Intelligence

Uttar Pradesh holds close to 6% of India's total cement grinding capacity at 37.5-38.5 MTPA vis-à-vis ~10% of the total cement demand of the country as of fiscal 2024. In the past five years (fiscal 2020-2024), ~15 million tonnes of capacity additions took place in the state with no capacity addition in fiscal 2021 amid the pandemic-induced disruptions. However, demand recovered sharply from fiscal 2022 onwards with pick-up in execution of infrastructure projects - roads, expressways, metros, airports, etc, and traction in IHB demand leading to rise in supply. Around ~7 million tonne of capacity were added in fiscal 2023 and fiscal 2024. With healthy demand growth witnessed over past 5 years, players have added higher capacity resulting in higher incremental capacity compared to incremental demand. With higher demand as against supply in the state, UP has been a net importer of cement with inflow of cement from surrounding states. This makes UP a cement deficit state.

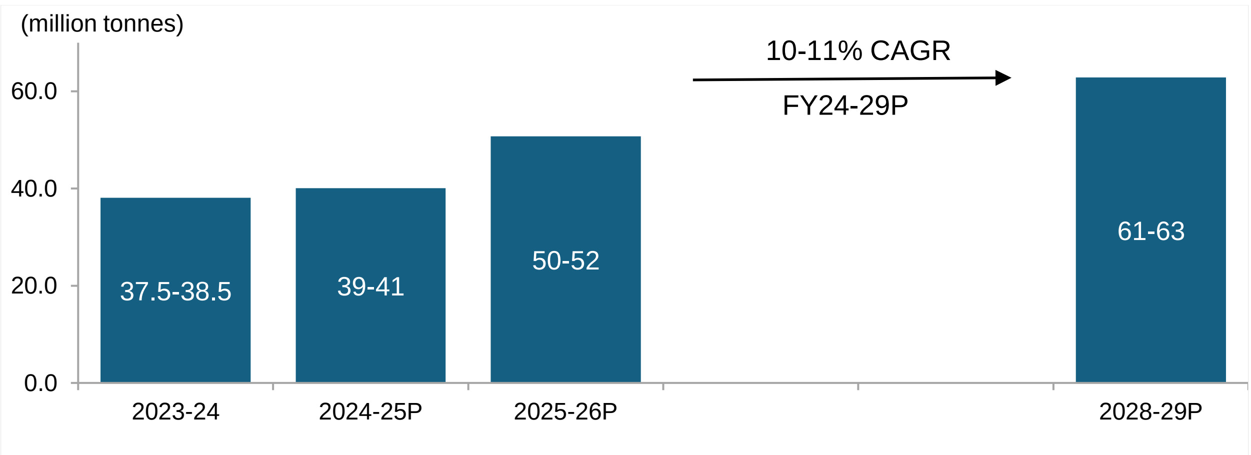
Uttar Pradesh has witnessed capacity additions to the tune of ~15 MTPA over the last five years.

Table 26- Key capacity additions in Uttar Pradesh (fiscal 2020-2024) All units added have been grinding units

Player	Location	Capacity (MnT)	Year
UltraTech Cement Limited	Bara, Allahabad	2.0	2019-20
JK Cement Limited	Aligarh	1.5	2019-20
Heidelberg Cement India Limited	Jhansi	0.6	2019-20
Adani group (ACC Limited)	Tikaria	1.6	2021-22
UltraTech Cement Limited	Bara, Allahabad	2.0	2021-22
Kanodia Cement Limited	Amethi	1.5	2022-23
UltraTech Cement Limited	Dalla	1.3	2022-23
JK Cement Limited	Hamirpur	2.0	2022-23
JK Cement Limited	Aligarh	0.5	2022-23
Wonder Cement	Aligarh	2.0	2023-24

Source: Crisil Intelligence, Company publications

Figure 55- Cement supply outlook for Uttar Pradesh



Source: Crisil Intelligence

Uttar Pradesh is the most populous state in India, accounting for ~16.44% of the country's population, as per Census 2011. The state holds close to 6% of India's total cement grinding capacity at 37.5-38.5 MTPA as of fiscal 2024. Uttar Pradesh in the central region has traditionally been an importer of cement from other regions. However, its dependence on production from other regions such as the north (Rajasthan) has reduced drastically following capacity addition in the state over the past few years. The trend is expected to continue with further increase in cement capacity. (However, most of these capacities would be in satellite grinding units as there is scarcity of limestone in the state. Hence, it would need to depend on clinker produced outside the state (Madhya Pradesh, Chhattisgarh and Rajasthan). Also, companies prefer adding more grinding units in demand-prone regions as it is easier and cheaper to transport clinker than transporting cement. This reduces the lead distance as well as freight rates. The region lacks limestone clusters, resulting in a significant reliance on clinker transport from integrated plants located in other states, approximately 600-800 km away. However, with presence of thermal power plants, the region is having sufficient availability of fly ash, the 2nd major raw material (upto~35% by weight of cement) for PPC cement manufacturing. This makes transportation of clinker to the region, followed by blending and grinding at Satellite Grinding Units (SGUs) as the preferred method of cement manufacturing. Consequently, the industry has traditionally been characterized by regional players catering to local markets, largely through SGUs.

Furthermore, under the Uttar Pradesh Industrial Investment and Employment Promotion Policy, 2022, industrial units, including cement units are entitled to fiscal incentives. These incentives include a 100% exemption from stamp duty in the Bundelkhand and Poorvanchal regions, and a 75% exemption in the Madhyanchal region. Additionally, industrial units are eligible for 100% of net SGST refund starting with an annual ceiling of 5% to 25% and a total ceiling of 80%-300% of the eligible capital expenditure (ECI).

Table 27- Subsidy/incentive details for industrial investments in Uttar Pradesh

Admissible incentive	Category	Gautam Buddha Nagar & Ghaziabad districts	Madhyanchal & Paschimanchal region	Bundelkhand & Purvanchal region
Stamp duty exemption	Large/Mega/Super Mega/Ultra Mega	50%	75%	100%
Net SGST reimbursement -Annual Ceiling as % of Eligible Capital Investment	Large	16%	18%	20%
	Mega	7%	17%	25%
	Super Mega	6%	14%	21%
	Ultra Mega	5%	13%	19%
Net SGST reimbursement -Overall Ceiling as % of Eligible Capital Investment	Large	80%	90%	100%
	Mega	80%	200%	300%
	Super Mega	80%	200%	300%
	Ultra Mega	80%	200%	300%
% of net SGST Refund	Large/Mega/Super Mega/Ultra Mega	100%		

Note: Ceiling is as % of Eligible capital investments. Eligible Capital Investment (ECI) means the Capital Investment as has been made by an industrial undertaking in its Eligible Investment Period after the Effective Date of the policy.
Source: Uttar Pradesh Industrial Investment & Employment Promotion Policy 2022

Table 28- Category definition for Subsidy/incentive details for industrial investments in Uttar Pradesh

Categories	Capital Investment	Period of net SGST reimbursement (in years)
Large	Above ₹50 Cr but below ₹200 Cr	6
Mega	₹200 Cr or above but below ₹500 Cr	12
Super Mega	₹500 Cr or above but below ₹3,000 Cr	14
Ultra Mega	₹3,000 Cr or above	16

Source: Uttar Pradesh Industrial Investment & Employment Promotion Policy 2022

These policy measures provide a strong incentive for cement manufacturing players to establish plants in the region, thereby promoting industrial growth and development. However, as demand is expected to grow sharply in the state on account of housing shortage and plethora of infrastructure projects under execution such as various Expressways, metros (Kanpur, Agra, Meerut, Lucknow), International airports, etc., incremental cement demand will marginally outpace incremental supply over the years. Hence, players are looking to install grinding capacity to the tune of 24-26 MTPA over fiscal 2025-2029.

Table 29- Key capacity additions in Uttar Pradesh (fiscal 2025-2029P) – All are grinding units

Player	Location	Capacity (MnT)	Fiscal Year
JK Cement Limited	Prayagraj	2.0	2024-25
Adani group	Salai Banwa	2.4	2025-26
Shree Cement Limited	Etah	3.0	2025-26
UltraTech Cement Limited	Shahjahanpur	1.8	2025-26
JK Cement Limited	Hamirpur	1.0	2025-26
JSW Cement Limited	Uttar Pradesh	2.5	2025-26
JK Cement Limited	Prayagraj	1.0	2026-27
JK Lakshmi Cement Limited	Prayagraj	1.2	2026-27

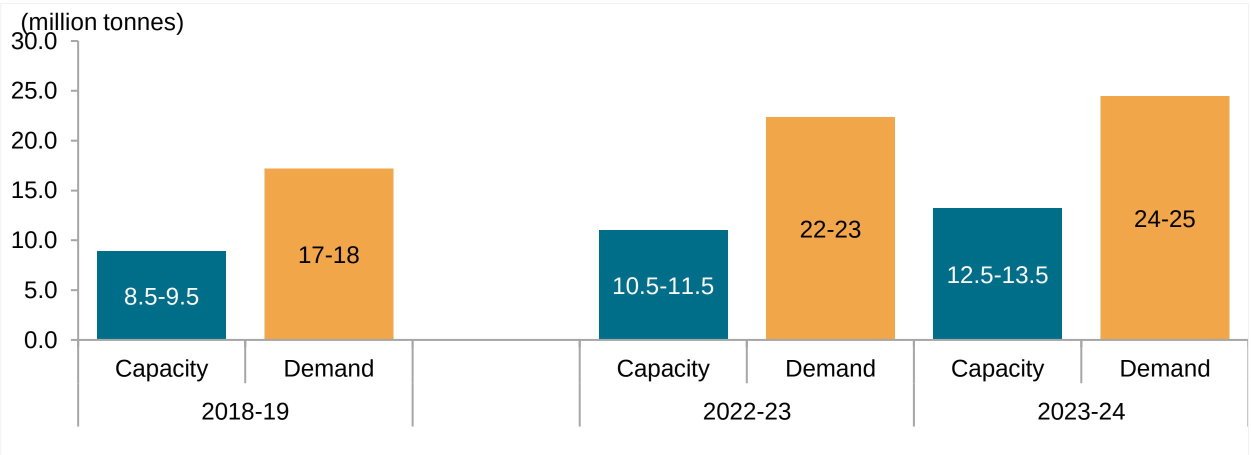
Player	Location	Capacity (MnT)	Fiscal Year
UltraTech Cement Limited	Aligarh	2.70	2026-27
Kanodia Cement Limited	Pratapgarh	2.50	2026-27
Kanodia Cement Limited	Sikandarpur, Bulandshahar	2.50	2027-28
Birla Corporation Limited	Prayagraj	1.4	2027-28

Note: Year of commissioning is as per Crisil Intelligence estimates
Source: Crisil Intelligence, company filings

7.2.2 Bihar

Bihar holds close to 2% of India's total cement grinding capacity at 12.5-13.5 MTPA vis-à-vis accounting for ~5% of the total cement demand as of fiscal 2024. In the past five years (FY20-24), close to ~3 million tonnes of capacity additions took place in the state with no capacity addition in fiscal 2021 amid pandemic-induced disruptions. After muted growth in fiscal 2022, demand recovered in fiscal 2023 and 2024 on the back of pick-up in infrastructure development, mainly roads and bridges and traction in rural housing, leading to ~2.2 million tonnes of capacity addition in fiscal 2024. As incremental cement demand stemming from housing and infrastructure projects outpaces incremental supply over the years, players have installed grinding capacity in the state to meet the expected rise demand. With higher demand as against supply, state has been in cement deficit, making it a net importer of cement.

Figure 56- Cement supply review for Bihar



Source: Crisil Intelligence

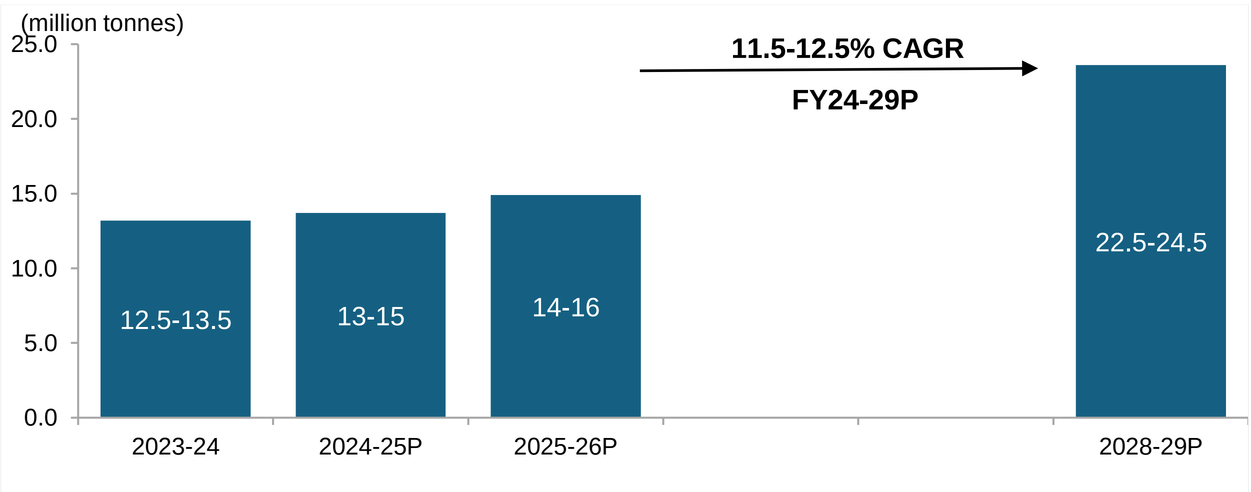
Bihar has witnessed capacity additions to the tune of ~3 MTPA over the past five years.

Table 30- Key capacity additions in Bihar (fiscal 2020- 2024) - All units added have been Grinding units

Player	Location	Capacity (MnT)	Year
UltraTech Cement Limited	Pataliputra	0.6	2021-22
UltraTech Cement Limited	Pataliputra	2.2	2023-24

Source: Crisil Intelligence, Company publications

Figure 57- Cement supply outlook for Bihar



Source: Crisil Intelligence

Bihar, a densely populated state, accounts for ~8.59% of India's total population as per Census 2011. Bihar is a net importer of cement, and its demand is largely fed by supply from Chhattisgarh and West Bengal, with some imports from Jharkhand, Madhya Pradesh and Odisha as well. Even the satellite grinding units located in the state are largely dependent on other states for clinker requirement, which is why capacity additions in Bihar have been limited in the past despite surge in demand. The state also exports cement to eastern Uttar Pradesh, and Nepal which further increases its dependence on imports. The region lacks limestone clusters, resulting in a significant reliance on clinker transport from integrated plants located in other states, approximately 600-800 km away. However, with presence of thermal power plants, the region is having sufficient availability of fly ash, the 2nd major raw material (upto~35% by weight of cement) for PPC manufacturing. This makes transportation of clinker to the region, followed by blending and grinding at Satellite Grinding Units (SGUs) as the preferred method of cement manufacturing. Consequently, the industry has traditionally been characterized by regional players catering to local markets, largely through SGUs.

However, for accelerated industrial development of the state, Bihar Industrial Incentive Policy-2011 has been implemented. Under this policy, there are provisions for granting incentives such as, 100% exemption from Stamp Duty and Registration Fees during the pre-production phase, capital subsidy for industrial units, inclusion of entry- tax in the re-imbursement of 80% of VAT, incentive also to existing units for Captive Power Generation / Diesel Generating sets and subsidy on non-conventional sources of energy production, etc. For large industries, all new units will be entitled to avail 80% reimbursement against the admitted VAT amount deposited in the account of the Government, for a period of ten years. The ceiling for this reimbursement will be 300% of the capital Invested. The policy further states that once GST is implemented, the incentive will be payable under that arrangement. These policy measures provide a strong incentive for cement manufacturing players to establish plants in the region, thereby promoting industrial growth and development.

Table 31- VAT reimbursement (on GST post implementation) under Bihar Industrial Incentive Policy-2011

Category	Reimbursement against VAT (on GST post implementation)	Period	Ceiling of reimbursement
Large industries (New units)	80%	10 years	300%

Source: Bihar Industrial Investment Policy 2011

Although, as incremental cement demand arising from housing and infrastructure projects will outpace incremental supply over the years, players are looking to increase the state's capacity by installing grinding capacity to the tune of 9-11 MTPA over the next five years.

Table 32- Key planned capacity additions in Bihar (fiscal 2025-2029) –All are grinding units

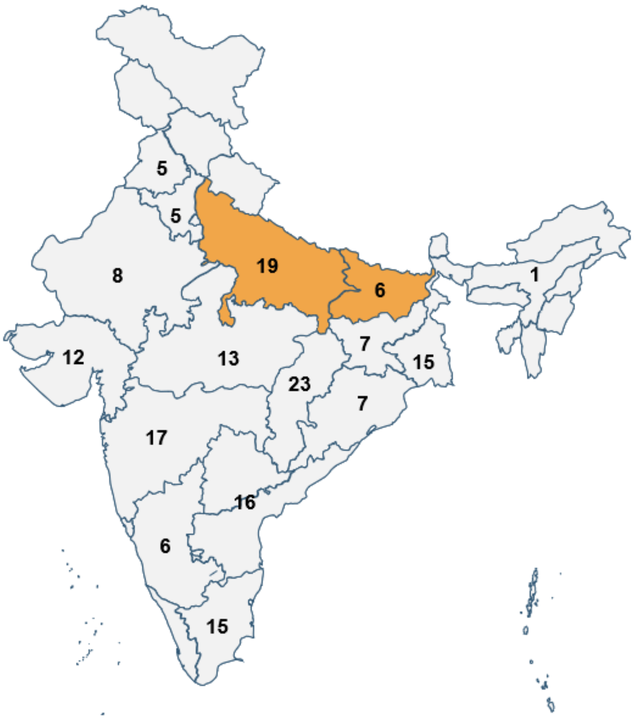
Player	Location	Capacity (MnT)	Fiscal Year
Dalmia Bharat Limited	Kalyanpur	0.5	2024-25
JK Lakshmi Cement Limited	Madhubani	1.2	2025-26
JK Cement Limited	-	3.0	2026-27
Adani group	Warisaliganj	2.4	2026-27
UltraTech Cement Limited	-	3.3	2027-28

Note: Year of commissioning is as per Crisil Intelligence estimates
Source: Crisil Intelligence, company filings

Thermal power plants located in Uttar Pradesh and Bihar

Chhattisgarh, Uttar Pradesh, Maharashtra and AP-Telangana accounts for ~43%, i.e. 75 out of total major 175 TPPs in India which leads to ample fly ash supply in these states as of fiscal 2023. Uttar Pradesh and Bihar combined, have ~14% (25 TPPs) of country's total no. of thermal power plants. Uttar Pradesh boasts a significant presence of thermal power plants, with a total of 19 units, ranking second only to Chhattisgarh (having 23 TPPs) in terms of the number of such facilities. This signifies ample availability of fly ash at very low cost for cement manufacturers, making production of blended cement quite lucrative. While being cement deficient states, Uttar Pradesh and Bihar has higher availability of fly ash which makes it beneficial for cement players producing PPC/PSC/PCC.

Figure 58- Thermal power plants located in Uttar Pradesh and Bihar



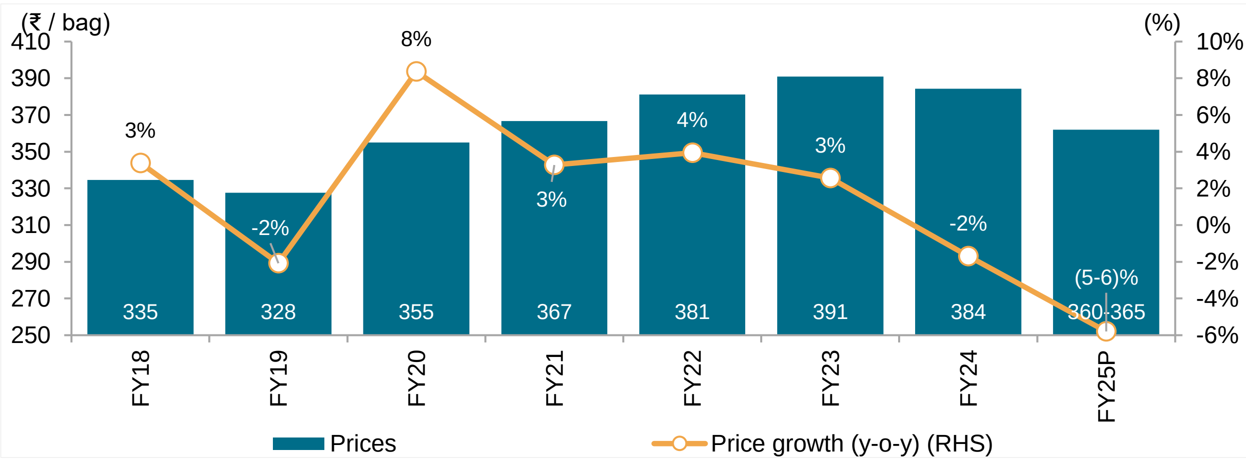
Source: Central Electricity Authority- March 2023, Crisil Intelligence

8. Pricing overview and outlook

8.1.1 All-India pricing trends

Cement prices rose ~3% on-year in fiscal 2023 to Rs 391 per 50 kg bag, as players tried to cushion profitability amidst high-cost pressures. Further, as crude and coal prices started witnessing correction, cost pressures declined for industry players. Power and fuel cost that had sharply increased had begun to decline in line with fall in crude and coal prices during the first half of fiscal 2024. Costs continued to follow the downward trend and eased further. As a result, despite strong demand momentum, players were unable to implement hikes in order to capture a larger market share amidst rising competition. Hence, on a consecutive healthy base, prices declined 2% during fiscal 2024 at Rs 384 per 50 kg bag.

Figure 59 - Pan-India trend in cement prices



Note: P- Projected; Prices are retail selling prices for category A players (dealer prices for <25 bags) and are inclusive of GST and dealer margins
Source: Industry, Crisil Intelligence

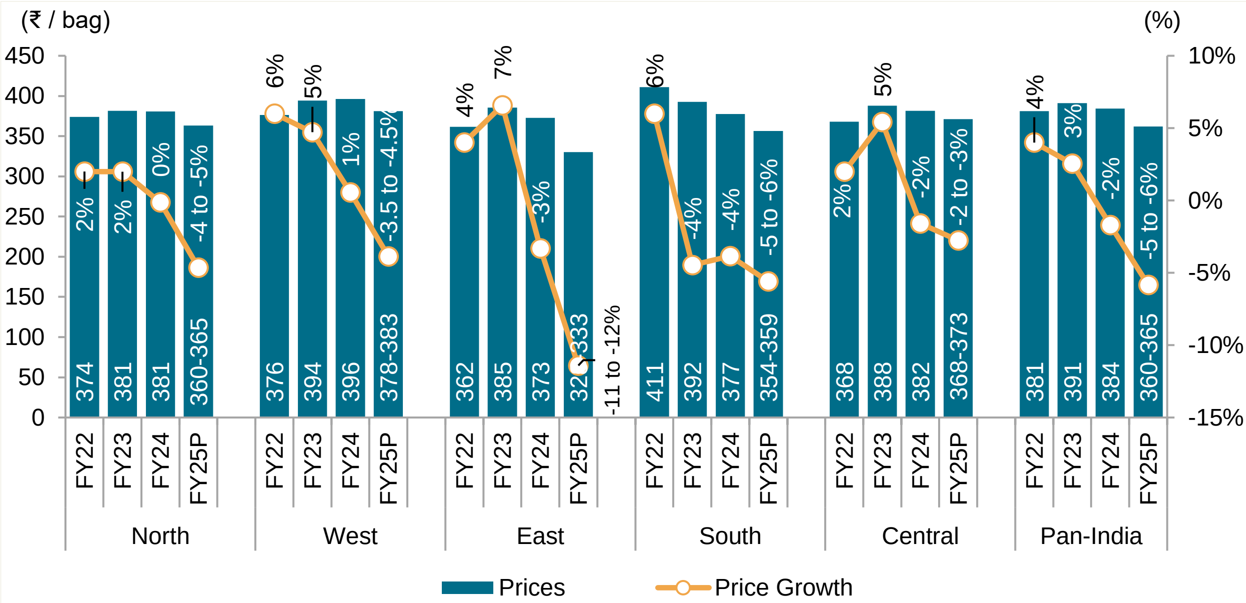
Going forward in fiscal 2025, Crisil Intelligence expects cement prices to decline further by 5-6% at Rs. 360-365 per bag in line with moderation in demand growth and rising competitive intensity. Also, the entry of new players into already competitive markets, inorganic expansion by large players, and continued capacity addition will be deterrents to price competitiveness and keep prices under pressure.

8.2 Regional price trends

Cement prices in the northern region, which rose by 2% in fiscal 2023 to battle cost pressures, remained stable in fiscal 2024 majorly due to robust capacity addition to the tune of ~15 MTPA, the highest additions in the region in the last decade. Prices are projected to further dip by 4-5% in fiscal 2025 due to higher supply in the region with a ramp-up in the previous fiscal's capacity additions and moderation in demand growth on a high base.

After soaring by ~5% on-year in fiscal 2023, cement prices in the infra-dominated west marginally increased further by ~1% in fiscal 2024 due to a healthy pick-up in demand. However, prices are expected to decline by 3.5-4.5% in fiscal 2025 on two consecutive healthy bases, coupled with moderation in demand. However, with no new capacity expected to be installed in the current fiscal, the utilization level is expected to marginally improve which will limit any significant price downfall.

Figure 60- Region-wise trend in cement prices



Note: P- Projected; Prices are retail selling prices for category A players (dealer prices for <25 bags) and are inclusive of GST and dealer margins
Source: Industry, Crisil Intelligence

In fiscal 2023, cement prices in the eastern region rose by ~7% on-year, the highest rise across regions, despite high prices in fiscal 2022 amid robust demand growth on the back of rural housing and government infrastructure projects. However, a strong momentum of capacity additions and intense competition in the region led to a price decline of 3% in fiscal 2024. Additionally, the slowdown in demand momentum during H2FY24 due to sand availability issues also supported the price drop. Further in fiscal 2025, Crisil Intelligence expects the downfall to continue with a sharp 11-12% decline as players try to capture market share in the region and capacity addition is expected to keep competitive intensity on the higher side.

In the southern region, cement prices witnessed a dip of ~4% on-year in fiscal 2023 on a very high base. Also, robust capacity additions in the east and north limited outbound shipments from the south, leading to oversupply and further weakening of prices. With the lowest utilization level of ~62%, the region further experienced a price drop of 4% in fiscal 2024. In fiscal 2025, Crisil Intelligence expects prices to remain under pressure with the highest share of capacity (after the eastern region) expected to be onboarded in the region in the current fiscal leading to higher competitive intensity.

Cement prices in the central region witnessed healthy ~5% on-year growth in fiscal 2023, with a pick-up in demand owing to government spending on infrastructure projects and housing, as well as higher input costs. However, a further price rise was truncated by an increase in supply in the region on the back of additional capacities onboarded and limited supply to the East, which is a key outbound region. Thus, prices dwindled by 2% in fiscal 2024 on a high base. In fiscal 2025, prices are expected to further dip by 2-3% in line with softening cost pressures and expected moderation in demand growth.

8.3 Price differential between base and premium brands

India has over 25 large and medium cement players and more than 50 smaller ones. Cement brands are largely categorised as A, B, and C. The categories are based on the prices of the brands in the respective regions. A-category brands are 2-4 brands with the highest prices in a particular city. B-category brands fall under the next range of prices, which is lower than A-category brands' prices. The brands across the categories may vary per city. The categorisation is not based on the sales volume of the brands but only on the selling prices in the respective cities. RSP (Retail Selling Price) are sales prices for sales of 10-25 bags from the retail counter and are ex-counter prices. The prices are date-stamped in nature.

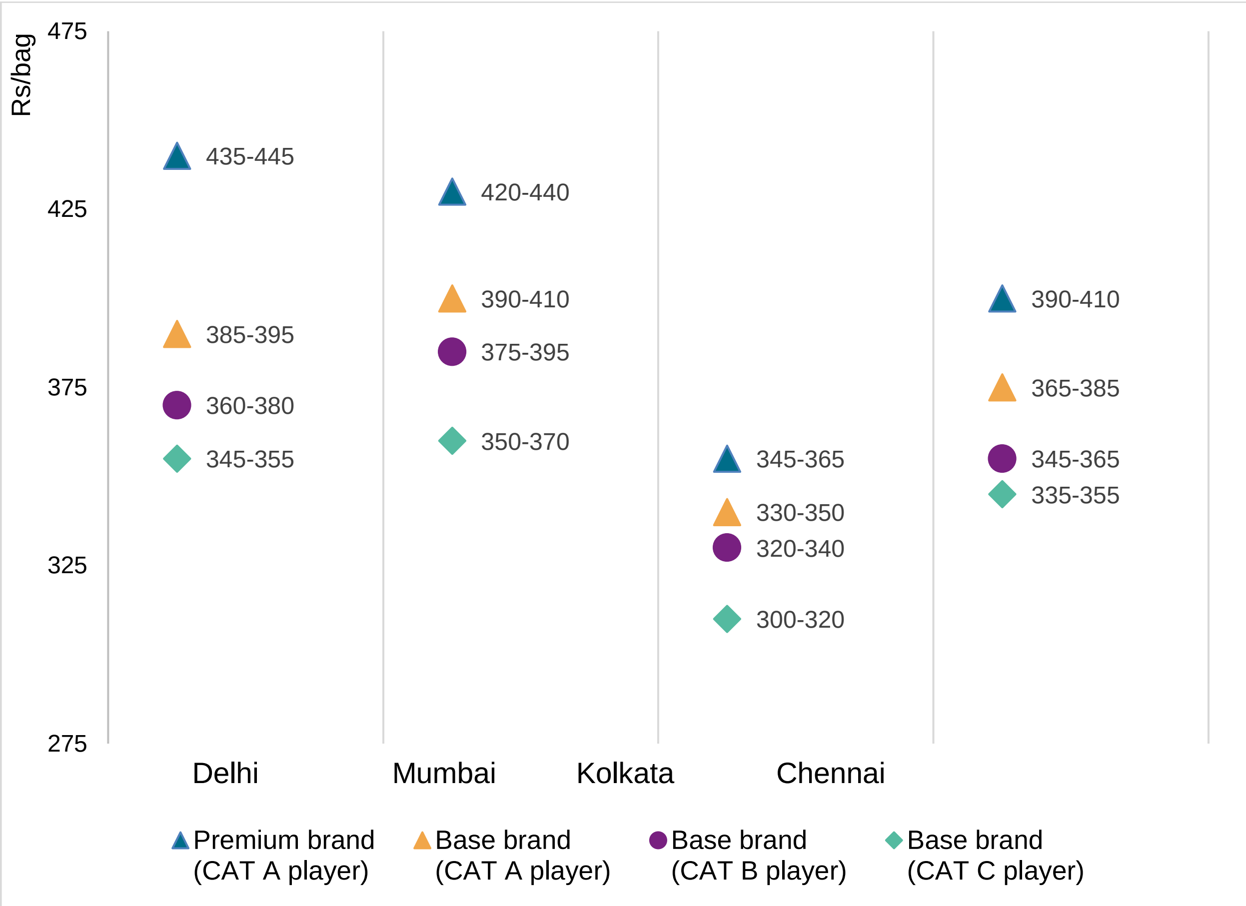
Premium brands rule the market in terms of pricing

The Indian cement industry has more than 70 active players and more than 200 recognised brands, thus giving consumers a wide range of options. This results in huge variation in prices of premium products of category A companies and those of base brands of category C players in the same market. Premium brands are market leaders in prices and usually enjoy a premium of up to Rs 100/bag over category C brands in the same market. The price differential is even wider with smaller, localised regional brands.

Category A players have been trying to push the sales of their premium brands in the market to cash in on the higher margins. The premium brands of category A players usually sell at Rs 40-60/bag higher than the base brand of the same company.

The wide difference in prices prompted category B players to launch premium products as well. However, these products compete against the base brands of category A players and are often sold at a discount to them. Despite these market dynamics, the base brands of category A players continue to command a premium in the market and remain market leaders in the category.

Figure 61- Category-wise region-wise prices (Fiscal 2024)

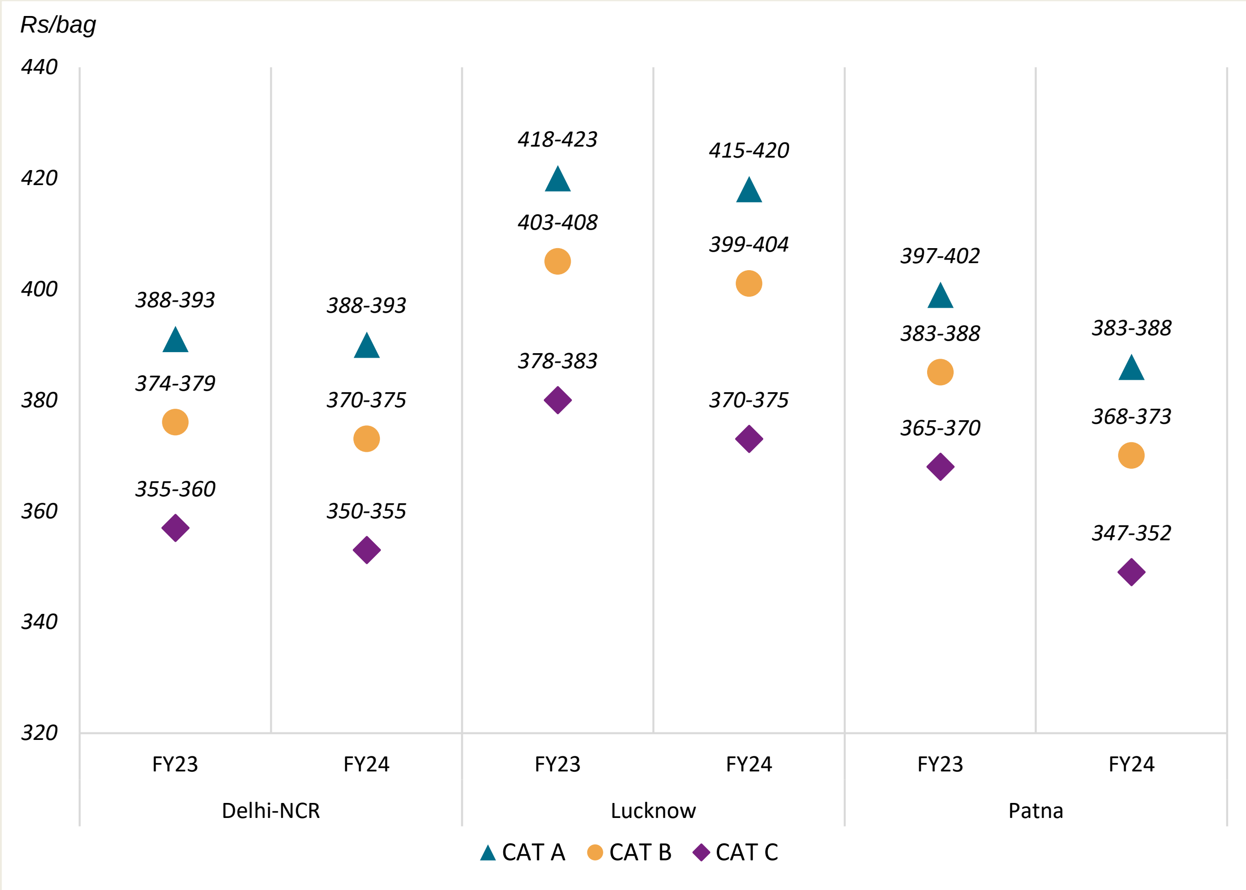


Note: Prices are average retail selling prices (dealer prices for <25 bags) for fiscal 2024 and is inclusive of GST and dealer margins
Source: Crisil Intelligence, Industry

8.4 Price differential between category-wise players in Uttar Pradesh and Bihar

Price difference between the base brands of category A and category B players varies from region to region. In the central and eastern regions, the differential largely ranges between Rs 20 and Rs 40 per bag depending on the city and player. While the price difference between the base brand of category A players is minuscule (usually less than Rs 5/bag), prices of various brands of category B players usually differ in the Rs 10-30 range.

Figure 62- Category-wise city-wise prices



Note: Prices are retail selling prices (dealer prices for <25 bags) and are inclusive of GST and dealer margins
Source: Crisil Intelligence, Industry

8.5 Key brands across regions

Along with the premium and base brands of the top 4-6 players, there are several other brands belonging to mid and small-sized players that dominate the regional markets.

Figure 63- Important cement brand across regions

Region	Major Cities	Key Brands	
NORTH	Delhi Jaipur Chandigarh Faridabad Dehradun	**UltraTech** –Weather plus, UT PPC, Super, **ACC** – Gold, F2R, Suraksha **Ambuja** – Plus, Ambuja PPC **Nuvoco** – Duragaurd MF, Duragaurd **Shree** – Ultra, Jangrodhak	**JK Cement** – Super **JK Lakshmi**- PPC **Birla** – Chetak **Kanodia Cement**- HBM, HBM Gold, BigCem, BigCem Premium Plus, Concrete Gold, Concrete Gold- Ultra strong, Bluestar Classic Cement, Bluestar Cement **Wonder**- Wonder PPC
Central	Noida Lucknow Indore Bhopal Allahabad	**UltraTech** –Weather plus, Super, Weather plus **ACC** – Gold, F2R, Suraksha, Concrete plus, Gold **Ambuja** – Plus, Gold, Roof **Shree** – Ultra, Jangrodhak **Nuvoco** – Duragaurd	**Prism**– Champion **Birla** – Chetak, Samrat **Wonder** – PPC **Kanodia Cement**- HBM, HBM Gold, BigCem, BigCem Premium Plus, Concrete Gold, Concrete Gold- Ultra strong, Bluestar Classic Cement, Bluestar Cement **Heidelberg** - My Cem **KJS Cement**
West	Mumbai Pune Surat Ahmedabad Vadodara	**UltraTech** –Weather plus, Super **ACC** – Gold, F2R, Suraksha, Concrete plus, Gold **Ambuja** – Plus **Nuvoco** – Duragaurd	**JK** – Super, Super Strong **Sanghi** - PPC **Wonder** – PPC **MP Birla** - Samrat
EAST	Kolkata Guwahati Patna Bhubaneswar Ranchi	**UltraTech** –Weather plus, UT PCC (Composite), Super **ACC** – Gold, F2R, Suraksha, Concrete plus, Gold **Ambuja** – Plus **Dalmia** – DSP, Konark **Shree** – PPC, Jangrodhak **Nuvoco** – Duragaurd MF, Duragaurd	**MP Birla** - Samrat **Nu Vista** – Double Bull **JSW Cement** – Concreel HD, PSC **Kanodia Cement**- HBM, HBM Gold, BigCem, BigCem Premium Plus, Concrete Gold, Concrete Gold- Ultra strong, Bluestar Classic Cement, Bluestar Cement **Star Cement**
South	Hyderabad Chennai Bengaluru Kochi	**UltraTech** –Weather plus, Super **ACC** – Gold, F2R, Surakasha, Concrete plus, Gold **Ramco** – Supercrete, Super grade **India Cement** –Coromandel King, Coromandel **KCP** – KCP PPC **Bharathi** - Bharathi	**Orient** –Birla A1 **Kesoram** – Birla Shakti **Dalmia** – DSP, Super **Chettinad** - PPC **Sagar Cement** - PPC **Penna** – Suraksha PSC **JSW Cement** - PSC

Source: Crisil Intelligence, Industry

9. Consolidation trends in cement industry

The sector has witnessed consolidation with large cement makers taking over regional heavyweights, and struggling companies being taken over through competitive bidding under the Insolvency and Bankruptcy Code (IBC).

Over the past five years, the sector witnessed an unparalleled surge in mergers and acquisitions, resulting in the transfer of 106-108 MTPA of capacity, of which 95-97 MTPA have been acquired by large players[1]. On the other hand, large players have installed only 51-53 MTPA of capacities via organic route. Companies have been preferring inorganic way of expansion over organic route due to longer gestation period involved in setting up new plants, which can take three to four years. Additionally, it makes it simple to enter an established market, expanding their geographic reach. Inorganic approach to expansion eliminates the entire hassle of finding the site, purchasing land and delays in regulatory approvals. The top five players have been gaining market share over the last five years through various acquisitions.

9.1 Key deals in the cement industry in recent years:

Nuvoco-Emami (July 2020)

In fiscal 2020, Nuvoco Vistas Corporation Limited of the Nirma Group bought Kolkata-based Emami Cement for an enterprise value of Rs 5,500 crore. Emami operated one integrated unit in Risdah, Chhattisgarh, and one satellite grinding unit each in West Bengal, Bihar and Odisha with a total cement grinding capacity of 8.3 MTPA. The acquisition was completed in July 2020

Adani- Lafarge Holcim (May 2022)

The Adani group’s $ 10.5 bn acquisition of the Indian cement business of Lafarge-Holcim (ACC-Ambuja combine) is the largest deal in the past 5 years. Adani acquired ~68 MTPA capacity, making it the second largest cement manufacturer in the country. Ambuja Cements Limited has 14 cement plants and 4,700 employees. ACC has 17 cement plants and 78 ready mix concrete factories. It employs 6,000 people.

Dalmia- Jaiprakash Associates (Dec 2022)

Dalmia Bharat Limited has entered into a binding framework agreement to acquire cement, clinker and power plants from Jaiprakash Associates Limited. in Dec-2022. Overall consideration to be paid for this acquisition will be Rs 5,666 crore. The assets have a total cement capacity of 9.4 million tonnes, clinker capacity of 6.7 million tonnes and thermal power plants of 280 MW. The said plants are in Madhya Pradesh, Uttar Pradesh and Chhattisgarh. The transaction is in process and subject to due-diligence, requisite approvals from lenders and Joint Venture partners of Jaiprakash Associates and other regulatory authorities.

Ultratech- Kesoram (Nov 2023)

Ultratech Cement Limited announced acquisition of cement business of Kesoram Industries Limited having capacity of 10.8 MTPA, at a deal value of ~Rs. 7,600 crores. The demerger of the cement business of Kesoram Industries into UltraTech Cement is expected to be complete by the end of this fiscal year. The transaction would add over 7 million tonnes (MT) cement production to UltraTech’s kitty. The deal translated to enterprise value per tonne of ~Rs 7040.

Ambuja- Sanghi Industries (Dec 2023)

In Dec'23 Ambuja Cements Limited completed acquisition of Sanghi Industries at an enterprise value of Rs 5,185 crore. Ambuja Cements Limited also executed a trade (in on and off-market trade) to acquire 54.5 per cent of the voting share capital from the promoters of Sanghi Industries.

Ultratech- India Cements (April-July 2024)

In April’24, UltraTech Cement Limited entered into an agreement with India Cements Limited to acquire it’s 1.1MTPA satellite grinding unit in Parli in Maharashtra. Further in June 2024, Ultratech acquired a 23 per cent non-controlling stake in India Cements Limited. Lately, in July 2024, UltraTech enters a pact with India Cements Limited to buy additional 32.72% stake for Rs. 3,954 crore and company received CCI nod in December 2024.This makes UltraTech Cement the majority shareholder in the south based cement manufacturer with a holding of 55% of the total shares. India Cements Limited has a total capacity of 14.45 MTPA of grey cement. Of this, 12.95 MTPA is in the South (particularly Tamil Nadu) and 1.5 MTPA is in Rajasthan.

[1] *Note: Large (capacity ≥ 25 MTPA); medium (capacity: 8-24 MTPA); small (capacity: <8 MTPA)*

Ambuja- Penna Cement (June 2024)

In Jun'24, Adani owned Ambuja Cements Limited entered into a binding agreement to acquire 100% stake in south-based Penna Cement at an enterprise value of Rs. 10,400 crores. The transaction includes the acquisition of 14.0 million tonne per annum cement capacity of which 4 MTPA is under construction.

Other deals

In March'23, Sagar cements acquired 95% stake in Andhra cements at a deal value of Rs. 762 crores. Further, NCL Industries acquired 100% ownership of Vishwamber Cements through share purchase agreement. Also, in June'23, JK Cement Limited secured in-principle approval from its board of directors to enter into a share purchase agreement for 100% of shares in Toshali Cements. Later in Nov'23, Ultratech acquired Burnpur cement with cement grinding capacity of ~0.54 MTPA at deal value of Rs. 170 crores. In Jan'24, ACC Limited acquired remaining stake of 55% in Asian Concretes and Cements Pvt Limited having capacity of 2.8 MT at deal value of ~Rs. 425 crores. Ambuja Cements Limited also acquired My Home Group's 1.5 MTPA cement grinding unit in Tuticorin in Tamil Nadu.

Taking into account the capex plans of the large players, the cement industry is on the road to becoming more competitive, with more consolidations expected. Indeed, while most of the stressed assets have been acquired over the past five years, Crisil Intelligence anticipates an acceleration in consolidation where other relatively weak mid-size and small assets will be the focus.

Table 33- Key deals in the industry

Acquirer	Seller	Nature of deal	Region	Acquired Capacity (MTPA)	Deal value (Rs bn)	Deal month
Nuvoco Vistas Corporation Limited	Vadraj Cement	Sale of 100% stake	West	6	18	Apr-25
Ambuja Cements Limited	Orient Cement Limited	Sale of 46.8% stake	South, West	8.5	81	Oct-24
Ultratech Cement Limited	India Cements Limited	Sale of 55% stake	South, North	14.45	58	Jul-24
Ambuja Cements Limited	Penna Cement	Sale of 100% stake	South, West	14	104	Jun-24
Ambuja Cements Limited	My Home Group	Sale of assets	South	1.5	4.13	Apr-24
Ultratech Cement Limited	India Cements Limited	Sale of assets	West	1.1	3.15	Apr-24
ACC Limited	Asian Concretes & Cements Pvt Limited	Sale of remaining 55% stake	North	2.8	4.25	Jan-24
Ultratech Cement Limited	Kesoram Industries	Sale of 100% stake	South	10.8	76	Dec-23
Ultratech Cement Limited	Burnpur Cement Limited	Sale of 100% stake	East	0.54	1.7	Nov-23
Ambuja Cements Limited	Sanghi Industries Limited	Sale of 56.74% stake	West	6.1	50	Aug-23
JK Cement Limited	Toshali Cements	Sale of 100% stake	East	0.633	1.57	Jun-23
NCL Industries	Vishwamber Cements Limited	Sale of 100% stake	South	-	0.162	May-23
Sagar Cements	Andhra Cements	Sale of 95% stake	South	3	7.62	Mar-23
Dalmia Bharat Limited	Jaiprakash Associates	Sale of assets	East and Central	9.4	57	Dec-22
Adani Group	ACC and Ambuja (Holcim Group)	Sale of 63.1% stake in Ambuja Cements Limited (that owns 50% stake in ACC) and 4.5% in ACC Limited	Pan-India	68	814	May-22
Anjani Portland Cement	Bhavya Cements	Sale of 82.51% stake	South	1.4	6.07	Jun-21
Nuvoco Vistas Corporation Limited	Emami Cements	Sale of 100% stake	East	8.3	55	Jul-20
Ultratech Cement Limited	Century	Transfer of cement assets to Ultratech	Central, East, West	11.4	Share swap	Oct-19

Acquirer	Seller	Nature of deal	Region	Acquired Capacity (MTPA)	Deal value (Rs bn)	Deal month
Ultratech Cement Limited	Binani	Sale of 100% stake	North, Central, south	6.25	79.5	Nov-18
Dalmia Bharat Limited	Kalyanpur Cements	Sale of 100% stake	East	1.1	3.5	Jan-18
Dalmia Bharat Limited	Murli Industries	Sale of 100% stake	West	3	4	Dec-17
Dalmia Bharat Limited	OCL	Transfer of cement assets of Dalmia with its subsidiary OCL	East	6.7	Issue of 1 share of Dalmia Bharat Limited for every 2 shares of OCL	Nov-16
Nirma	Lafarge India	Sale of 100% stake	East, North	11	93	Jul-16
Ultratech Cement Limited	Jaiprakash Associates	Sale of cement plants	North, Central, South	21.2	166	Feb-16
Birla Corporation	Reliance Cements	Sale of 100% stake	Central, West	6.6	48	Feb-16

Source: Crisil Intelligence, Industry publications

9.2 IBC proceedings of major cement companies

Table 34- Current IBC proceedings of major cement companies

Sr no.	Name of Corporate Debtor	Status as of April-2025
1	Jaiprakash Associates (Jaypee Cement Corporation Limited)	Under CIRP
2	Bharat Hitech (Cements) Private Limited	CIRP closure through settlement
3	Vadraj Cement Limited	Resolution Plan approved (Successful Resolution Applicant- Nuvoco Vistas Corporation Limited)
4	Virgo Cements Limited	Resolution Plan approved (Successful Resolution Applicant- PRAG India)
5	Jammu and Kashmir Cements Limited	CIRP -Claims admitted
6	RaniSagar Cement Company Limited	CIRP dissolution- Corporate debtor not a going concern given that it holds no assets
7	Aanchal Cement Limited	CIRP closure through withdrawal- Corporate Debtor freed from CIRP and Board of directors restored to its original position

Note: CIRP- Corporate insolvency resolution process. CIRP is the process of resolving the corporate insolvency of a corporate debtor in accordance with the provisions of the Insolvency and Bankruptcy Code. As of March 2025
Source: Insolvency and Bankruptcy Board of India, Crisil Intelligence

10. Player profiles and comparative benchmarking

10.1 Player profiles

Kanodia Cement Limited

Incorporated in 2009, Kanodia Cement Limited (KCL) is one of the pioneers in contract manufacturing of cement. It is one of the few players in the industry having a unique combination of both, business-to-business contract manufacturing for cement brands ("Contract Manufacturing Model") as well as production and marketing of its own consumer brands ("Business-to-Consumer model"). Kanodia Cement Limited has established itself as a preferred contract manufacturing partner for marquee cement brands, operating through cement sale and purchase agreements with them. Additionally, it also produces & markets cement under its own brands in the Western UP and NCR markets. Its portfolio of own brands includes both base and premium brands like "*Concrete Gold – Ultra Strong*", "*Concrete Gold*", "*BIGCEM Premium Plus*", "*BIGCEM*", "*HBM Gold*", "*HBM*", "Bluestar Classic Cement" and "Bluestar Cement".

Table 35- Details of manufacturing units operated by KCL

S. No	Plant Name	Location	Region / State	Production Capacity (MTPA)	Commencement of Commercial Production (Calendar year)
1,2,3	Kanodia Cement Limited (KCL) - 3 units	Sikandrabad	Western Uttar Pradesh	0.84	2011 2013 2016
4	Kanodia Infratech Limited (KIL) - 1 Unit	Bhabhua	Bihar	1.2	2016

S. No	Plant Name	Location	Region / State	Production Capacity (MTPA)	Commencement of Commercial Production (Calendar year)
5	Kanodia Cem Private Limited (KCPL) Unit 1 - 1 Unit	Amethi	Eastern Uttar Pradesh	1.5	2022
	Total present capacity			3.54	

Note: KCL is the holding company; KIL and KCPL are 100% subsidiaries of KCL
Source: Kanodia Cement Limited

The company has a 2.68% and 0.82% market share by capacity in central and eastern region respectively on a consolidated basis as of December 2024, specifically the company accounts for 5.85% of the total capacity in Uttar Pradesh and a notable 9.23% in Bihar despite these being fragmented markets. Company has expansion plans of 5 MTPA in Uttar Pradesh, leading to total capacity of 7.34 MTPA in the state resulting in rise in market share to ~12% by fiscal 2029. Operating under both models of B2B and B2C, the company has unique advantage in key markets of UP and Bihar.

Table 36- Key performance Indicators for Kanodia Cement Limited

Operational	Units	9M 2024-25	2023-24	2022-23	2021-22
Installed Grinding Capacity	*MTPA*	2.66*	3.54	3.17**	2.04
Cement Sales - Contract Manufacturing Model	*MMT*	1.45	1.52	1.00	0.72
Cement Sales - Business to Consumer Model	*MMT*	0.15	0.23	0.17	0.22
Total Cement Sales Volume	*MMT*	1.60	1.74	1.18	0.94
Capacity Utilisation	*%*	60.23%	49.23%	37.13%	46.10%
Financials					
Revenue from Operations	*INR Mn*	7,195.62	8,879.07	6,652.78	4,884.54
Revenue from Operations Growth	*%*	NA	33.46%	36.20%	NA
Operating EBITDA	*INR Mn*	1,301.71	1,528.36	916.55	667.17
PBT	*INR Mn*	1,285.38	1,467.55	760.69	570.71
PAT	*INR Mn*	982.38	1,138.38	554.74	403.55
Operating EBITDA margin	*%*	18.09%	17.21%	13.78%	13.66%
PBT margin	%	17.86%	16.53%	11.43%	11.68%
PAT margin	*%*	13.65%	12.82%	8.34%	8.26%
Total equity	*INR Mn*	4,941.64	3,959.79	2,821.14	2,268.77
Net Debt	*INR Mn*	(687.62)	(923.45)	584.51	1,050.35
Basic EPS	*Rs*	13.17	15.27	7.43	5.38
Net Asset Value per Share	*Rs*	66.27	53.10	37.83	30.33
Operating metrics					
Realisation per tonne	Rs / tonne	4,278.60	4,722.14	5,099.14	4,694.23
Operating EBITDA	Rs / tonne	814.06	876.94	779.90	709.53
Cost of sales	Rs / tonne	3,685.90	4,217.67	4,881.00	4,485.16
Ratios					
ROE	%	29.43%	33.58%	21.80%	20.83%
RoCE	%	35.18%	36.47%	21.43%	22.25%
Net debt by EBITDA	Times	-0.53	-0.60	0.64	1.57
Net debt by Networth	Times	-0.14	-0.23	0.21	0.46
Fixed Asset Turnover Ratio	Times	2.75	2.58	2.55	3.80

Note:
1. *Utilisation is calculated based on capacity and production data; ROE and RoCE ratios have been annualised for 9MFY25*
2. *Effective capacity calculated for 9M FY25 period (Full year capacity*9/12)*
3. ***KCPL unit started production in FY23 so weighted average capacity has been considered for FY23.*
4. *Net debt for Kanodia Cement Limited is calculated as: Long term borrowings + Short term borrowings – (cash and cash equivalents, bank balances, current investments and other non-current financial assets (bank deposits with remaining maturity of more than twelve months).*

Source: Kanodia Cement Limited

JK Cement Limited (Consolidated)

JK Cement Limited is an affiliate of JK Group. The company had grey cement capacity of ~22.34 MTPA and white cement capacity of ~2.50 MTPA as of fiscal 2024. Its grey cement manufacturing units are based in Mangrol, Nimbahera and Gotan in Rajasthan and Muddapur in Karnataka, and grinding units are located in Jharrli, Haryana and in Aligarh, Uttar Pradesh. It also has a ~3.10 MTPA white cement plus wall putty facility in the UAE. The company has 82.30 MW of WHRS capacity and 100.64 MW of renewable power generation capacity as of fiscal 2024.

Table 37- Key performance Indicators for JK Cement Limited (Consolidated)

Operational	Units	9M 2024-25	2023-24	2022-23	2021-22
Installed Grinding Capacity -Grey Cement	MTPA	18.26*	22.34	20.67	14.67

Operational	Units	9M 2024-25	2023-24	2022-23	2021-22
Grey Cement Sales Volume	MTPA	12.54	16.77	13.17	11.72
White cement & Putty Sales Volume	MTPA	1.62	1.64	1.59	1.43
Total Sales volume		14.16	18.41	14.76	13.15
Capacity Utilisation	%	NA	81.00%	87.00%	79.00%
Financials					
Revenue from Operations	INR Mn	82,979.70	15,560.00	97,201.99	79,908.19
Revenue from Operations Growth	%	NA	18.89%	21.64%	20.96%
Operating EBITDA	INR Mn	12,622.90	20,598.00	13,143.05	14,824.10
PBT	INR Mn	6,044.30	11,791.10	6,312.92	10,131.24
PAT	INR Mn	5,108.40	7,899.30	4,190.80	6,792.11
Operating EBITDA margin	%	15.21%	17.82%	13.52%	18.55%
PBT margin	%	7.28%	10.20%	6.49%	12.68%
PAT margin	%	6.16%	6.84%	4.31%	8.50%
Networth	INR Mn	NA	53,216.40	46,423.53	42,906.36
Net Debt	INR Mn	NA	42,656.40	39,265.38	33,200.56
Basic EPS	Rs	64.81	102.35	55.17	87.90
Net Asset Value per Share	Rs	NA	694.61	606.56	559.72
Operating metrics (Blended)					
Cement Realisation	Rs / tonne	NA	6,098.29	6,434.48	5,975.79
Operating EBITDA	Rs / tonne	891.45	1,118.85	890.45	1,127.31
Cost of sales	Rs / tonne	4,968.70	5,158.17	5,695.05	4,949.36
Ratios					
ROE	%	NA	15.86	9.38	16.98
RoCE	%	NA	14.97	9.81	15.55
Net debt by EBITDA	Times	NA	2.07	2.99	2.24
Net debt by Networth	Times	NA	0.80	0.85	0.77
Fixed Asset Turnover Ratio	Times	NA	1.35	1.33	1.29

Note:

1. *Utilisation and basic EPS is as reported and published by company*
2. **Effective capacity calculated for 9M FY25 period (Full year capacity*9/12)*
3. *NA-Not Available, as certain datapoints were not reported or disclosed by the company in their annual reports/quarterly financials/Investor presentation as available*

Source: Company annual report and publication

JK Lakshmi Cement Limited (Consolidated)

JK Lakshmi Cement Limited is a part of the JK Organisation. This industrial house is over hundred and thirty-five years old and have operations in India and abroad with presence in the fields of tyre, cement, paper, power transmissions, sealing solutions, dairy products and textiles. The company was established in 1982, with an integrated plant in Rajasthan's Sirohi district with 0.5 Mn MT total capacity. The company specializes in manufacturing cement, gypsum plaster and ready-mix concrete (RMC). The company has presence in the country's northern and western regions. At a consolidated level, JK Lakshmi has seven plants located across the states of Rajasthan, Gujarat, Haryana, Odisha and Chhattisgarh with total capacity of ~16.50 MTPA (including ~4.70 MTPA of its wholly owned subsidiary Udaipur Cement Works Limited) as of fiscal 2024.

Table 38- Key performance Indicators for JK Lakhsmi Cement (Consolidated)

Operational	Units	9M 2024-25	2023-24	2022-23	2021-22
Installed Grinding Capacity	MTPA	12.38*	16.50	13.90	13.90
Cement Sales Volume	MTPA	8.53	11.99	11.42	10.99
Capacity Utilisation	%	78.00%	86.00%	85.00%	82.00%
Financials					
Revenue from Operations	INR Mn	42,950.00	67,884.70	64,515.00	54,198.90
Revenue from Operations Growth	%	NA	5.22%	19.03%	14.65%
Operating EBITDA	INR Mn	5,133.80	10,521.50	8,387.10	9,507.10
PBT	INR Mn	1,843.10	7,238.80	5,345.00	6,533.70
PAT	INR Mn	1,088.20	4,878.70	3,691.10	4,775.80
Operating EBITDA margin	%	11.95%	15.50%	13.00%	17.54%
PBT margin	%	4.29%	10.66%	8.28%	12.06%
PAT margin	%	2.53%	7.19%	5.72%	8.81%
Net Worth	INR Mn	NA	33,570.30	28,408.80	25,318.90
Net Debt	INR Mn	NA	13,826.00	9,551.50	6,438.30
Basic EPS	Rs	9.83	40.10	30.48	39.39
Net Asset Value per Share	Rs	NA	270.81	238.28	212.90
Operating metrics					
Realisation per tonne	Rs / tonne	NA	5,661.37	5,649.04	4,929.60
Operating EBITDA	Rs / tonne	601.85	877.52	734.42	865.07

Operational	Units	9M 2024-25	2023-24	2022-23	2021-22
Cost of sales	Rs / tonne	4,433.32	4,784.25	4,914.88	4,066.59
Ratios					
ROE	%	NA	15.74	13.74	20.59
RoCE	%	NA	17.25	14.44	19.40
Net debt by EBITDA	Times	NA	1.31	1.14	0.68
Net debt by Networth	Times	NA	0.41	0.34	0.25
Fixed Asset Turnover Ratio	Times	NA	1.70	1.93	1.65

Note:
1. *Utilisation and basic EPS is as reported and published by company*
2. **Effective capacity calculated for 9M FY25 period (Full year capacity*9/12)*
3. *NA-Not Available, as certain datapoints were not reported or disclosed by the company in their annual reports/quarterly financials/Investor presentation as available*

Source: Company annual report and publication

Nuvoco Vistas Corporation Limited (Consolidated)

Nuvoco Vistas Corporation Limited is the part of the Nirma Group conglomerate, entered the cement sector in 2014 by establishing a new cement plant in Nimbol, Rajasthan. The company expanded by acquiring Lafarge India Limited in 2016 and later changed its name to Nuvoco Vistas Corporation Limited in 2017. It offers a diversified business portfolio in three business segments: Cement, Ready-Mix Concrete (RMX), and Modern Building Materials (MBM). As of fiscal 2024, the company is spread across 85 locations with 11 cement manufacturing plants having total capacity of 25 MTPA. Company caters to the eastern and northern region with 5 integrated, 5 grinding and one blending unit.

Table 39- Key performance Indicators for Nuvoco Vistas Corporation Limited (Consolidated)

Operational	Units	9M 2024-25	2023-24	2022-23	2021-22
Installed Grinding Capacity	MTPA	18.75*	25.00	23.82	23.82
Cement Sales Volume	MTPA	13.70	18.77	18.80	17.83
Capacity Utilisation	%	NA	75.30%	78.90%	75.00%
Financials					
Revenue from Operations	INR Mn	73,144.20	107,328.90	105,861.70	93,180.30
Revenue from Operations Growth	%	NA	1.39%	13.61%	24.43%
Operating EBITDA	INR Mn	8,203.80	16,237.10	12,103.80	14,967.00
PBT	INR Mn	(1,972.60)	2,059.30	(2,394.40)	509.00
PAT	INR Mn	(1,437.00)	1,473.70	158.60	320.80
Operating EBITDA margin	%	11.22%	15.13%	11.43%	16.06%
PBT margin	%	-2.70%	1.92%	-2.26%	0.55%
PAT margin	%	-1.96%	1.37%	0.15%	0.34%
Net Worth	INR Mn	NA	89,835.20	88,390.00	88,212.20
Net Debt	INR Mn	NA	40,299.00	44,140.50	50,642.20
Basic EPS	Rs	(4.02)	4.13	0.44	0.93
Net Asset Value per Share	Rs	NA	251.53	247.48	246.98
Operating metrics					
Realisation per tonne	Rs / tonne	NA	5,614.64	5,472.86	5,081.92
Operating EBITDA	Rs / tonne	598.82	865.06	643.82	839.43
Cost of sales	Rs / tonne	4,740.18	4,853.05	4,987.12	4,386.61
Ratios					
ROE	%	NA	1.65	0.18	0.40
RoCE	%	NA	5.89	2.04	4.31
Net debt by EBITDA	Times	NA	2.48	3.65	3.38
Net debt by Networth	Times	NA	0.45	0.50	0.57
Fixed Asset Turnover Ratio	Times	NA	1.10	1.07	0.94

Note:
1. *Utilisation and basic EPS is as reported and published by company*
2. **Note: Effective capacity calculated for 9M FY25 period (Full year capacity*9/12)*
3. *NA-Not Available, as certain datapoints were not reported or disclosed by the company in their annual reports/quarterly financials/Investor presentation as available*

Source: Company annual report and publication

Birla Corporation Limited (Consolidated)

Birla Corporation Limited is the flagship Company of the M.P. Birla Group. The Company is primarily engaged in the manufacturing of cement as its core business activity. It has presence in the jute goods industry as well. The Company has acquired 100% shares of Reliance Cement Company Private Limited (Reliance Cement), a subsidiary of Reliance Infrastructure Limited (RIL). After this acquisition, Reliance Cement has become a wholly-owned material subsidiary of Birla Corporation Limited. This acquisition provides Birla Corporation Limited with the ownership of high-quality assets, taking its total capacity to ~20 MTPA as of fiscal 2024. The Cement Division of Birla Corporation Limited has 10 plants at eight locations.

Table 40- Key performance Indicators for Birla Corporation Limited (Consolidated)

Operational	Units	9M 2024-25	2023-24	2022-23	2021-22
Installed Grinding Capacity	MTPA	15.00*	20.00	20.00	20.00
Cement Sales Volume	MTPA	12.80	17.79	15.84	14.22
Capacity Utilisation	%	87.10%	89.00%	81.00%	92.00%
Financials					
Revenue from Operations	INR Mn	63,995.80	96,627.20	86,822.70	74,612.20
Revenue from Operations Growth	%	NA	11.29%	16.37%	9.96%
Operating EBITDA	INR Mn	6,833.90	14,376.00	7,720.10	11,100.10
PBT	INR Mn	496.50	5,731.50	364.60	5,691.90
PAT	INR Mn	386.20	4,205.60	405.00	3,985.90
Operating EBITDA margin	%	10.68%	14.88%	8.89%	14.88%
PBT margin	%	0.78%	5.93%	0.42%	7.63%
PAT margin	%	0.60%	4.35%	0.47%	5.34%
Net Worth	INR Mn	NA	66,738.10	59,808.40	60,488.90
Net Debt	INR Mn	NA	29,981.40	36,607.30	34,555.20
Basic EPS	Rs	5.02	54.61	5.26	51.76
Net Asset Value per Share	Rs	NA	866.66	776.67	785.51
Operating metrics					
Realisation per tonne	Rs / tonne	NA	5,095.21	5,096.83	4,841.30
Operating EBITDA	Rs / tonne	533.90	808.09	487.38	780.60
Cost of sales	Rs / tonne	4,465.77	4,623.45	4,993.85	4,466.39
Ratios					
ROE	%	NA	6.65	0.67	6.91
RoCE	%	NA	9.11	3.66	8.25
Net debt by EBITDA	Times	NA	2.09	4.74	3.11
Net debt by Networth	Times	NA	0.45	0.61	0.57
Fixed Asset Turnover Ratio	Times	NA	1.10	1.13	1.15

Note:

1. *Utilisation and basic EPS is as reported and published by company*
2. **Effective capacity calculated for 9M FY25 period (Full year capacity*9/12)*
3. *NA-Not Available, as certain datapoints were not reported or disclosed by the company in their annual reports/quarterly financials/Investor presentation as available*

Source: Company annual report and publication

Heidelberg Cement India Limited (Consolidated)

Heidelberg Cement India Limited is a subsidiary of Heidelberg Cement Group, Germany. The Company has its operations in Central India at Damoh (Madhya Pradesh), Jhansi (Uttar Pradesh) and in Southern India at Ammasandra (Karnataka). HeidelbergCement, AG entered India in 2006 with the acquisition of erstwhile Mysore Cement, Cochin Cement and a JV with Indorama Cement. Post the restructuring and expansion at its Central India plants, its installed capacity increased to ~6.3 MTPA as of fiscal 2024.

Table 41- Key performance Indicators for Heidelberg Cement India Limited (Consolidated)

Operational	Units	9M 2024-25	2023-24	2022-23	2021-22
Installed Grinding Capacity	MTPA	4.70*	6.26	6.26	6.26
Cement Sales Volume	MTPA	3.26	4.81	4.39	4.78
Capacity Utilisation	%	NA	NA	69.01%	75.88%
Financials					
Revenue from Operations	INR Mn	15,364.20	23,657.80	22,381.00	22,969.60
Revenue from Operations Growth	%	NA	5.70%	-2.56%	8.52%
Operating EBITDA	INR Mn	1,487.80	3,167.20	2,488.50	4,345.50
PBT	INR Mn	762.50	2,268.10	1,357.70	3,351.30
PAT	INR Mn	563.00	1,677.50	991.70	2,522.60
Operating EBITDA margin	%	9.68%	13.39%	11.12%	18.92%
PBT margin	%	4.96%	9.59%	6.07%	14.59%
PAT margin	%	3.66%	7.09%	4.43%	10.98%
Net Worth	INR Mn	NA	14,698.30	14,613.90	15,652.40
Net Debt	INR Mn	NA	(4,296.80)	(3,181.80)	(1,919.10)
Basic EPS	Rs	2.48	7.40	4.38	11.13
Net Asset Value per Share	Rs	NA	64.86	64.49	69.07
Operating metrics					
Realisation per tonne	Rs / tonne	NA	4,884.99	5,013.55	4,677.91
Operating EBITDA	Rs / tonne	456.38	658.46	566.86	909.10
Cost of sales	Rs / tonne	4,256.56	4,260.00	4,531.32	3,896.26

Operational	Units	9M 2024-25	2023-24	2022-23	2021-22
Ratios					
ROE	%	NA	11.45	6.55	16.49
RoCE	%	NA	14.35	9.52	18.79
Net debt by EBITDA	Times	NA	-1.36	-1.28	-0.44
Net debt by Networth	Times	NA	-0.29	-0.22	-0.12
Fixed Asset Turnover Ratio	Times	NA	1.63	1.47	1.44

Note:

1. *Utilisation is calculated based on capacity and production data. Basic EPS is as published by company*
2. **Effective capacity calculated for 9M FY25 period (Full year capacity*9/12)*
3. *NA-Not Available, as certain datapoints were not reported or disclosed by the company in their annual reports/quarterly financials/Investor presentation as available*

Source: Company annual report and publication

Prism Johnson Limited (Consolidated)

Prism Johnson Limited is one of India's integrated building materials companies, offering a wide range of products from cement and ready-mixed concrete to tiles and bath products. With cement production capacity at 5.6 MTPA as of fiscal 2024 at Satna in Madhya Pradesh, Prism Cement remains a prominent cement manufacturer in central India. Key regions served by the company include eastern Uttar Pradesh, Madhya Pradesh and Bihar.

Table 42- Key performance Indicators for Prism Johnson Limited (Consolidated)

Operational	Units	9M 2024-25	2023-24	2022-23	2021-22
Installed Grinding Capacity	MTPA	4.20*	5.60	5.60	5.60
Cement Sales Volume	MTPA	4.64	6.58	5.92	5.22
Capacity Utilisation	%	NA	108.00%	NA	92.00%
Financials					
Revenue from Operations	INR Mn	53,070.70	75,875.10	73,605.20	63,063.20
Revenue from Operations (Cement segment)	INR Mn	21,260.00	33,182.00	30,299.80	24,076.00
Revenue from Operations Growth	%	NA	3.08%	16.72%	12.87%
Operating EBITDA	INR Mn	2,308.60	4,889.70	3,608.30	5,231.90
Operating EBITDA (Cement segment)	INR Mn	1,180.00	3,441.00	2,634.00	3,701.00
PBT	INR Mn	(1,721.50)	(828.90)	(1,806.00)	680.70
PAT	INR Mn	(759.00)	1,619.30	(1,577.30)	439.50
Operating EBITDA margin	%	4.35%	6.44%	4.90%	8.30%
PBT margin	%	-3.24%	-1.09%	-2.45%	1.08%
PAT margin	%	-1.43%	2.13%	-2.14%	0.70%
Net Worth	INR Mn	NA	16,434.30	14,627.60	15,955.40
Net Debt	INR Mn	NA	6,612.90	10,539.60	11,411.80
Basic EPS	Rs	(0.98)	3.60	(2.05)	1.82
Net Asset Value per Share	Rs	NA	27.59	23.97	26.28
Operating metrics (Cement segment)					
Realisation per tonne	Rs / tonne	4,581.90	5,042.86	5,118.21	4,612.26
Operating EBITDA	Rs / tonne	254.31	522.95	444.93	709.00
Cost of sales	Rs / tonne	4,327.59	4,519.91	4,673.28	3,903.26
Ratios					
ROE	%	NA	10.43	(10.31)	2.82
RoCE	%	NA	4.13	0.48	8.00
Net debt by EBITDA	Times	NA	1.35	2.92	2.18
Net debt by Networth	Times	NA	0.40	0.72	0.72
Fixed Asset Turnover Ratio	Times	NA	2.49	2.54	2.17

Note 1:

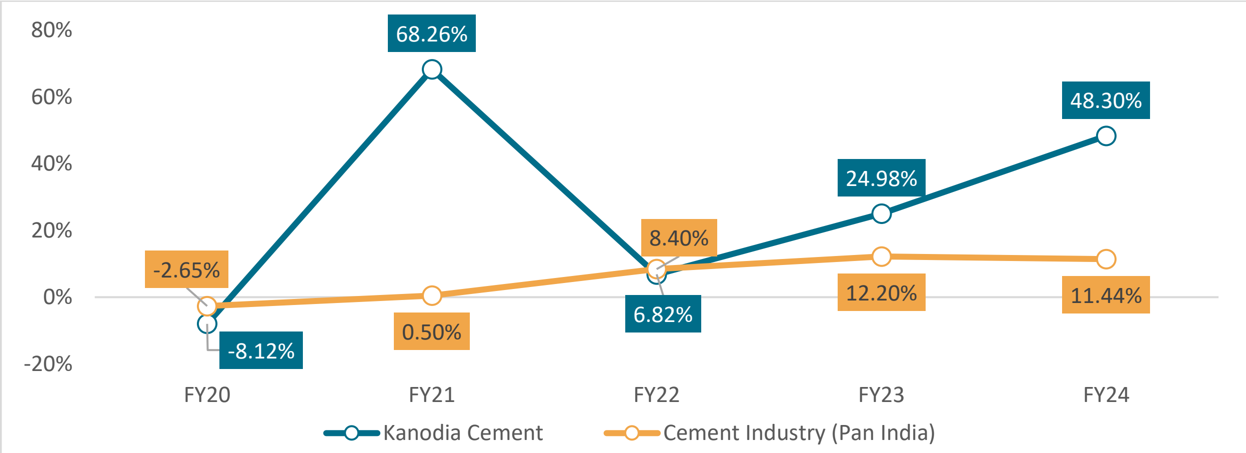
1. *Utilisation and basic EPS is as reported and published by company*
2. **Effective capacity calculated for 9M FY25 period (Full year capacity*9/12)*
3. *NA-Not Available, as certain datapoints were not reported or disclosed by the company in their annual reports/quarterly financials/Investor presentation as available*

Source: Company annual report and publication

10.2 Financial and operational benchmarking

Comparison of industry volume growth and company volume growth (fiscal 2020-2024)

Figure 64- Cement industry volume growth (fiscal 2020-2024)



Note: Industry growth covers volume growth at Pan India level which is different from Industry group
Source: Kanodia Cement Limited, Crisil Intelligence

In FY20, pan-India cement demand saw an unprecedented demand drop of ~3% in fiscal 20 after two stellar years of growth led by post-election slowdown, labour scarcity and floods in many parts of the country. Also, an unparalleled nationwide shutdown starting from last week of March in wake of Covid-19 pandemic also affected demand. The company also witnessed demand de-growth of ~8% led by a sharp decline in investments in infrastructure, especially roads and highways, by central and state governments in Uttar Pradesh post general and assembly elections in the state. Also, lower sanctioning under PMAY-G, metro construction, etc. in Bihar market affected state cement demand.

Cement industry witnessed most tumultuous transition between fiscal 20 and fiscal 21 on back of pandemic led nationwide lockdown followed by mass migration of labour from construction sites, due to which construction activities came to a standstill. However, sustained demand from rural housing coupled with gradual recovery in urban housing, real estate and government push to infra in later half of the fiscal supported demand to surpass pre-pandemic levels of fiscal 20 with a flattish demand growth of ~1% in fiscal 21. In such turbulent times, Company grew its sales volume by robust ~68% against flattish industry demand growth of ~1% primarily supported by steady revival in housing and infra segments in UP and Bihar. In Bihar, lower covid incidence, pre-election government spending ahead of assembly elections and pickup in funding towards rural schemes led to healthy demand uptick. In Uttar Pradesh, despite seeing higher COVID cases in select pockets, demand improved significantly led by traction in affordable housing due to return of migrant labour to their natives. Hence, the company could capture rising demand from both the states during post-pandemic recovery and surpass pre-covid volume levels (fiscal 2019) by almost ~0.3 million tonnes by fiscal 2021.

While the industry was still reviving from the first covid wave, a severe second covid wave hit the country in Q1 of fiscal 2022. However, the industry quickly recovered from second covid wave despite higher covid intensity on back of pent-up demand across segments and as construction activities were permitted in most of the regions. However, an unprecedented demand slump was witnessed in Q3 on back of extended rainfall, sand issues driving down annual growth rate to ~8% for fiscal 2022 vis-à-vis earlier expectations of 10-12% on a low base. The company registered healthy sales volume growth of ~7% during the fiscal as capex spending in Uttar Pradesh with a plethora of infra projects under execution, majorly roads, airports, as well as metro construction supported demand growth in the region. However, elections in last quarter of the fiscal as well as severe sand scarcity issues in Bihar during Oct-Dec’2021 period limited company’s volume growth to ~7% v/s industry demand growth of ~8% for the fiscal.

Fiscal 2023 saw a 12% year-over-year increase in cement demand, driven by a resurgence in infrastructure activities and a strong recovery in individual housing, both in rural and urban areas. Initially, high construction costs had dampened demand, but as inflationary pressures eased in the second half of the fiscal year, the real estate and affordable housing sectors gained momentum. Additionally, the execution of infrastructure projects ahead of the 2024 general elections further boosted demand, resulting in a healthy 12% year-over-year growth.

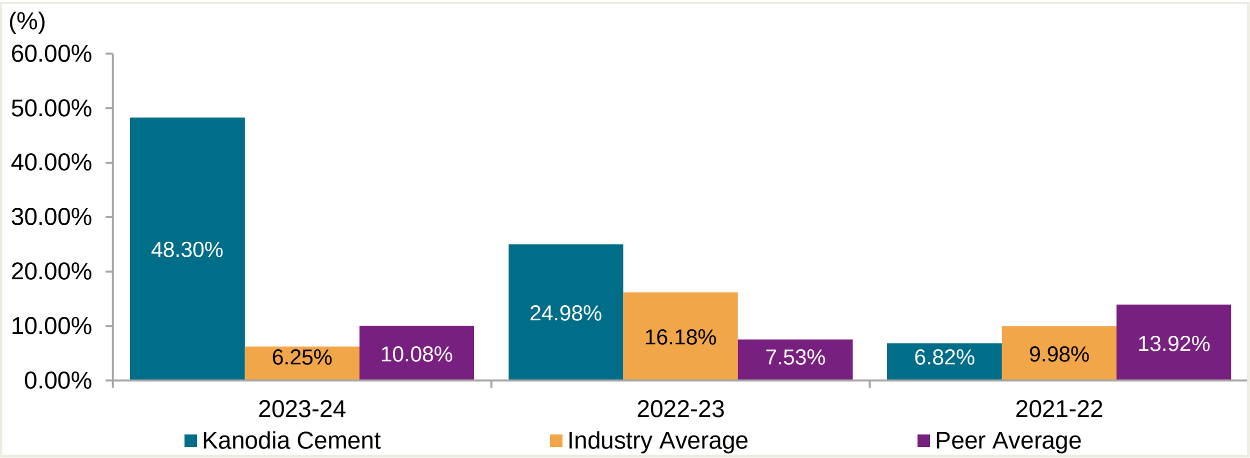
Following a sluggish demand trend in fiscal 2022, Bihar witnessed a sharp rebound in demand during fiscal 2023, primarily driven by a pickup in rural housing construction, particularly under the Pradhan Mantri Awas Yojana-Gramin (PMAY-G) scheme, which was fuelled by increased fund releases. Rural housing remains a key driver of demand in the region, given the significant housing shortage. In Uttar Pradesh, revival in house building and pre-election spending on infrastructure projects, including roads, airports, and metro systems, contributed to a strong demand revival. The growth in Bihar and UP was largely driven by an 18% and ~33% increase in state capital expenditures, respectively, resulting in a remarkable 25% sales volume growth for the company, significantly higher than industry's ~12% growth. The company also commissioned a 1.5 MTPA grinding unit at Amethi (Eastern UP) which supported volume growth during the year.

Cement demand experienced a significant 11% surge in fiscal 2024, driven primarily by increased government spending, rapid infrastructure project execution ahead of the Lok Sabha elections, and a boost in housing construction activities during a drier monsoon season. Additionally, assembly elections in five states contributed to healthy pre-election demand. However, demand slowed down in the second half of the fiscal year due to regional factors such as heavy rainfall in the south, NGT bans, extreme winters in the north, and sand/aggregate availability issues in the east, as well as various state elections. Despite these challenges, the industry achieved an 11% year-over-year growth in fiscal 2024, driven by a strong push to meet year-end targets and increased traction ahead of the election deadline.

The company outperformed the industry, recording a 48% growth in sales volume compared to the industry's 11% growth. This was largely driven by sustained momentum in infrastructure construction and a pickup in urban and rural housing development in Uttar Pradesh. While the eastern region, including Bihar, experienced relatively moderate demand growth in fiscal 2024 due to sand and aggregate availability issues and funding constraints in the second half of the fiscal year, the company still achieved a robust 48% volume growth.

Sales Volume growth (%)

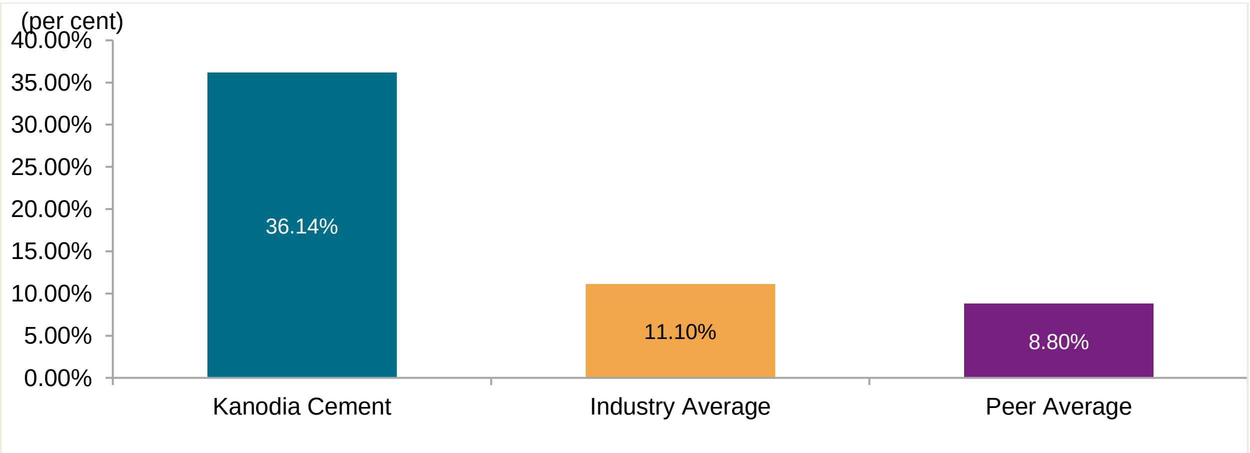
Figure 65- Sales volume growth for Kanodia Cement Limited, Peer group and Industry group



Note: Above data is on consolidated basis for Kanodia Cement, Industry and Peer group; Industry average and peer average has been defined in the notes at the end of this section
Source: Kanodia Cement Limited, Company Annual report and publications

Sales Volume CAGR FY22-24 (%)

Figure 66- Sales volume CAGR fiscal 2022-2024 growth for Kanodia Cement Limited, Peer group and Industry group

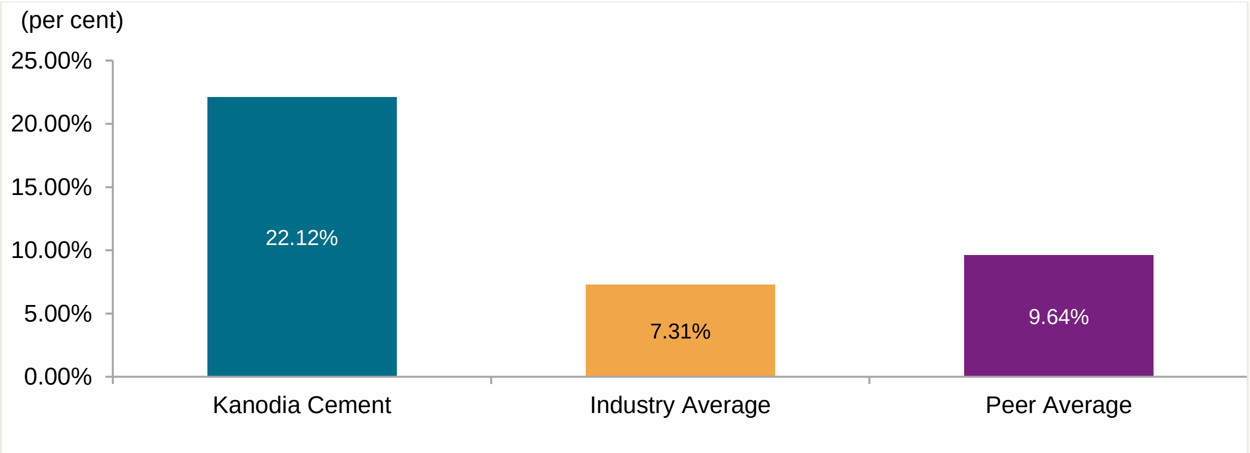


Note: Above data is on consolidated basis for Kanodia Cement Limited, Industry and Peer group; Industry average and peer average has been defined in the notes at the end of this section
Source: Kanodia Cement Limited, Company Annual report and publications

Kanodia Cement Limited has outpaced industry group and peer group with 36.14% sales volume CAGR in past 3 years (FY22-24).

Installed capacity 10-year growth (FY14-24 CAGR)

Figure 67- Installed capacity growth for Kanodia Cement Limited, Peer group and Industry group

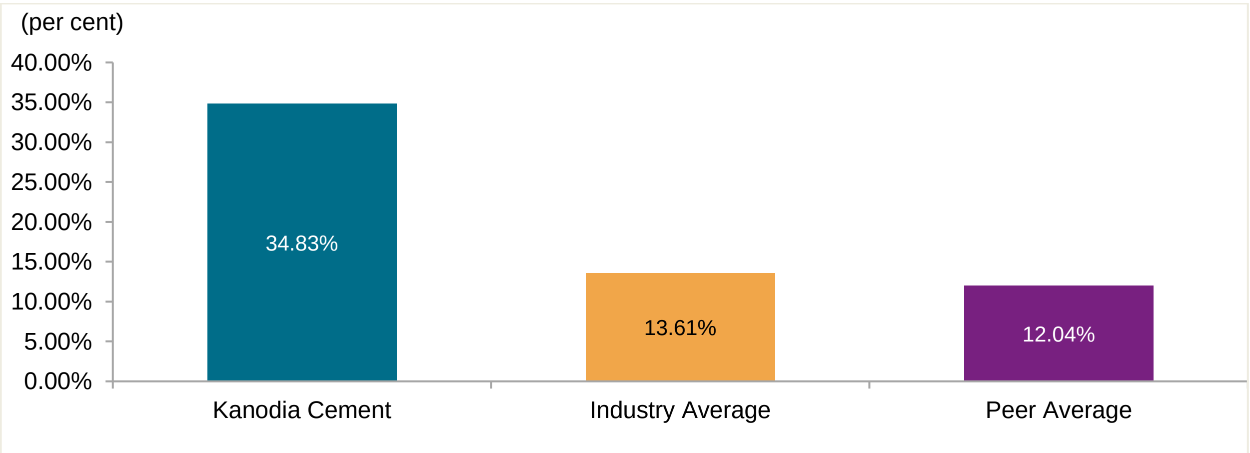


Note: Above data is on consolidated basis for Kanodia Cement Limited, Industry and Peer group; Industry average and peer average has been defined in the notes at the end of this section
Source: Kanodia Cement Limited, Company Annual report and publications

The Kanodia Cement Limited's journey began with a single 0.3 MTPA SGU which commenced production in 2011, and as of September 2024, it has expanded to operate five SGUs with an aggregate cement grinding capacity of 3.54 MTPA. The company has increased its installed manufacturing capacity at 22.12% CAGR from FY14-FY24, significantly outpacing the industry and peer group average of 7.31% and 9.64% respectively

Revenue from operations growth (FY22-24 CAGR %)

Figure 68- Revenue from operations growth for Kanodia Cement Limited, Peer group and Industry group

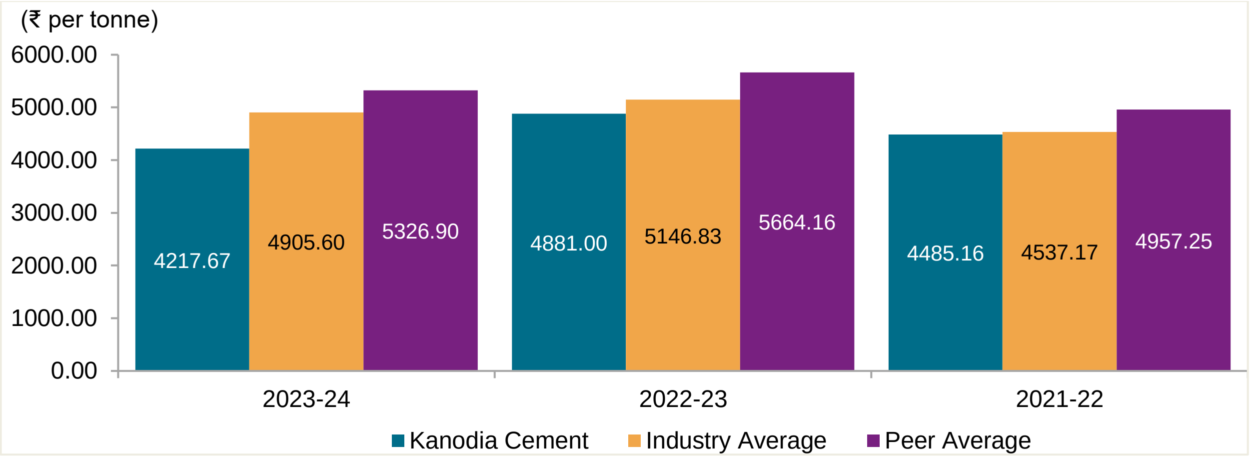


Note: Above data is on consolidated basis for Kanodia Cement Limited, Industry and Peer group; Industry average and peer average has been defined in the notes at the end of this section
Source: Kanodia Cement Limited, Company Annual report and publications

Kanodia Cement Limited has achieved higher revenue from operations CAGR of 34.83% from Fiscal 2022 to Fiscal 2024 compared to industry and peer group. Revenue from operations growth of Kanodia Cement Limited has outpaced the industry and peer average during the period.

Cost of sales (Rs/tonne)

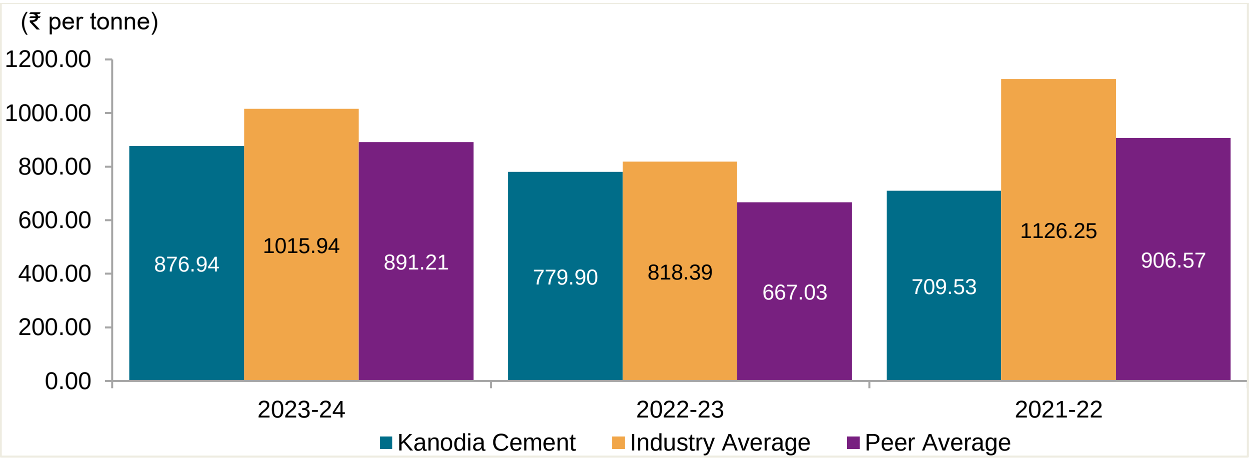
Figure 69- Cost of sales per tonne for Kanodia Cement Limited, Peer group and Industry group



Note: Above data is on consolidated basis for Kanodia Cement Limited, Industry and Peer group; Industry average and peer average has been defined in the notes at the end of this section. Data for Kanodia Cement Limited includes B2B sales which is ex-factory, thus freight outward is minimal in B2B sales.
Source: Kanodia Cement Limited, Company Annual report and publications

Operating EBITDA per tonne (Rs/tonne)

Figure 70- Operating EBITDA per tonne for Kanodia Cement Limited, Peer group and Industry group



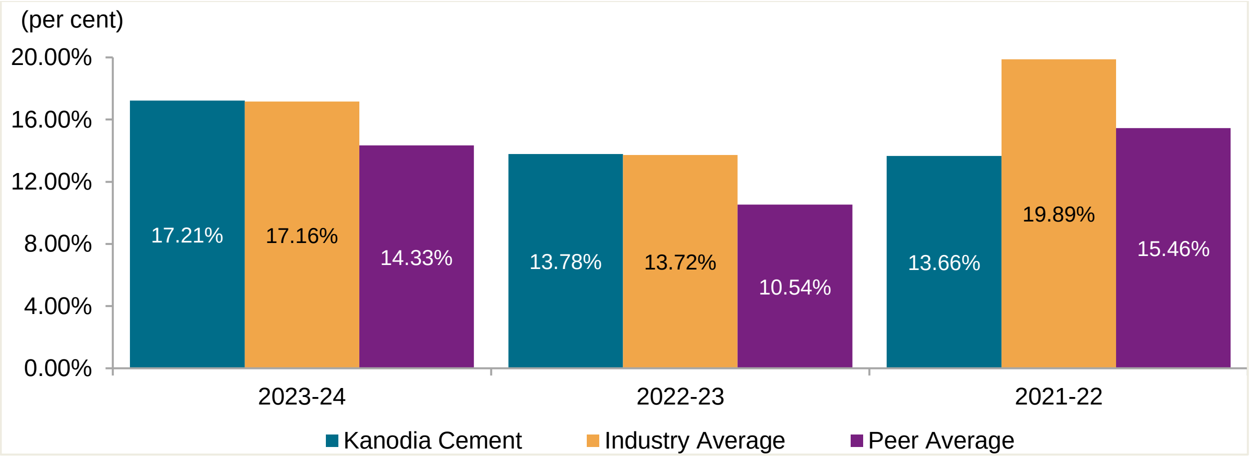
Note: Above data is on consolidated basis for Kanodia Cement Limited, Industry and Peer group; Industry average and peer average has been defined in the notes at the end of this section
Above EBITDA per tonne is operating profit per tonne before Depreciation, interest and taxes, excluding other income
Source: Kanodia Cement Limited, Company Annual report and publications

Kanodia Cement Limited, under the contract manufacturing model, receives fixed lease rental & grinding charges for the Bihar unit as per the contract terms irrespective of the cement quantity supplied and has minimum offtake guarantees for the Eastern UP unit. This arrangement largely fixes the absolute returns of the company and therefore operating EBITDA per tonne has inverse relationship with the volume offtake.

Kanodia Cement Limited operates satellite grinding units in the states of UP and Bihar only, however industry and peer group includes companies having both clinker and grinding units, spread across multiple states.

Operating EBITDA margin (%)

Figure 71- Operating EBITDA margin for Kanodia Cement Limited, Peer group and Industry group



Note:

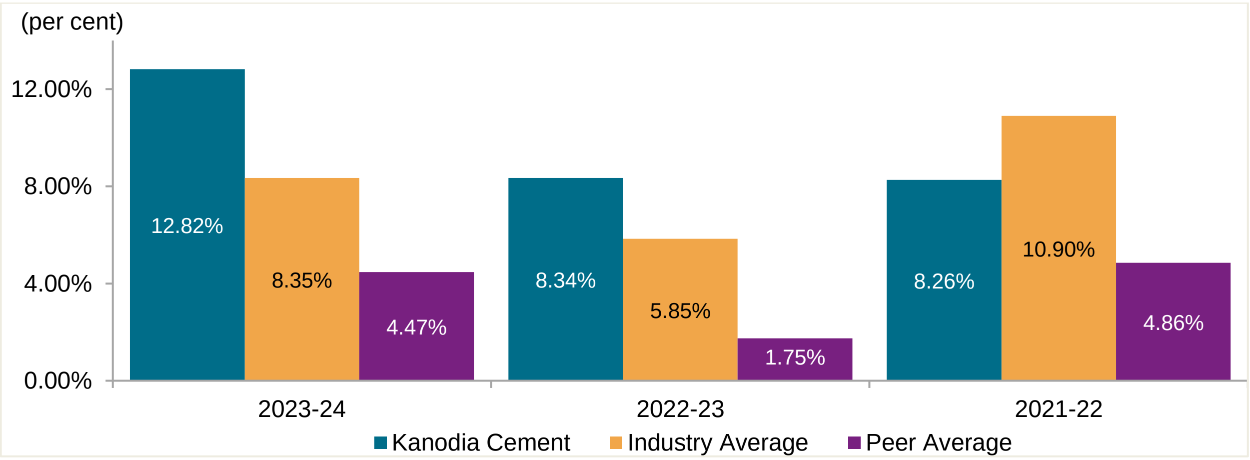
1. *Above data is on consolidated basis for Kanodia Cement Limited, Industry and Peer group; Industry average and peer average has been defined in the notes at the end of this section*
2. *Above EBITDA margin is operating profit margin before Depreciation, interest and taxes, excluding other income*

Source: Kanodia Cement Limited, Company Annual report and publications

Despite being a relatively smaller player in terms of installed capacity, Kanodia Cement Limited has achieved a consolidated operating EBITDA margin of 17.21% in fiscal 2024. The company sales are predominantly on ex-factory basis, which does not include the outward freight component.

Profit After Tax (PAT) margin (%)

Figure 72- PAT margin for Kanodia Cement Limited, Peer group and Industry group



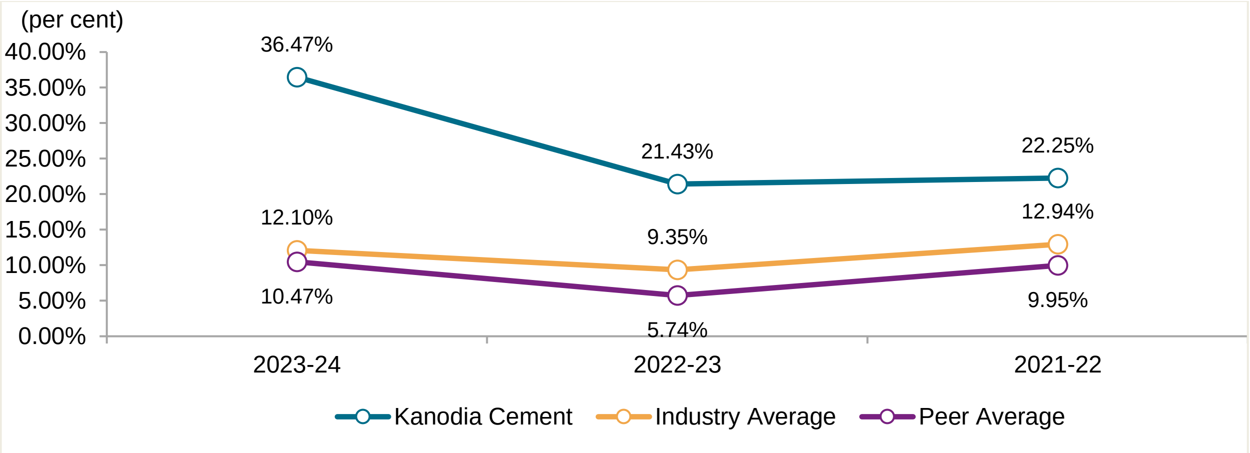
Note: Above data is on consolidated basis for Kanodia Cement Limited, Industry and Peer group; Industry average and peer average has been defined in the notes at the end of this section

Source: Kanodia Cement Limited, Company Annual report and publications

Kanodia Cement Limited is amongst the handful net debt free companies in the cement industry and has a lower capex intensity, leading to significantly better PAT margins as compared to industry and peer group. Further, KCPL (Eastern UP entity) is currently benefiting from lower tax (under the Section 115BAA under the Income Tax Act. This section provides certain tax advantages for newly set-up manufacturing companies).

Return On Capital Employed (ROCE) (%)

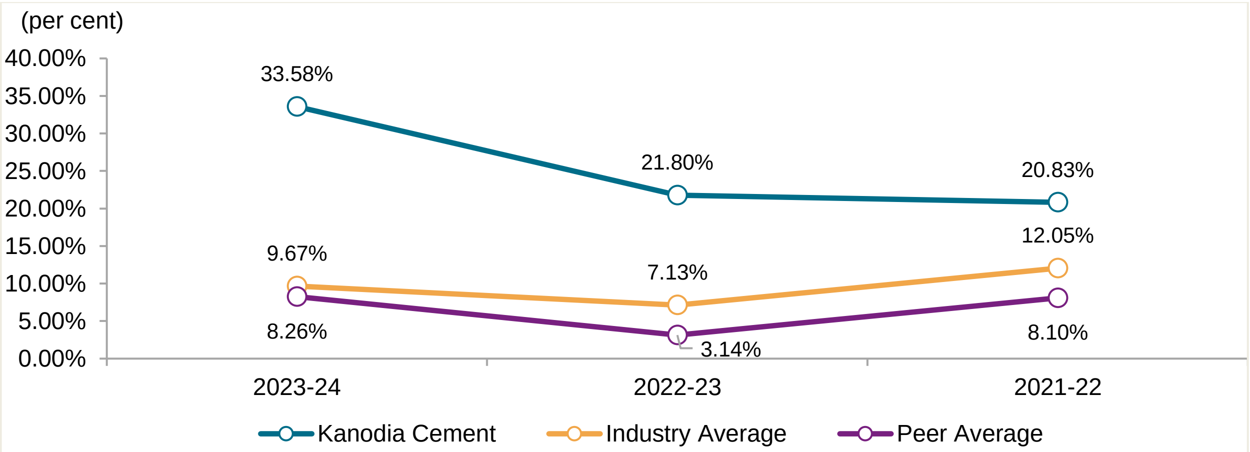
Figure 73- ROCE for Kanodia Cement Limited, Peer group and Industry group



Note: Above data is on consolidated basis for Kanodia Cement Limited, Industry and Peer group; Industry average and peer average has been defined in the notes at the end of this section
Source: Kanodia Cement Limited, Company Annual report and publications

Return On Equity (ROE) (%)

Figure 74- ROE for Kanodia Cement Limited, Peer group and Industry group

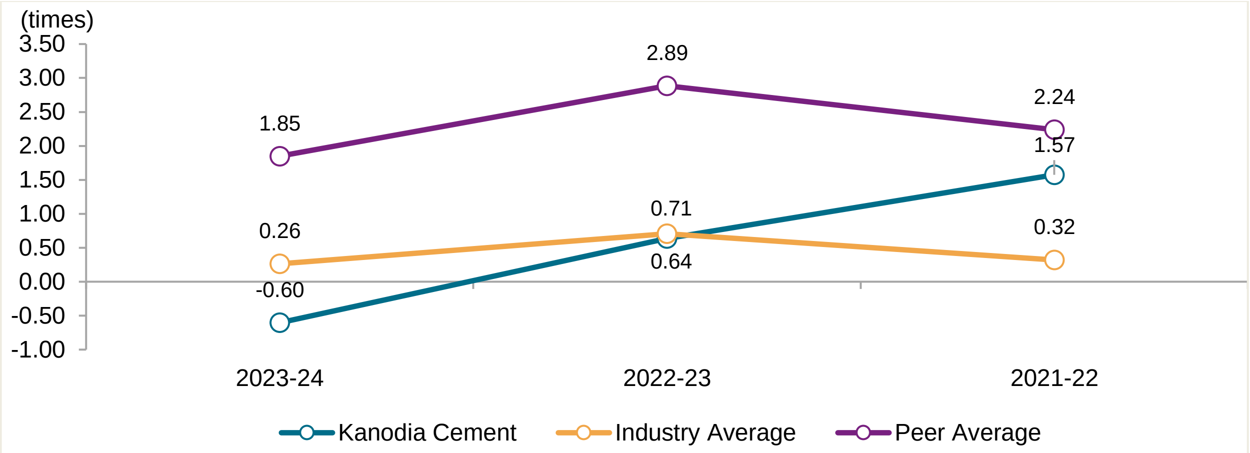


Note: Above data is on consolidated basis for Kanodia Cement Limited, Industry and Peer group; Industry average and peer average has been defined in the notes at the end of this section
Source: Kanodia Cement Limited, Company Annual report and publications

Kanodia Cement Limited has higher return ratios (ROE & ROCE) as the company incurs capex only on SGUs while other players have both Integrated Units & SGUs. The company also has competitive advantages in capex cost. Thus, with healthy net income, lower capex and net-debt free status, return ratios of the company are relatively higher than industry and peer group.

Net debt/EBITDA (times)

Figure 75- Net debt/EBITDA (times) for Kanodia Cement Limited, Peer group and Industry group



Note:

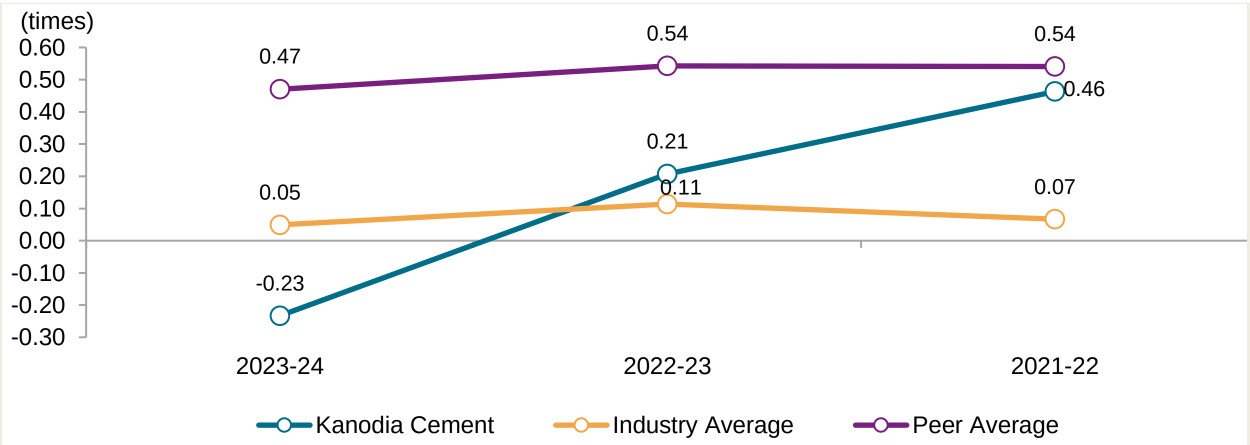
1. *Above data is on consolidated basis for Kanodia Cement Limited, Industry and Peer group; Industry average and peer average has been defined in the notes at the end of this section*
2. *Net debt for Industry and Peer group is calculated as: Long term borrowings + Short term borrowings – (cash and cash equivalents, bank balances, current investments and other non-current financial assets (bank deposits with remaining maturity of more than twelve months)*
3. *Net debt for Kanodia Cement is calculated as: Long term borrowings + Short term borrowings – (cash and cash equivalents, bank balances, current investments and other non-current financial assets (bank deposits with remaining maturity of more than twelve months).*

Source: Kanodia Cement Limited, Company Annual report and publications

Kanodia Cement Limited has negative Net debt/EBITDA ratio, being one of the few net-debt free companies in the cement industry as it has lower capital expenditure requirements for setting up satellite grinding units along with positive operating cash inflow as of March 31, 2024, the company is completely Net debt free with significant treasury reserves.

Net debt/Net worth (times)

Figure 76- Net debt/Net worth (times) for Kanodia Cement Limited, Peer group and Industry group



Note:

1. *Above data is on consolidated basis for Kanodia Cement Limited, Industry and Peer group; Industry average and peer average has been defined in the notes at the end of this section*
2. *Net debt for Industry and Peer group is calculated as: Long term borrowings + Short term borrowings – (cash and cash equivalents, bank balances, current investments and other non-current financial assets (bank deposits with remaining maturity of more than twelve months)*
3. *Net debt for Kanodia Cement Limited is calculated as: Long term borrowings + Short term borrowings – (cash and cash equivalents, bank balances, current investments and other non-current financial assets (bank deposits with remaining maturity of more than twelve months).*

Source: Kanodia Cement Limited, Company Annual report and publications

Notes for player profiles and comparative benchmarking section:

1. All financials have been taken as reported by companies in their annual report.

2. Financial data for FY24 is as per financial statements of Annual reports. Otherwise, financial data taken as per quarterly results.

3. Operating income includes net sales and other related income like subsidy income, trading income, etc.

4. Cement realisation is calculated based on revenue from sale of products divide by sales volume.

5. CAGR calculation for FY22-24 is calculated on base year of fiscal 2022

Table 43- Formulas used for calculations:

Key parameter/Ratio	Formula
Net Debt	Net debt for Industry and Peer group is calculated as: Long term borrowings + Short term borrowings – (cash and cash equivalents, bank balances, current investments and other non-current financial assets (bank deposits with remaining maturity of more than twelve months) Net debt for Kanodia Cement Limited is calculated as: Long term borrowings + Short term borrowings – (cash and cash equivalents, bank balances, current investments and other non-current financial assets (bank deposits with remaining maturity of more than twelve months)
Return on Equity (RoE)	PAT / Average of Net worth. Treasury adjustments are not being made to net worth. Net worth = Share Capital + Reserves & Surplus.
Return on Capital Employed (RoCE)	(Profit Before Tax + Interest & Finance charges – Interest Capitalised)/Average capital employed. Average capital employed is calculated by averaging the opening and closing balance of capital employed. Capital employed = Tangible Net worth + Total debt + Deferred Tax Liabilities
Realisation per tonne	Revenue from sale of products divide by sales volume.

Company set for Peer group: 6 companies accounting for 14-16% of Pan-India capacity as of fiscal 2024. Consolidated financials are considered for the companies in this set.

Since comparable companies having only satellite grinding units are not available, following companies having operations in similar geographies are considered, although having both clinker and grinding units.

Nuvoco Vistas Corporation Limited, JK Cement Limited, Prism Johnson Limited, JK Lakshmi Cement Limited, Birla Corporation Limited, Heidelberg Cement India Limited

Company set for Industry Average: 18 companies accounting for 75-80% of Pan-India cement manufacturing capacity, irrespective of backward integration, as of fiscal 2024

Ambuja Cements Limited-(Consolidated), Birla Corporation Limited -(Consolidated), Dalmia Bharat Limited-(Consolidated), Deccan Cements Limited, Heidelberg Cement India Limited, India Cements Limited -(Consolidated), JK Cement Limited -(Consolidated), JK Lakshmi Cement Limited-(Consolidated), Orient Cement Limited, Prism Johnson Limited-(Consolidated), Sagar Cements Limited -(Consolidated), Saurashtra Cement Limited. -(Consolidated), Shree Cement Limited-(Consolidated), Shree Digvijay Cement Co. Limited. -(Consolidated), Star Cement Limited-(Consolidated), The Ramco Cements Limited-(Consolidated), UltraTech Cement Limited -(Consolidated), Nuvoco Vistas Corporation Limited– (Consolidated)

OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 28 for a discussion of the risks and uncertainties related to those statements and also "Risk Factors", "Restated Consolidated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 30, 279 and *366, respectively, for a discussion on certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Information" on page 279. Additionally, please see "Definitions and Abbreviations" on page 1 for certain terms used in this section.

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Market Review of Indian Cement Sector" dated May 22, 2025 (the "**CRISIL Report**") prepared and issued by CRISIL Market Intelligence & Analytics ("**CRISIL**"), pursuant to an engagement letter dated August 2, 2024. The CRISIL Report has been exclusively commissioned and paid for by us in connection with the Offer. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. A copy of the CRISIL Report is available on the website of our Company at https://www.kanodiacement.co.in/ipo.There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. The CRISIL Report is not a recommendation to invest or disinvest in any company covered in the report. The views expressed in the CRISIL Report are that of CRISIL. Prospective investors are advised not to unduly rely on the CRISIL Report. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant Fiscal. For more information, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which has been commissioned and paid for by us and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 65. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 27.*

Overview

We are a cement manufacturing company operating through satellite grinding units ("**SGUs**") in the states of Uttar Pradesh and Bihar, specializing in the production of blended cement such as Portland Pozzolana Cement and Composite Cement. We operate through a unique combination of (i) business-to-business contract manufacturing for cement brands ("**Contract Manufacturing Model**"); and (ii) production and marketing of our own consumer brands ("**Business-to-Consumer Model**"). As per the CRISIL Report, we are one of the pioneers in the contract manufacturing of cement in India. As on December 31, 2024, we operate five satellite grinding units ("**SGUs**") with an aggregate cement manufacturing capacity of 3.54 MTPA. Our installed cement grinding capacity grew at a CAGR of 22.12%, compared to the industry average of 7.31% and a peer average of 9.64%, from Fiscal 2014 to Fiscal 2024, making us one of the fastest growing cement manufacturers in India in terms of increase in installed cement grinding capacity during the period. (*Source: CRISIL Report*) We are also one of the fastest growing cement manufacturing companies in terms of increase in sales volume from Fiscal 2022 to Fiscal 2024, growing at a CAGR of 36.14%, compared to the industry average of 11.10% and peer average of 8.80%. (*Source: CRISIL Report*) Further, we are also one of the fastest growing cement manufacturing companies in terms of growth in revenue from operations for the period Fiscal 2022 to Fiscal 2024, growing at a CAGR of 34.83%, compared to the industry average of 13.61% and peer average of 12.04%. (*Source: CRISIL Report*)

Under our Contract Manufacturing Model, we have entered into and are currently operating through cement sale and purchase agreements with established cement brands in India. In addition to the Contract Manufacturing Model, we also market cement through the Business-to-Consumer Model through our KCL Sikandrabad location and KCPL –Amethi location, under our own brands, "***Concrete Gold***", "***BigCem Premium Plus***", "***BigCem Cement***", "***HBM Gold "Ghar Ka Expert"***", "***HBM (Ghar Ka Expert)***", and "***Bluestar Cement***" through a network of sales promoters, dealers and retailers/point of sales ("**POS**") in western Uttar Pradesh, Uttarakhand, National Capital Region and eastern Uttar Pradesh. As of December 31, 2024, our distribution network comprised of 28 sales promoters, 118 dealers and 519 retailers/POS.

Our Company was incorporated in 2009 and commenced operations in 2011 with our first SGU in Sikandrabad (*western Uttar Pradesh*) with a cement grinding capacity of 0.30 MTPA. As on December 31, 2024, we operate five SGUs across Sikandrabad (*western Uttar Pradesh*), Amethi *(eastern Uttar Pradesh*) and Bhabua (*Bihar*) with an aggregate cement manufacturing capacity of 3.54 MTPA. As of December 31, 2024, despite being fragmented markets, our installed cement grinding capacity represented 5.85% of the total installed cement grinding capacity in Uttar Pradesh and 9.23% of the total installed cement grinding capacity in Bihar, respectively. (*Source: CRISIL Report*)

Our capacity utilization on a consolidated level for the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 was 60.23%, 49.23%, 37.13% and 46.10% respectively.

The following table provides details of our SGUs for the periods indicated below:

SGU	Commencement of commercial production	For the nine-months ended December 31, 2024			For the year ended March 31, 2024			For the year ended March 31, 2023			For the year ended March 31, 2022		
		Installed capacity (MT)	Actual Production (MT)	Capacity utilisation (%)	Installed capacity (MT)	Actual Production (MT)	Capacity utilisation (%)	Installed capacity (MT)	Actual Production (MT)	Capacity utilisation (%)	Installed capacity (MT)	Actual Production	Capacity utilisation (%)
KCL Sikandrabad – Units 1, 2 and 3	Unit 1 – 2011 Unit 2 – 2013 Unit 3 - 2016	630,000.00*	699,657.85	111.06**	840,000.00	664,912.75	79.16	840,000.00	535,992.70	63.81	840,000.00	593,551.95	70.66
KIL Bhabua Unit	2016	900,000.00^	464,961.60	51.66%	1,200,000.00	561,553.00	46.80%	1,200,000.00	396,525.90	33.04%	1,200,000.00	346,925.00	28.91%
KCPL Unit 1 Amethi	2022	1,125,000.00#	434,423.15	38.62%	1,500,000.00	516,370.65	34.42%	1,125,000.00$	242,721.60	21.58%	-	-	-
Aggregate utilisation		**2,655,000.00**	**1,599,042.60**	**60.23%**	**3,540,000.00**	**1,742,836.40**	**49.23%**	**3,165,000.00**	**1,175,240.20**	**37.13%**	**2,040,000.00**	**940,476.95**	**46.10%**

Source: Certificate from the Independent Chartered Engineer, Adroit Technical Services Private Limited dated May 22, 2025.

**Effective capacity available for the nine-month period ended December 31,2024 prorated based on annual capacity. The aggregate annualized installed grinding capacity for the three above-mentioned units is 840,000 MT.*

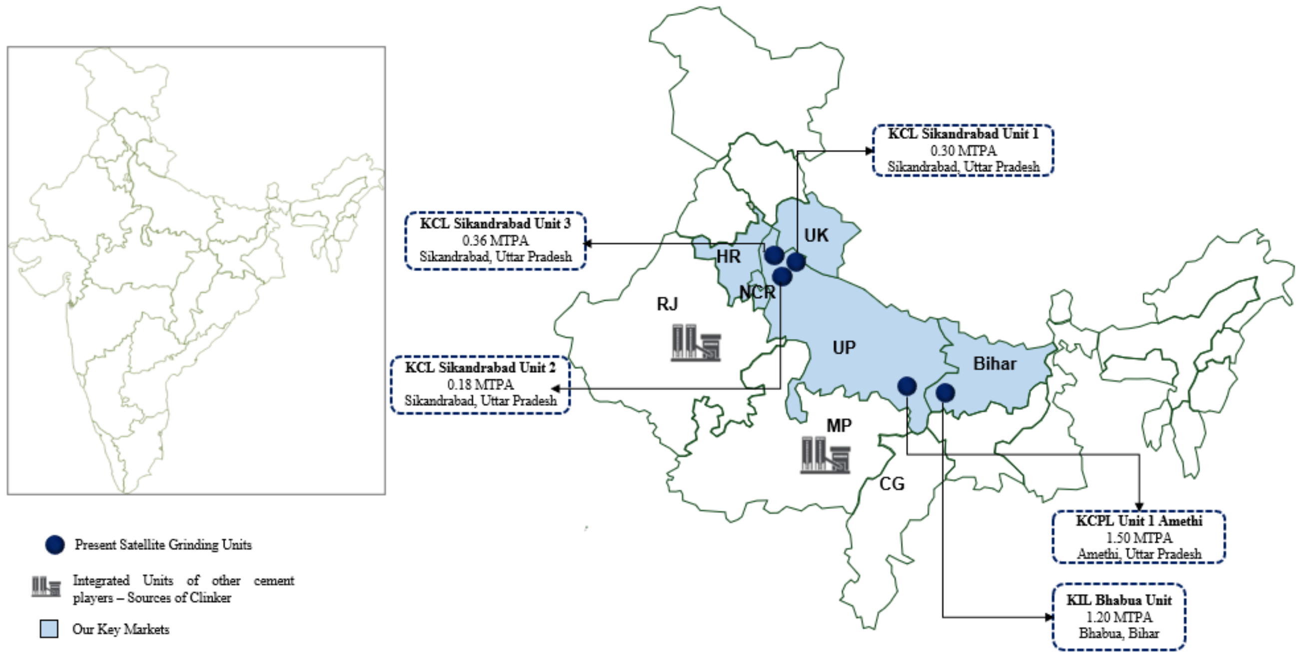
*** The consent to operate granted to Company for its Unit-1, Unit-2 and Unit-3 dated January 11, 2024 are valid till December 31, 2028. These approvals were granted for operating the facilities for 300 working days in a year. However, the Company has exceeded the number of working days on which Unit 1, Unit 2 and Unit 3 were operated i.e. 360 working days. Accordingly, the Company has submitted an application dated May 20, 2025to the Uttar Pradesh Pollution Control Board, seeking an approval for additional installed capacity pursuant to increase in the number of operational days from 300 to 360 working days per year.*

^ *Effective capacity available for the nine-month period ended December 31,2024 prorated based on annual capacity. The annualized installed grinding capacity for the KIL Bhabua Unit is 1,200,000 MT.*

Effective capacity available for the nine-month period ended December 31,2024 prorated based on annual capacity. The annualized installed grinding capacity for the KCPL Unit 1 Amethi is 1,500,000 MT.

$ *Effective capacity available for the year ended March 31, 2023, prorated based on unit commencing operations on July 1, 2022*

The map below provides details of our SGUs, key consumption markets and sources of clinker:



We carry out operations under our Contract Manufacturing Model through all our locations while operations under our Business-to-Consumer Model are only carried out through KCL Sikandrabad (*western Uttar Pradesh*). In December, 2024, we also started our Business-to-Consumer operations through KCPL Unit 1 Amethi (*eastern Uttar Pradesh*). We produce Portland Pozzolana Cement, manufactured by grinding clinker with fly ash and gypsum ("**PPC**") and composite cement, manufactured by grinding clinker with granulated slag, fly ash and gypsum ("**Composite Cement**"). Clinker is a crucial raw material for the production of blended cement and limestone forms a key component in the production of clinker.

In Fiscal 2024, Uttar Pradesh accounted for ~10% of the total cement demand in India at 46-47 MMT, compared to ~6% of India's total cement grinding capacity at 37.5-38.5 MTPA and Bihar accounted for ~5% of the total cement demand in India at 24-25 MMT, compared to ~2% of India's total cement grinding capacity at 12.5-13.5 MTPA in Fiscal 2024. (*Source: CRISIL Report*) As demand is higher than supply, Uttar Pradesh and Bihar are net importers of cement with inflow of cement from surrounding states, making them cement deficit states (**"Cement Deficit Regions"**). (*Source: CRISIL Report*) Further, Uttar Pradesh and Bihar lack limestone clusters (*Source: CRISIL Report*), hence establishment of clinker manufacturing units in these regions is not feasible. Importing cement from other states to meet the demand in Cement Deficit Regions is not economically feasible as cement is relatively inexpensive compared to other commodities, and hence freight costs are proportionately higher. (*Source: CRISIL Report*) Cement is transported in high-density polyethylene (HDPE) and paper bags which increases the possibility of damages due to issues pertaining to handling in transportation which in turn deteriorates the quality of cement and increases the overall freight costs. Transporting clinker is more efficient compared to transporting cement as it does not have to be packed and does not require multiple loading/unloading efforts. A combination of the above makes transportation of clinker, followed by blending & grinding at SGUs the preferred method of cement manufacturing in the Cement Deficit Regions. (*Source: CRISIL Report*)

In addition to the advantage of transporting clinker, the SGUs offer many other benefits such as reduced primary freight costs between the SGUs and the consumption centres, secondary freight costs between the wholesalers and the consumption centres, inward freight costs of raw materials such as fly ash and slag, lower power requirements, efficient supply chain by eliminating need for warehouses, lower capital expenditure requirements and related risks, micro-marketing and location flexibility, which helps in lowering marketing spends and supplying fresh cement to the markets. (*Source: CRISIL Report*) Over the years, we have gained expertise in establishing and operating SGUs in Cement Deficit Regions and are strategically located in close proximity to key consumption centres with an average lead distance up to 150-200 kms. By operating multiple SGUs, we aim to efficiently serve customer demand in Cement Deficit Regions by primarily keeping freight costs under control and reduce the time from the SGUs to the consumption centres. Furthermore, the state governments of Uttar Pradesh and Bihar (where our SGUs are located), through the post-COVID-19 Accelerated Investment Promotion Policy for Economically Backward Regions of the State-2020 in Uttar Pradesh and the Bihar Industrial Incentive Policy, 2011, respectively, offer incentives to manufacturing projects operating in these regions, which further incentivizes us to operate in the Cement Deficit Regions. For further details, please see, "*Management's Discussion and Analysis of Financial Conditions and Operations – Significant Factors Affecting our Results of Operation*" on page 371. Our presence in the growing markets of Uttar Pradesh and Bihar enables us to benefit from the increasing demands. Further, since we only operate SGUs, our production facilities provide us with the flexibility to alter our product mix in response to market demand.

Our SGUs are ISO 9001:2015 certified for quality, ISO 14001:2015 certified for environmental management systems and ISO 45001:2018 certified for occupational health and safety management systems. We place significant emphasis on product quality and manpower safety at all stages of the production process. All our products comply with the quality standards specified by the Bureau of Indian Standards ("**BIS**"). Further, we have been awarded as the "*Times Business Awards North 2023*" by Optimal Media Solutions, a division of Times Internet Limited, "*Fastest Growing Company of the Year in Cement Industry*" by the 3rdAsian African Leadership Forum and "*National Award for Excellency in Manufacturing Sector – Cement Industry*" by the National Awards for Excellency in Manufacturing Sector – Cement Industry. Further, our Promoter, Vishal Kanodia has received an Honorary Doctorate in Entrepreneurship from the National American University. For further details, see "***History and Certain Corporate Matters –Key awards and accreditations***" and "***Our Management – Brief biographies of our Directors***" on pages 246 and 255.

The table below provides details of our revenue from operations through the Contract Manufacturing Model and the Business-to-Consumer Model for the periods indicated below:

Particulars	**Nine-months ended December 31, 2024, 2024** (*₹ in million*)	**Fiscal year ended March 31, 2024** (*₹ in million*)	**Fiscal year ended March 31, 2023** (*₹ in million*)	**Fiscal year ended March 31, 2022** (*₹ in million*)	**CAGR (2022-24)** *(in %)*
Revenue from sale of cement -					
Contract Manufacturing Model	6,108.30	7,069.93	5,036.69	3,296.17	46.45%
Business-to-Consumer Model	733.37	1,159.99	955.90	1,117.79	1.87%
Revenue from sale of cement	**6,841.67**	**8,229.92**	**5,992.59**	**4,413.96**	**36.55%**
Subsidy income	353.95	393.80	187.29	145.17	64.70%
Trading sales	-	255.35	472.89	325.41	NA
Service income from transportation	-	-	0.01	-	NA
Revenue from Operations	**7,195.62**	**8,879.07**	**6,652.78**	**4,884.54**	**34.83%**

Our revenue from operations has increased from ₹ 4,884.54 million in Fiscal 2022 to ₹ 8,879.07 million in Fiscal 2024 with a 34.83% CAGR growth. Our RoE for Fiscal 2024 was 33.58% and our RoCE for Fiscal 2024 was 36.47%, which was higher than the industry average of 9.67% and 12.10% respectively for the same period. (*CRISIL Report*)

Key Financial and Operational Metrics

The table below sets out some of our financial performance measures as at the dates and for the periods indicated below:

Particulars	**For the period ended**	**For the Financial Year ended**		
	December 31, 2024	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
	(₹ in million, unless otherwise specified)			
Revenue from Operations (1)	7,195.62	8,879.07	6,652.78	4,884.54
Revenue from Operations Growth (2)	NA	33.46%	36.20%	NA
Cement Realisation per tonne (3)	4,278.60	4,722.14	5,099.14	4,694.23
Operating EBITDA (4) (*Excluding non-operating income*)	1,301.71	1,528.36	916.55	667.17
Operating EBITDA per tonne (*Excluding non-operating income*)(5)	814.06	876.94	779.90	709.53
Operating EBITDA Margin (*Excluding non-operating income*) (6)	18.09%	17.21%	13.78%	13.66%
PBT *(before Exceptional Items)* (7)	1,285.38	1,467.55	760.69	570.71
PBT Margin (8)	17.86%	16.53%	11.43%	11.68%
PAT (9)	982.38	1,138.38	554.74	403.55
PAT Margin (10)	13.65%	12.82%	8.34%	8.26%
Total Equity (12)	4,941.64	3,959.79	2,821.14	2,268.77
Net Debt (11)	(687.62)	(923.45)	584.51	1,050.35
Net Debt to Operating EBITDA *(Excluding non-operating Income)* (13)	(0.53x)	(0.60x)	0.64x	1.57x
Net Debt to Total Equity (14)	(0.14x)	(0.23x)	0.21x	0.46x
Return on Equity (ROE)(15)**	29.43%	33.58%	21.80%	20.83%
Return on Capital Employed (ROCE)(16)**	35.18%	36.47%	21.43%	22.25%
Basic EPS*(17)	13.17	15.27	7.43	5.38
Net Asset Value per Share (18)	66.27	53.10	37.83	30.33
Fixed Asset Turnover Ratio (19)	2.75	2.58	2.55	3.80
Cost of Sales per tonne (20)	3,685.90	4,217.67	4,881.00	4,485.16

*** On an annualised basis.*

** Not on an annualised basis.*

(1) Revenue from Operations is computed as the sum of revenue from sale of cement and other operating income namely subsidy income, trading income and service income from transportation.

*(2) Revenue from Operations Growth is computed by dividing increase in revenue from operations in the current period with revenue from operations for the previous period *100.*

(3) Cement Realisation per tonne is computed as a sum of revenue from sale of cement divided by total cement sales.

(4) Operating EBITDA (Excluding non-operating income) is calculated as restated profit/(loss) before share of profit/loss of joint ventures & associates, exceptional items and tax minus other income plus finance costs and depreciation & amortization expense.

(5) Operating EBITDA (Excluding non-operating income) per tonne is computed by dividing operating EBITDA (Excluding non-operating income) by total cement sales.

*(6) Operating EBITDA (Excluding non-operating income) Margin is computed by dividing operating EBITDA (Excluding non-operating income) with revenue from operations * 100.*

(7) PBT (before exceptional items) is the restated profit/ (loss) before share of profit / (loss) of joint ventures & associates, exceptional items and tax as per the restated consolidated financial information.

*(8) PBT Margin is calculated as restated profit / (loss) before share of profit / (loss) of joint ventures & associates, exceptional items and tax divided by revenue from operations *100.*

(9) PAT is the restated profit for the period/year as per the restated financial statements.

*(10) PAT Margin is the restated profit for the period/year divided by revenue from operations * 100.*

(11) Net Debt is computed as long-term borrowing plus short-term borrowings minus cash and cash equivalents, other bank balances, current investments and other non-current financial assets (bank deposits with remaining maturity of more than 12 months).

(12) Total Equity is total equity including non-controlling interests as per the restated consolidated financial information.

(13) Net Debt to Operating EBITDA (Excluding non-operating income) is calculated as net debt divided by operating EBITDA (Excluding non-operating income).

(14) Net Debt to Total Equity is calculated as the net debt divided by the total equity.

*(15) Return on Equity is computed by dividing PAT by the average total equity * 100. Average total equity is calculated as the average of the opening and closing balances of the total equity.*

(16) Return on Capital Employed is computed as EBIT as a % of average capital employed. EBIT is calculated by adding finance cost to the restated profit/ (loss) before exceptional items and tax (but after share of profit/ (loss) of joint ventures & associates). Average capital employed is calculated by averaging the opening and closing balance of capital employed. Capital employed is calculated by adding total equity, long term borrowings (including current maturities of long term borrowings), short term borrowings and deferred tax liabilities minus intangible assets.

(17) Basic EPS is computed as restated profit for the year attributable to equity holders of the company divided by the weighted average number of Equity shares outstanding.

(18) Net Asset Value per Share is computed as equity attributable to owners of the company divided by the weighted average number of shares considered for computing EPS.

(19) Fixed Asset Turnover Ratio is computed by dividing total sales by average total fixed assets (including right of use assets). Average total fixed assets is calculated by adding the opening total fixed assets and the closing fixed total assets and dividing them by two. Fixed asset includes property, plant and equipment and right-of-use assets.

(20) Cost of sales per tonne is computed as Revenue from operations minus operating EBITDA (Excluding non-operating income) divided by total cement sales.

Operational Metrics

(*in MMT, unless otherwise specified*)

Particulars	For the period ended	For the Financial Year		
	December 31, 2024	2024	2023	2022
Cement Sales - Contract Manufacturing Model	1.45	1.52	1.00	0.72
Cement Sales - Business to Consumer Model	0.15	0.23	0.17	0.22
Total Cement Sales (1)	**1.60**	**1.74**	**1.18**	**0.94**
Installed Grinding Capacity (2)	2.66	3.54	3.17	2.04
Capacity Utilisation (3)	60.23%	49.23%	37.13%	46.10%

(1) Total Cement Sales is computed as sum of cement sales - business to consumer model and cement sales - contract manufacturing model.

(2) Installed Grinding Capacity is computed as effective grinding capacity available during the year/ period which is prorated based on commissioning/operating time during the period.

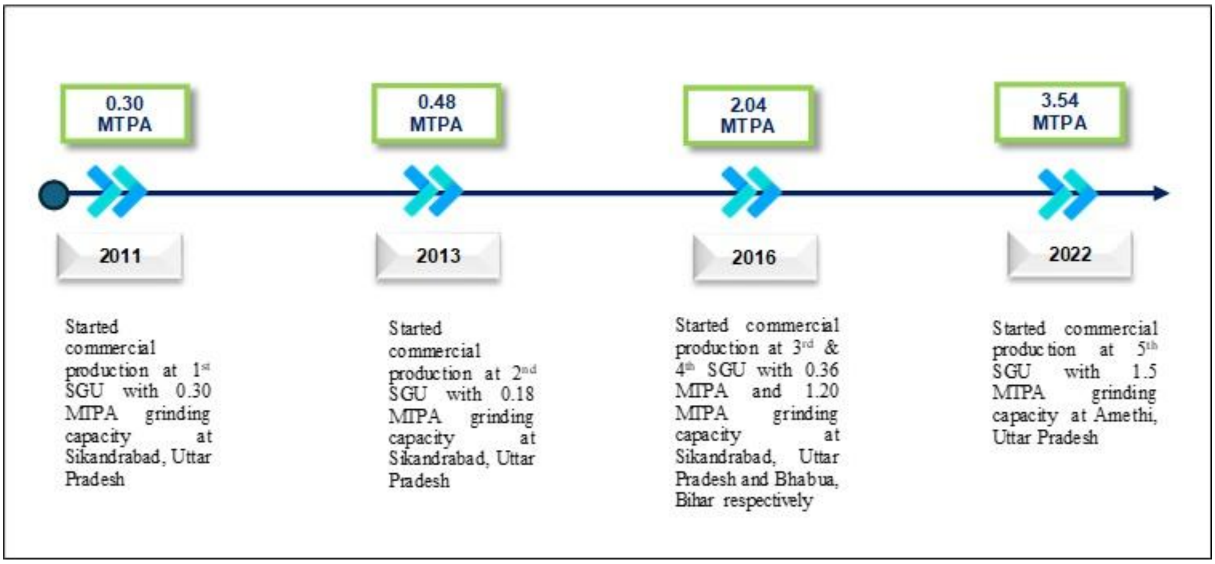
(3) Capacity Utilisation is computed as total cement production divided by the installed grinding capacity available during the year/ period, which is prorated based on the date of commissioning/operating time during the period.

Strengths

1. Strategic and timely capacity additions driving growth in installed capacity, sales volume, and revenue from operations
2. One of the pioneers in contract manufacturing of cement with strong, established relationships with key brands
3. Strategically located SGUs enabling market access, savings in freight costs, accessibility to blending materials and state-backed incentives resulting in a strong business model
4. Consistent financial performance driven by strategic focus on cement production and a capital efficient business model
5. Experienced promoter, backed by a professional senior management team

Strategic and timely capacity additions driving growth in installed capacity, sales volume, and revenue from operations

Our Company was incorporated in 2009 and commenced commercial production in 2011 through one SGU, KCL Sikandrabad Unit 1 (*western Uttar Pradesh*) with an installed cement grinding capacity of 0.30 MTPA. As of December 31, 2024, we have expanded our operations to five SGUs with an installed cement grinding capacity of 3.54 MTPA, emerging as one of the fastest-growing cement manufacturing companies in India, in terms of increase in installed cement grinding capacity for the period Fiscal 2014 to Fiscal 2024, growth in sales volume and revenue from operations for the period Fiscal 2022 to Fiscal 2024. (*Source: CRISIL Report*). The infographic below sets forth our capacity addition milestones since our inception:



Our installed cement grinding capacity has grown rapidly through timely and strategic capacity additions, enabling us to meet the increasing demand for cement in Uttar Pradesh, Bihar and the National Capital Region. Our installed cement grinding capacity has grown at 22.12% CAGR from Fiscal 2014 to Fiscal 2024, significantly outpacing the industry and peer group average of 7.31% and 9.64% respectively. (*Source: CRISIL Report*) Additionally, we have experienced robust growth in sales volume, driven by our expanded reach and customer base, as well as consistent growth in revenue from operations. This dynamic growth has established a solid foundation for our continued expansion in the Indian cement industry.

For the period from Fiscal 2014 to Fiscal 2024, our installed cement grinding capacity has grown faster than the industry average CAGR and peer average CAGR, according to the CRISIL Report, as shown in the table below:

(in MTPA, unless otherwise indicated)

Particulars	As at March 31, 2024	As at March 31, 2014	10 years installed cement capacity CAGR from Fiscal 2014 to Fiscal 2024 (%)	Industry average CAGR from Fiscal 2014 to Fiscal 2024 (%)	Peer group average CAGR from Fiscal 2014 to Fiscal 2024 (%)
Installed Cement Grinding Capacity	3.54	0.48	22.12	7.31	9.64

Our sales volume has increased faster than the industry average and the peer average from Fiscal 2022 to Fiscal 2024, according to the CRISIL Report as shown below:

(in MMT, unless otherwise indicated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2022	Sales Volume CAGR from Fiscal 2022 to Fiscal 2024 (%)	Industry average CAGR from Fiscal 2022 to Fiscal 2024 (%)	Peer group average CAGR from Fiscal 2022 to Fiscal 2024 (%)
Total Sales Volume	1.74	0.94	36.14	11.10	8.80

Our revenue from operations has grown faster than the industry average growth and peer average growth from Fiscal 2022 to Fiscal 2024, according to the CRISIL Report as shown below:

Particulars	For the year ended March 31, 2024 (₹ *in million*)	For the year ended March 31, 2022 (₹ *in million*)	Revenue from Operations CAGR from Fiscal 2022 to Fiscal 2024 (%)	Industry average CAGR from Fiscal 2022 to Fiscal 2024 (%)	Peer group average CAGR from Fiscal 2022 to Fiscal 2024 (%)
Revenue from operations	8,879.07	4,884.54	34.83	13.61	12.04

As of December 31, 2024, despite being fragmented markets, our installed cement grinding capacity in Uttar Pradesh represented 5.85% of the total installed cement grinding capacity in Uttar Pradesh and 9.23% of the total installed cement grinding capacity in the cement industry in Bihar, respectively. (*Source: CRISIL Report*) Our SGUs are equipped to manufacture a range of cement (PPC and Composite Cement), enabling us to meet diverse customer needs across the market. Over the years, all our capacity expansions have been executed in-house by our project management team, showcasing our strong project development and execution capabilities.

One of the pioneers in contract manufacturing of cement with strong, established relationships with key brands

We are one of the pioneers in contract manufacturing of cement in India (*Source: CRISIL Report*), and began operating through the Contract Manufacturing Model in the cement industry in 2011. We manufacture blended cement through the Contract Manufacturing Model at all our locations where our SGUs are located. Over the years, we believe, we have built a reputation for reliability, consistent product quality, collaborative approach and timely delivery of products. This has fostered long-term customer relationships with prominent players in the cement industry. Our Company has established relationships with established cement brands. The table below sets out details of the average duration of our relationship with our top customers:

Particulars	Period of association
JK Lakshmi Cement Limited*	2012 - 2024
Customer 1^	2018 - present
Customer 2^	2018 - present
Prism Johnson Limited#	2024 - present

**Last dispatch to JK Lakshmi Cement Limited was made on October 20, 2024.*
#First dispatch to Prism Johnson Limited was made on January 15, 2024.
^Names of the customers have not been included in the above table as consents for disclosure of certain customers names were not available.

For the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, 84.55%, 79.61%, 75.71% and 67.48% of our revenue from operations was derived from the Contract Manufacturing Model from our key customers. The table below provides details of our current SGU wise brand associations:

Particulars	Key brands
KCL Sikandrabad Units 1, 2 and 3	Customer 1 and Customer 2^
KCPL Unit 1 Amethi	JK Lakshmi Cement Limited* and Prism Johnson Limited#
KIL Bhabua Unit	Customer 1 and Customer 2^

**Last dispatch to JK Lakshmi Cement Limited was made on October 20, 2024.*
#First dispatch to Prism Johnson Limited was made on January 15, 2024.
^Names of the customers have not been included in the above table as consents for disclosure of certain customers names were not available.

Our Company manufactures and supplies blended cement from our SGUs in accordance with the specifications and quality parameters prescribed in the cement sale and purchase agreements which are ultimately sold under the brand name of key cement brands. The term of such cement sale and purchase agreements typically ranges between 12 months to eight years, which are renewed from time to time. Under the Contract Manufacturing Model, the cement brands arrange/supply clinker, a critical raw material used in the production of cement as per the terms specified under the cement sale and purchase agreements. We procure the other raw materials such as gypsum, slag, fly-ash, packing materials and the costs incurred for procuring other raw materials and packing materials used in the production of blended cement are charged back to the cement brands as per the cement sale and purchase agreements in the following manner:

(i) ***Fixed monthly return on investment and fixed operational charges –*** This model includes a fixed annual margin and fixed operational charges in addition to the cost of raw materials (*including packing materials*), stores and spare parts consumed per tonne and electricity consumed per tonne. This fixed monthly return on investment and fixed operational charges model has been adopted by our key customers at the KIL Bhabua Unit; and

(ii) ***Slab based variable grinding charges based on the actual offtake quantity -*** This model includes a fixed per tonne operating margin from the cement brands based on actual offtake quantity in addition to the cost of raw materials (*including packing materials*). This model has been adopted by our key customers at the KCL Sikandrabad Units and at the KCPL Unit 1 Amethi. However, with one of our key customers, we also have a minimum quantity offtake guarantee on a monthly basis wherein the brand is liable to make payments for a minimum quantity of cement (*as agreed upon in the cement sale and purchase agreements*) irrespective of the actual offtake of cement by the cement brands.

The terms of the cement sale and purchase agreements coupled with the fixed monthly return on investment and fixed operational charges model and the slab based variable grinding charges based on the actual offtake quantity enable our Company to minimize the risk associated with fluctuations in demand and price volatility and ensure medium term revenue visibility on account of a consistent and predictable demand for our products over extended periods which ensure a steady stream of business and protect against short-term market downturns, allowing us to operate with a high degree of financial stability and operational efficiency. These arrangements under the cement sale and purchase agreements also enable us to mitigate risks associated with supply chain disruptions (*as cement is supplied on an ex-works basis and raw material transportation costs are on pass through basis*) and establishes a comprehensive framework for medium to long-term planning and investment and positioning our Company for sustained growth in a competitive environment. The table below sets forth the volume and revenue growth achieved through this model:

Particulars	Nine-months period ended December 31, 2024	Financial Year Ended March 31, 2024	Financial Year Ended March 31, 2023	Financial Year Ended March 31, 2022	CAGR (2022-24)
Volume (MMT)	1.45	1.52	1.00	0.72	45.30%
Revenue from Sale of Cement under the Contract Manufacturing Model *(₹ in million)*	6,108. 30	7,069.93	5,036.69	3,296.17	46.45%

Further, our Company is entitled to receive certain state incentives from the state governments of Uttar Pradesh and Bihar. This enables us to offer strategic pricing to the brands and this is one of the aspects which makes us a preferred partner for brands under the Contract Manufacturing Model.

The reliability of these established relationships also enables our Company to plan more effectively for future expansion, capital expenditures, and operational improvements. Further, the presence of long-term contracts with recognized cement brands further strengthens our Company’s competitive position, as these relationships enhance credibility and foster a stable customer base.

Strategically located SGUs enabling market access, savings in freight costs, accessibility to blending materials and eligibility for state-backed incentives resulting in a strong business model

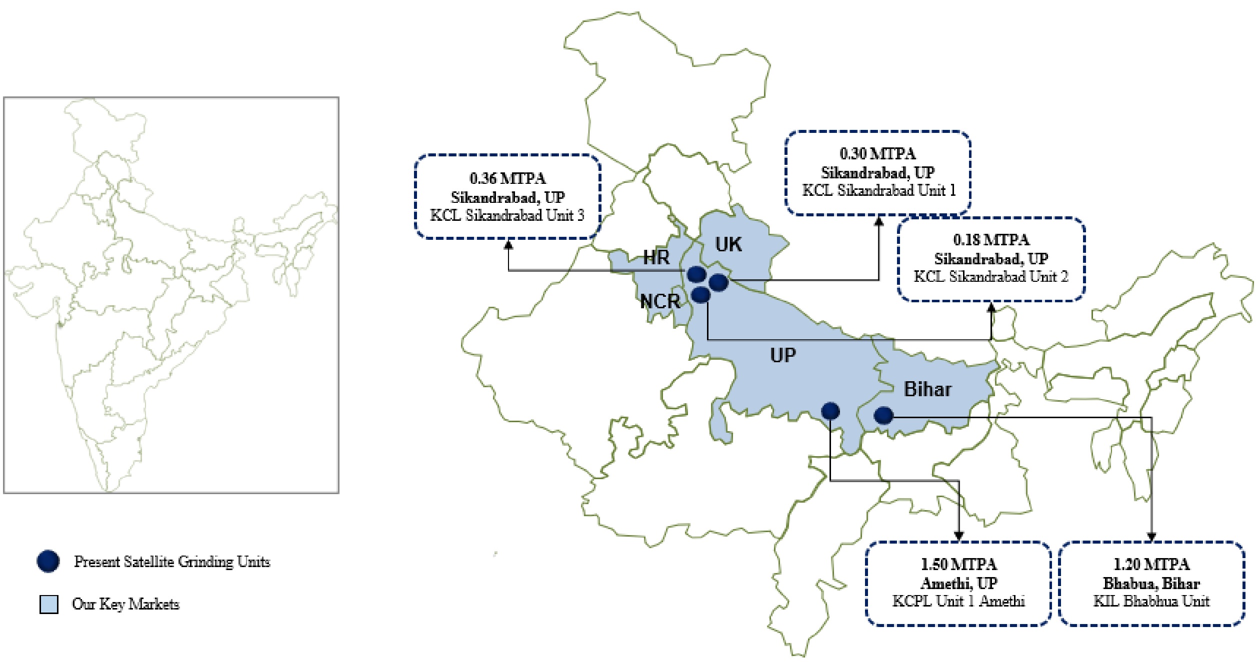
Our SGUs are strategically located in close proximity to key consumption markets in Uttar Pradesh, Bihar and the National Capital Region, where the demand for cement has been consistently growing. The cement demand in Uttar Pradesh and Bihar was estimated to be 46-47 MMT and 24-25 MMT, respectively, for the Fiscal 2024. (*Source: CRISIL Report*) Further, the cement demand in Uttar Pradesh is estimated to grow at a CAGR of 7-8% over the next five years to reach 66-68 MMT by Fiscal 2029 and cement demand in Bihar is expected to grow at a CAGR of 8-9% over the next five years to reach 36-38 MMT by Fiscal 2029. (*Source: CRISIL Report*)

Due to the unavailability of limestone clusters in the Cement Deficit Regions (*Source: CRISIL Report*), the establishment of clinker manufacturing units in these regions is not feasible as limestone is a critical raw material for the manufacture of clinker. Further, due to the inherent limitations of transporting cement over long distances, clinker is relatively more efficient to be transported to cement grinding units. A combination of the above makes transportation of clinker, followed by grinding and blending at SGUs the preferred method of cement manufacturing in the Cement Deficit Regions. (*Source: CRISIL Report*) We specialize in producing blended cement such as Portland Pozzolana Cement and Composite Cement and operate multiple SGUs, enabling us to efficiently serve the Cement Deficit Regions while maintaining consistent product quality leading to better realizations and strong market positioning.

Cement is a freight-intensive industry with freight costs forming a substantial part of total expenditure. Cement is relatively inexpensive compared to other commodities, and hence freight costs are proportionately higher. (*Source: CRISIL Report*) Our SGUs are strategically located close to key consumption centres, leading to reduction in primary freight costs incurred when transporting cement from SGUs to dealers/consumption centres. Our SGUs have an average lead distance of 150-200 kms from key markets which enables cement to be directly transported to the consumption centres locally leading to a reduction in secondary freight costs. Our proximity to the markets enables us to deliver fresh cement, colloquially known as '*taaza*' cement in Uttar Pradesh, Bihar and the National Capital Region. This also eliminates the need for warehousing which limits the outflow of dealer margins as we are not required to pay warehouse or storage fees. The following table provides details of the distance of our SGUs from key markets:

Location of SGUs	Key consumption centres	Approximate Distance (in Km)
KCL Sikandrabad	Noida	64 km
	Greater Noida	45 km
	Faridabad	86 km
	Meerut	73 km
	Panipat	158 km
KCPL Unit 1 Amethi	Sultanpur	23 km
	Raebareli	79 km
	Prayagraj	88 km
	Lucknow	145 km
	Kanpur	201 km
KIL Bhabua Unit	Sasaram	74 km
	Kaimur	50 km
	Aurangabad	121 km
	Gaya	195 km
	Patna	200 km

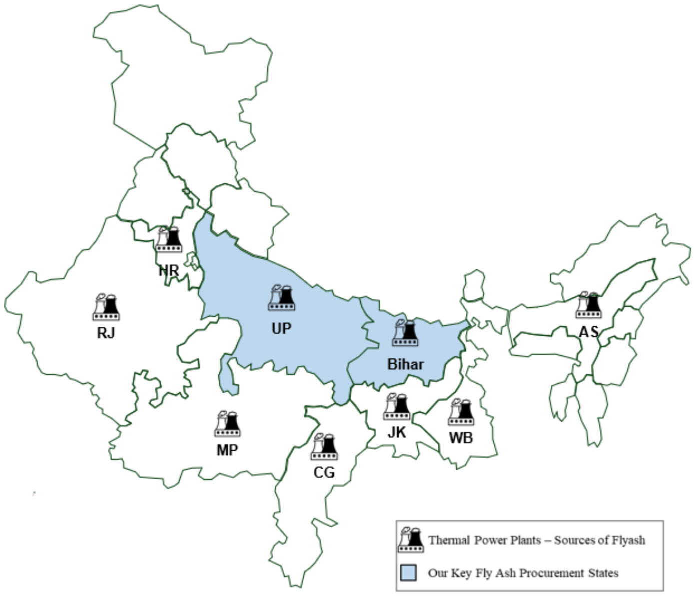
The map below depicts our SGUs located near our key consumption centres.



Further, our SGUs are strategically located near to sources of the other raw material used in the manufacturing of blended cement. Fly ash is the second most consumed raw material in the production of blended cement and constitutes 15-35% of blended cement. (*Source: CRISIL Report*) It is a by-product of coal based thermal power plants and is readily available in Uttar

Pradesh and Bihar. Uttar Pradesh has a significant presence of thermal power plants, with a total of 19 units, ranking second only to Chhattisgarh. (*Source: CRISIL Report*). We have long term arrangements and participate in tenders floated by coal-based power plants and private companies generating fly ash which need to dispose the fly ash as part of their ESG obligations. We also source our fly ash through tenders/ agreements with public sector undertakings and open market suppliers in Uttar Pradesh and thermal power project in Bihar. Our proximity to the sources of flyash reduces inward freight costs which is one of the largest costs for blended cement manufacturers (*Source: CRISIL Report*). The map below provides details of the state wise thermal power plants in north and central India *(Source: CRISIL Report)*:

Key	State	No. of Thermal Power Plants
Uttar Pradesh	UP	19
Bihar	Bihar	6
Chhattisgarh	CG	23
West Bengal	WB	15
Madhya Pradesh	MP	13
Rajasthan	RJ	8
Jharkhand	JK	7
Haryana	HR	5
Assam	AS	1



Further, our SGUs are well-connected by road and rail to cost effectively source raw materials such as clinker and fly ash.

Further, our SGUs are well-connected by road and rail to cost effectively source raw materials such as clinker and fly ash. For instance, KCL Sikandrabad Units 1, 2 and 3 are connected by (i) NH91 (Ghaziabad-Kanpur National Highway) located at a distance of 1 km; (ii) Dhankur railway station located at a distance of 20 kms; and (iii) PMKM Railway Siding Meerut located at a distance of 77 kms and (iv) Khurja railway siding located at a distance of 28 kms, respectively. KCPL Unit 1 Amethi is connected by (i) NH 330 located at a distance of 11 kms; and (ii) the Amethi railway station located at a distance of 19 kms, respectively, KIL Bhabua Unit is connected through the (i) NH31 located at a distance of 2 kms; and (ii) Karmanasa railway station at a distance of 5 kms, respectively.

Furthermore, the state governments of Uttar Pradesh and Bihar (where our SGUs are located), through the post-COVID-19 Accelerated Investment Promotion Policy for Economically Backward Regions of the State-2020 in Uttar Pradesh and the Bihar Industrial Incentive Policy, 2011, respectively, offer several incentives to manufacturing projects. Under the post-COVID-19 Accelerated Investment Promotion Policy for Economically Backward Regions of the State - 2020 in Uttar Pradesh, our Company is eligible to claim incentives up to 300% of the eligible capital investment ("**ECI**") incurred at KCPL Unit 1 Amethi (*Eastern Uttar Pradesh*), over a 15-year period. This incentive is provided as an SGST refund, allowing us to claim up to 70% of the net SGST deposited with the government of Uttar Pradesh annually, subject to an annual ceiling of 20% of the ECI. Further, under the Bihar Industrial Incentive Policy, 2011 our Company is eligible to claim up to 300% of the ECI incurred in the set-up of at KIL Bhabua Unit (*Bihar*), over a 10-year period. This incentive is provided as an SGST refund, allowing us to claim up to 80% of the net SGST deposited with the government of Bihar annually, without any annual ceiling on the ECI.

These incentive policies range between 10-15 years in tenor and are directly linked to the SGST deposited by our Company to the relevant government authority. The table below provides details of the incentives availed by us:

Unit/Manufacturing Entity	Policy	Classification of Project	Overall Ceiling as a % of ECI	Annual % ceiling of net SGST*	Annual ceiling as a % of ECI	Tenure of eligibility
KCPL Unit 1 - Amethi, Uttar Pradesh	Post-COVID-19 Accelerated Investment Promotion Policy for Economically Backward Regions of the State-2020	Mega Project - Bundelkhand and Poorvanchal	300%	70%	20%	15 Years

Unit/Manufacturing Entity	Policy	Classification of Project	Overall Ceiling as a % of ECI	Annual % ceiling of net SGST*	Annual ceiling as a % of ECI	Tenure of eligibility
KIL - Bhabua, Bihar	Bihar Industrial Incentive Policy - 2011	Large Project	300%	80%	NA	10 Years

We have availed benefits of ₹ 353.95 million**,** ₹ 393.80 million, ₹ 187.29 million and ₹ 145.17 million for the nine months ended December 31, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively through the subsidies provided by the government of Uttar Pradesh and Bihar.

Additionally, at our SGU, KCL Sikandrabad Units 1, 2 and 3 (*Western Uttar Pradesh*), instead of SGST subsidy, we are eligible for interest-free loans from the Uttar Pradesh Finance Corporation. Accordingly, we have availed interest-free loans of ₹ 260.35 million**,** ₹ 112.82 million, ₹ 42.24 million and Nil in the nine months ended December 31, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively through the Uttar Pradesh Government through the Uttar Pradesh Financial Corporation under the Audyogik Nivesh Protsahan Yojana -2012.

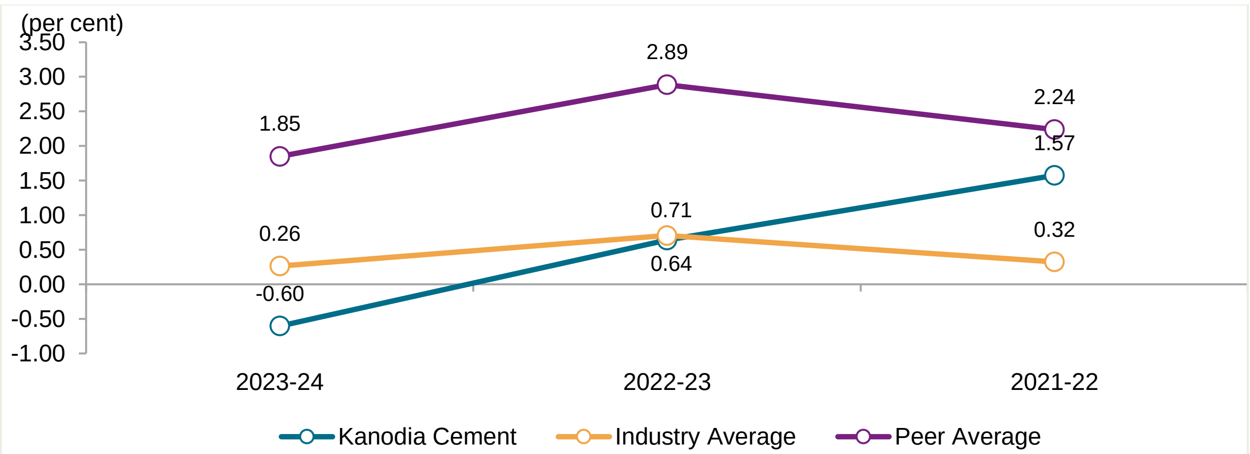
On account of the above, our strategically located SGUs in close proximity to the key consumption markets in Uttar Pradesh, Bihar and the National Capital Region position us well to capitalize on the rapidly growing cement demand in these regions. Additionally, our access to blending materials significantly reduce procurement costs due to relative savings in freight costs and enhance operational efficiencies and position us for sustained growth in the cement industry. Moreover, our eligibility for state-backed incentives offers a significant advantage to our operations, enhancing our financial performance and providing resources that can be reinvested into capacity expansion and further operational enhancements.

Consistent financial performance driven by strategic focus on cement production and a capital efficient business model

Our Company only operates SGUs which require substantially lower capital expenditure to setup and operate as compared to integrated cement manufacturing plants as SGUs do not require expensive limestone mining or clinker production facilities. Due to lower capital expenditure requirements, SGUs offer a highly adaptable and scalable solution, making it an attractive choice for regions where establishing full integrated cement plants would not be economically or logistically viable. Further, the gestation period for setting up SGUs is 18-24 months (*excluding time for environmental clearance*), which enables faster project implementation and time to market. (*Source: CRISIL Report*)

Our SGUs focus entirely on producing blended cement products (*PPC and Composite Cement*) which requires limited power, and relatively limited reliance on clinker. We use advanced grinding technologies which enhance operational efficiency and allows for greater flexibility in production. The production process only focuses on grinding and blending the raw material and requires fewer stages compared to IUs which leads to reduced energy consumption and reduced requirement for raw materials. Further, to optimize our capital expenditures, we adopt a direct approach for land acquisition, civil works, and plant and machinery procurement in a more cost-efficient manner.

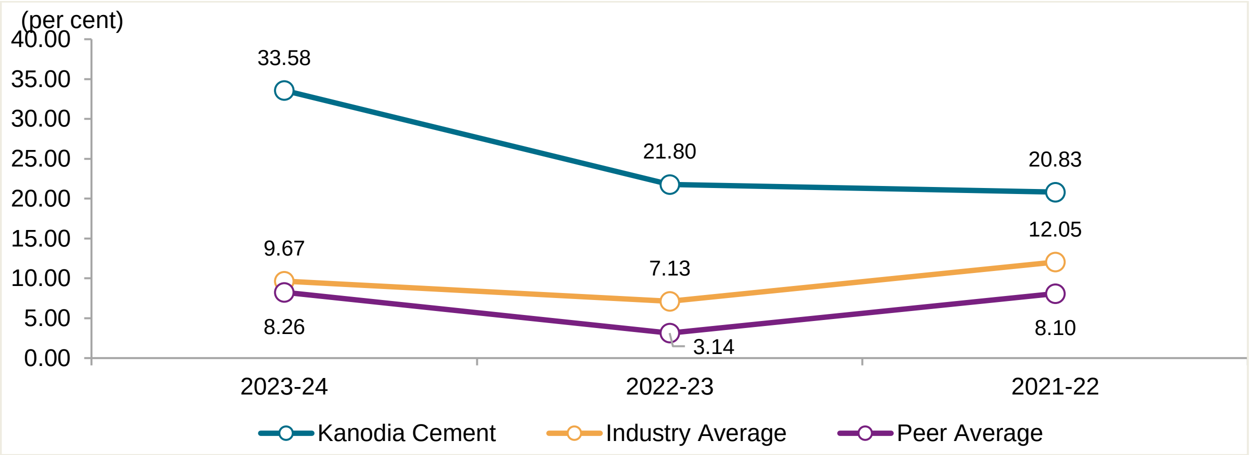
This capital efficient approach enables us to maintain a strong financial position with low total debt levels, positioning us as one of the few net debt-free companies in the cement industry as of December 31, 2024. The graph below sets forth our net debt to EBITDA ratios over Fiscal Year 2022 to 2024:



(Source: CRISIL Report)

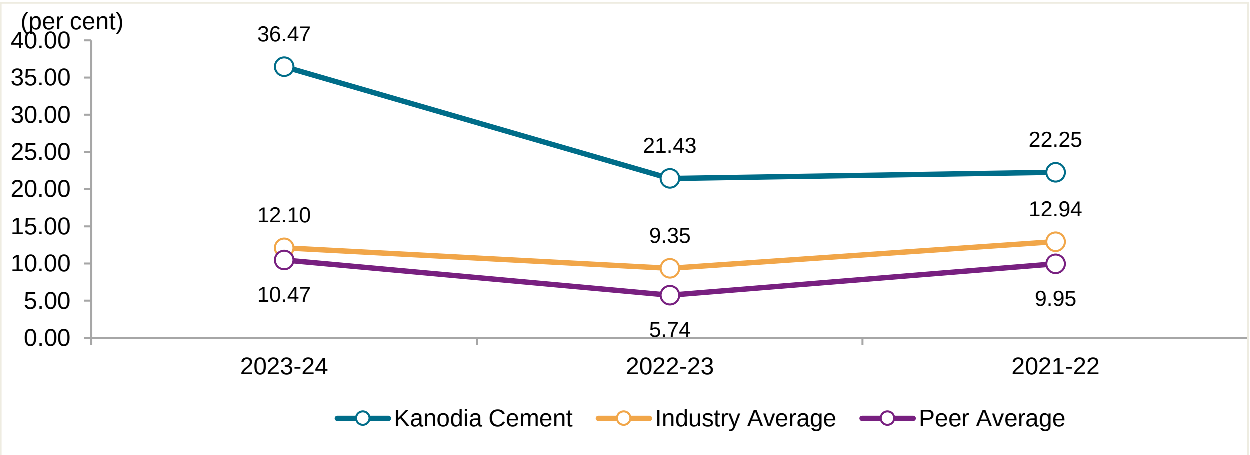
We have a strong balance sheet and our Company was net debt-free as of December 31, 2024 with cash & cash equivalents and other bank balances of ₹ 299.67 million and ₹ 70.59 million, respectively, current investments (investments in debt mutual funds) of ₹ 397.77 million and other non-current bank deposits of ₹ 239.58 million. Further, as of December 31, 2024, our short term borrowings were ₹ 4.38 million, long term borrowings were ₹ 315.61 million.

This efficient operational model has driven industry-leading return ratios, including ROE and ROCE, which further underscore our financial strength and operational efficiency. The details of our ROE compared to the industry average and peer average for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 are indicated below:



(Source: CRISIL Report)

The details of our ROCE compared to the industry average and peer average for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 are indicated below:



(Source: CRISIL Report)

Further, our focus on timely capacity additions at strategic locations has played a pivotal role in driving growth in revenue from operations. We commenced operations at our SGU in Amethi (*eastern Uttar Pradesh*) in Fiscal 2023, which significantly boosted our production capacity and enabled us to meet the increasing demand for cement in key markets of eastern Uttar Pradesh. By proactively expanding our capacity at regular intervals, we have been able to scale our operations in line with market needs, ensuring we are well-positioned to capture growing demand and enhance our market share.

The table below sets out some of our financial performance measures *vis-à-vis* the industry average and peer average as at the dates and for the periods indicated below:

Particulars	Fiscal 2024			Fiscal 2023			Fiscal 2022		
	Our Company	Industry Average	Peer Average	Our Company	Industry Average	Peer Average	Our Company	Industry Average	Peer Average
Revenue from Operations *(Growth)*	33.46%	N/A	N/A	36.20%	N/A	N/A	N/A	N/A	N/A
Operating EBITDA Margin	17.21%	17.16%	14.33%	13.78%	13.72%	10.54%	13.66%	19.89%	15.46%
PAT Margin	12.82%	8.35%	4.47%	8.34%	5.85%	1.75%	8.26%	10.90%	4.86%
ROE	33.58%	9.67%	8.26%	21.80%	7.13%	3.14%	20.83%	12.05%	8.10%
ROCE	36.47%	12.10%	10.47%	21.43%	9.35%	5.74%	22.25%	12.94%	9.95%

Our focus on efficiency, improved productivity, cost rationalization, increase in capacity due to sustained expansion, addition of new customers and improved product mix has enabled us to establish a track record of rapid growth, improve operating margins and deliver consistent financial performance.

Experienced promoter, backed by a professional senior management team

Our Company is led by Dr. Vishal Kanodia, who has experience of over 15 years in the cement industry and he has been associated with the Company as the founder and promoter, since the incorporation of the Company in 2009. He has received an Honorary Doctorate in Entrepreneurship from the National American University. Further, he has been awarded the Yuva Rattan award and the Times Business award. Our Promoter is ably supported by a professional board of directors and senior management team with extensive industry experience.

Roop Narain Maloo (*Executive Director and Chief Financial Officer*) is a chartered accountant and has experience working as a chief financial officer/vice president (Finance) with listed companies such as Surya Roshni Limited, RSWM Limited, Welspun Corp Limited, Trident, Parsvnath Developers Limited and Banswara Syntex Limited. He is a fellow member of the Institute of Chartered Accountants of India since 1986. He specializes in corporate affairs, corporate finance, budgeting, mergers and acquisitions, taxation, business performance reviews, corporate governance, investor relations, and risk management strategies.

Saurabh Lohia (*Executive Director*) has over 10 years of marketing experience in the cement industry. He works closely with the business team to develop strategies for marketing and branding initiatives, both for new and existing products. His responsibilities also include managing the client base, securing new accounts, and driving consistent growth for the organization.

Prem Prakash Singh (*President – Sales and Marketing*) leads marketing for the Business-to-Consumer model. He was previously associated with Satna Cement Works and Jaypee Rewa Cement. He has a proven track record in developing and executing strategic sales plans that align with business objectives, driving sustained revenue growth and market expansion.

Our Board of Directors and key managerial personnel include individuals with extensive experience in the cement sector with an average experience of over 13 years. Our installed cement grinding capacity has grown rapidly, driven by organic expansion efforts led by our highly skilled project management team. All our capacity increases have been developed in-house, which reflects our strong project development and execution capabilities. We believe that the combination of our experienced Board of Directors, our dynamic management team and our skilled employees positions us well to capitalize on future growth opportunities.

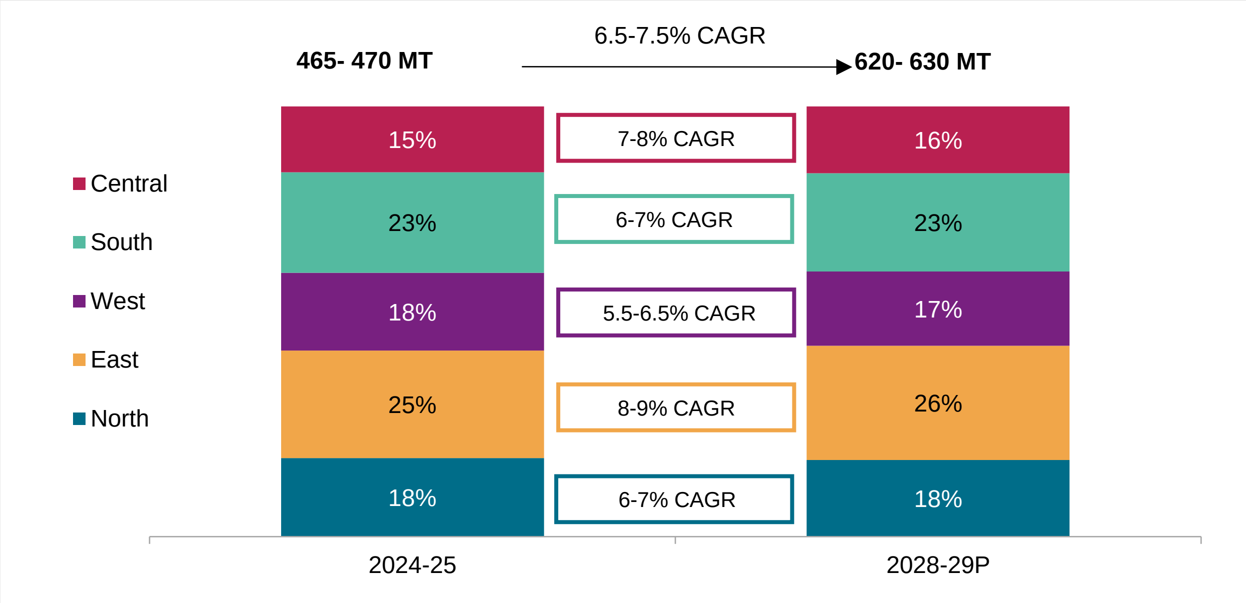
Strategies

The strategies described below have been approved by way of a board resolution passed by our Board of Directors at their meeting held on May 22, 2025.

1. Capitalizing on industry tailwinds through greenfield capacity expansions
2. Expand market presence in Uttar Pradesh and strengthen market share in the key markets of Uttar Pradesh and Bihar
3. Increase the wallet share from our existing customers and adding new brands for our Contract Manufacturing Model
4. Leverage distribution network to increase market share and presence of our Business-to-Consumer Model
5. Increase capacity utilisation to improve operational efficiency and implement cost reduction measures

Capitalizing on industry tailwinds through greenfield capacity expansions

The cement sector in India plays a critical role in the nation's industrial landscape, being integral to the construction and infrastructure industries. India’s cement production has increased at a compounded annual growth rate (CAGR) of 5.6% from 2018-2023, outpacing the top seven cement-producing nations. (*Source: CRISIL Report*) With India accounting for 10.7% of global cement production in 2023, (*Source: CRISIL Report*) the sector is positioned to play a critical role in supporting the nation’s growth. India’s cement industry is positioned for sustained growth, driven by the country’s expansive infrastructure and housing requirements, which are central to its economic development. As of 2023, India’s per capita cement consumption stood at 280-330 kilograms, significantly below the world average of 470-520 kilograms. India's cement industry has substantial growth potential due to the country's relatively low per capita cement consumption. The Indian cement market is projected to grow at a CAGR of 6.5% - 7.5% annually, with demand expected to rise from 465-470 MMT in 2024-25 to 620-630 MMT in 2028-29. (*Source: CRISIL Report*) In the medium term, the eastern and central regions, are expected to continue driving the highest demand for cement. (*Source: CRISIL Report*) The graph below presents the region wise projected demand growth of the Indian cement market –

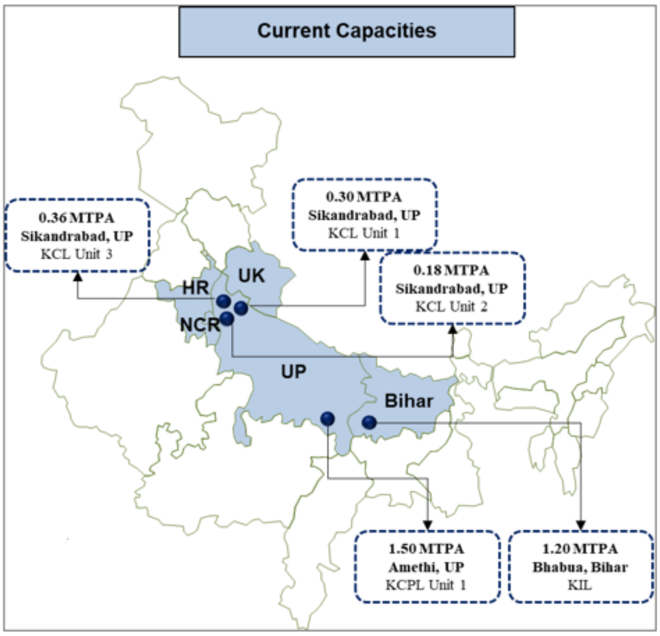


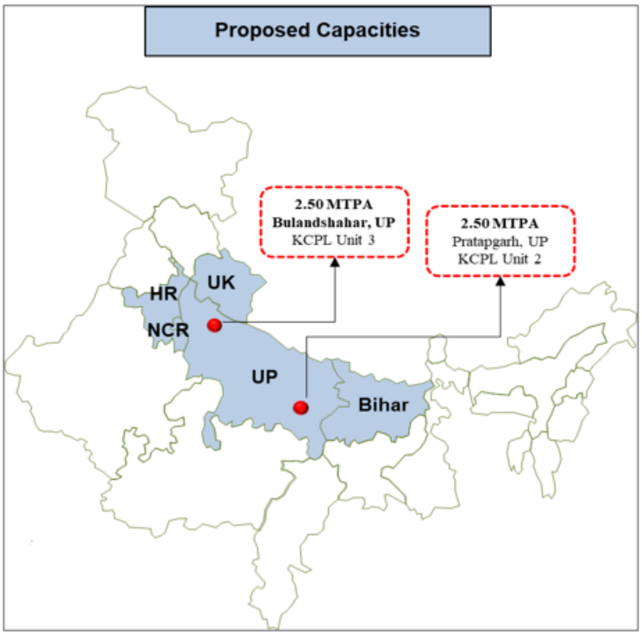
(*Source: CRISIL Report*)

To capitalize on this opportunity and meet the increasing demand in the Cement Deficit Regions, we aim to expand by setting up two SGUs in Uttar Pradesh over the coming years with a cement grinding capacity of 2.50 MTPA at each SGU. Each of these SGUs will incorporate railway sidings to further improve our competitiveness and reduce our freight & logistics costs. The table below sets forth details of our proposed expansion plans:

Proposed Plant Location	Region	Plant Type	Expansion Type	Installed Cement Grinding Capacity (MTPA)
KCPL Unit 2 - Pratapgarh	Eastern Uttar Pradesh	SGU with railway siding	Greenfield	2.50
KCPL Unit 3 – Sikandarpur, Bulandshahar	Western Uttar Pradesh	SGU with railway siding	Greenfield	2.50
Total Proposed Capacity Expansion				**5.00**
Current Cement Grinding Capacity				**3.54**
Total Post Expansion Capacity				**8.54**

The map below provides details of the proposed capacity expansion through the SGUs.





We believe that our strategic presence in this market will enable us to benefit from the increasing demands. The table below sets forth details of steps taken for the proposed expansion:

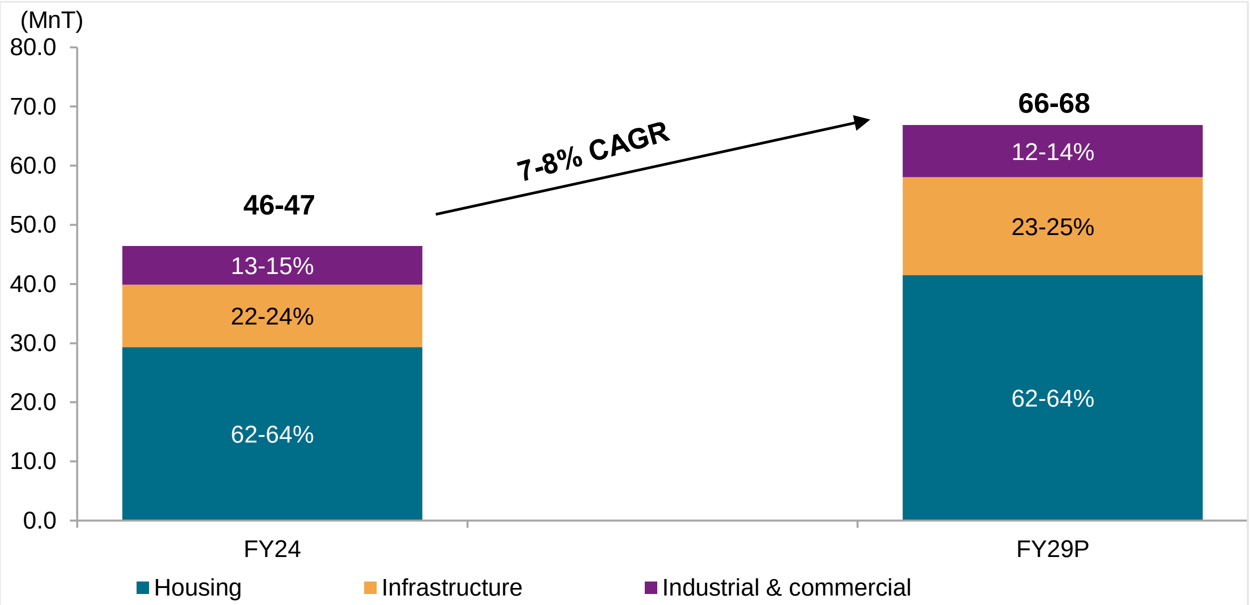
Proposed Plant Location	Region	Plant Type	Land Acquisition As on 31 December 2024	Land to be Acquired as on 31 December 2024	Environmental clearance	Consent to establish	Railway Siding Approvals	Expected Commissioning
KCPL Unit 2 - Pratapgarh	Eastern Uttar Pradesh	SGU	83.25 acres	20-25 acres	Granted	Granted	Granted	Fiscal 2027
KCPL Unit 3 – Sikandarpur, Bulandshahar	Western Uttar Pradesh	SGU	6.42 acres	15-25 acres	Applied	To be applied	To be applied	Fiscal 2028

With these capacity expansions, our total cement capacity is expected to grow significantly from current 3.54 MTPA to 8.54 MTPA. As of December 31, 2024, the Company had acquired 83.25 acres of land for the 2.5 MTPA capacity expansion at KCPL Unit 2 - Pratapgarh, which is more than required for its immediate expansion plan. This additional land has been strategically acquired to facilitate future expansion, with the potential to scale up the plant's capacity within the same unit. As we expand our capacity, we are positioned to strengthen our position as a preferred partner for key-cement brands. This growth also provides an opportunity to expand our market share by tapping into emerging regions and customer segments, thereby increasing our footprint in the cement industry. Additionally, this growth provides us with ample headroom to further expand our focus on contract manufacturing as well as on our own brands. This scalable capacity ensures that we are well-positioned to meet both external demand and our internal expansion goals.

Expand production capacity in Uttar Pradesh and strengthen market share in Uttar Pradesh and Bihar

The demand of cement in Uttar Pradesh and Bihar has been consistently growing. The demand in Uttar Pradesh has grown at a CAGR of 6-7% over the past five years to reach 46-47 MT in Fiscal 2024, representing approximately 10% of the total cement demand in India. It accounted for approximately 6% of India's total cement grinding capacity at 37.5-38.5 MTPA in Fiscal 2024. The demand is expected to grow at a 7-8% CAGR over the next five years to reach 66-68 MMT in Fiscal 2029, led by affordable housing, infrastructure and industrial and commercial segment. With the demand being higher than supply, Uttar Pradesh has been a net importer of cement with inflow of cement from surrounding states, making it a cement deficit state. (*Source: CRISIL Report*)

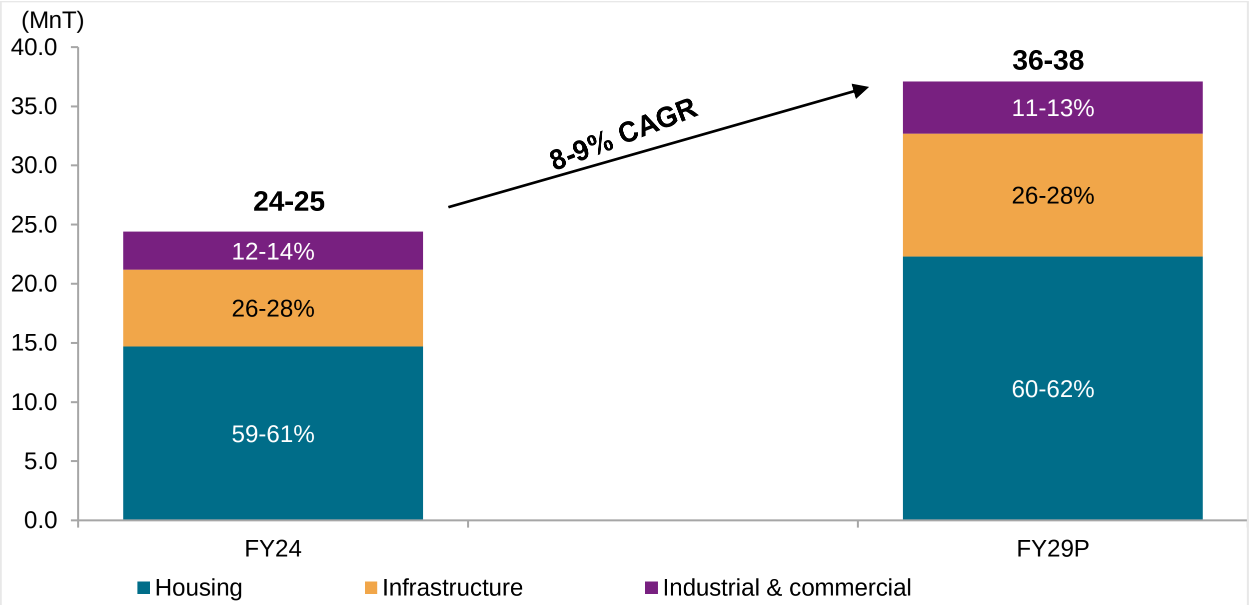
The graph below details the sector-wise demand of cement in Uttar Pradesh, according to the CRISIL Report:



(*Source: CRISIL Report*)

Bihar has been one of the fastest growing markets for cement in India and has grown at a CAGR of 6.5-7.5% over the past five years to reach 24-25 MMT in Fiscal 2024, representing ~5% of the total cement demand in India. It accounted for ~2% of India's total cement grinding capacity at 12.5-13.5 MTPA in Fiscal 2024. The demand is expected to increase at 8-9% CAGR over the next five years to reach 36-38 MMT in Fiscal 2029, led by healthy traction from the rural housing and infrastructure segments. Similar to Uttar Pradesh, due to the supply being higher than the demand, Bihar has also been a net importer of cement with inflow of cement from surrounding states, making it a cement deficit state (*Source: CRISIL Report*)

The graph below details the sector-wise demand of cement in Bihar, according to the CRISIL Report:



As the demand for cement continues to grow alongside infrastructure and housing developments, there remains a strong opportunity to capitalize on the expanding market by increasing local production capacity and catering to the state's rising needs. To capitalize on this trend, we have planned to establish both our upcoming SGUs in Uttar Pradesh. These expansions are expected to increase our installed cement grinding grinding capacity in Uttar Pradesh from 2.34 MTPA to 7.34 MTPA, allowing us to increase production and meet the growing demand. This strategic expansion will not only enhance our market presence but also position us to capture a larger share of the market, ensuring that we remain competitive and responsive to the state's evolving infrastructure needs.

By continuing to scale our operations and offering high-quality cement, we believe we are positioned to capture a larger share of the expanding market, thereby contributing to India's ongoing economic transformation. By strategically increasing our local production capacity and improving supply chain efficiency, we aim to reduce the dependency on external imports for the local markets and better serve those markets. This will not only ensure greater market penetration and higher sales but also position us as a key player in fulfilling the growing demand for cement in these critical regions.

Increase the wallet share from our existing customers and adding new brands for our Contract Manufacturing Model

Uttar Pradesh and Bihar, two of the most populous and rapidly developing states in India, are witnessing a significant rise in cement demand driven by expanding infrastructure projects, growing urbanization, and increasing housing needs. In this rapidly evolving landscape, the contract manufacturing model has become an increasingly popular and efficient approach for large cement players. The cement industry has witnessed significant consolidation in the recent past and cement brands are increasingly focused on marketing, branding and increasing their market share. Industry players, are now inviting expressions of interest (EOIs) from potential manufacturing partners to set up SGUs on a Design, Build, Finance and Operate (DBFO) basis. This shift further validates the growing acceptance of contract manufacturing as a preferred solution, particularly for SGU-based production.

In parallel, SGUs continue to gain traction as they offer numerous strategic advantages over traditional integrated units (IUs). Approximately 100% of all upcoming capacity additions in Uttar Pradesh and Bihar are expected to be from SGUs, reflecting the industry's growing preference for this model (*Source: CRISIL Report*). SGUs have proven to be essential for enhancing the efficiency and scalability of cement production. They significantly reduce primary and secondary freight costs by minimizing transportation distances between production units and consumption centres. Additionally, SGUs lower inward freight costs for raw materials such as fly ash and slag, driving overall cost savings. Further, SGUs streamline the supply chain by eliminating the need for extensive warehousing, and require lower capital expenditures compared to traditional IUs, reducing both financial risks and upfront investments. This makes SGUs a highly attractive option for cement manufacturers looking to improve operational efficiency. SGUs also provide greater micro-marketing opportunities and location flexibility, allowing companies to cater to regional markets more effectively and respond quickly to shifting demand patterns.

We aim to capitalize on our track record of successful operations through the Contract Manufacturing Model and strengthen our position as the preferred contract manufacturing partner in the expanding cement markets of Uttar Pradesh and Bihar. By focusing on contract manufacturing which is carried out at all locations where our SGUs are located and through our capacity additions, we aim to offer cement producers a cost-effective, scalable solution to meet the growing demand in these regions. We will leverage the benefits of SGUs to help our clients reduce operational costs, improve supply chain efficiency, and expand their market reach. With our proven expertise in delivering high-quality manufacturing solutions, we are well-positioned to lead the contract manufacturing space in these key growth markets and continue building strong, long-term relationships with leading cement brands.

Leverage distribution network to increase market share and presence of our Business-to-Consumer Model

We manufacture and sell cement under our Business-to-Consumer Model, through a growing network of dealerships and direct customer engagements in Uttar Pradesh, Uttarakhand and the National Capital Region. We currently produce cement under our own brands through our SGUs in Sikandrabad (*western Uttar Pradesh*) and Amethi (eastern *Uttar Pradesh*). For the Amethi (eastern *Uttar Pradesh*) location, we have, only in December 2024 commenced operations under the Business-to-Consumer Model with an aim to expand this model to eastern Uttar Pradesh. Our portfolio of brands includes both premium and regular brands like Concrete Gold, HBM (Ghar Ka Expert), HBM Gold "Ghar Ka Expert", BigCem Premium Plus, BigCem Cement and Bluestar Cement. We currently have a distribution network of 28 sales promoters, 118 dealers and 519 points of sales / retailers in Western Uttar Pradesh.

Our marketing strategy includes a blend of mass media, digital media and offline marketing activities. For mass media, we create outreach through hoardings, launching advertisement campaigns across various platforms like television, newspaper and magazines. We also invest in digital media marketing and leverage the use of social media platforms like Facebook, LinkedIn, Instagram, and WhatsApp by using search engine optimization and search engine marketing. To supplement our media-based marketing campaigns, we undertake channel partner engagement programs, including distributor, retailer, mason, engineer and contractor meets, loyalty and business acumen development programme for the dealers and retailers, offering of trade discounts and hold in to maintain our on-ground brand visibility. We have a customer relation management team for redressal of customer grievances which contributes towards ensuring customer satisfaction. We intend to continue such brand building initiatives in the future to further increase the traction of our brands.

With our upcoming capacities in Eastern and Western Uttar Pradesh, our total installed cement grinding capacity is set to reach 8.54 MTPA, with 7.34 MTPA specifically in Uttar Pradesh. This expansion is expected to increase our market share in the cement industry in the state. These additional capacities provide us with significant headroom to further strengthen the competitive positioning of our own brands, particularly in our target markets of Northern and Central India. This growth will enhance our ability to capture a larger share of the market and support the continued expansion of our brand presence in these key regions.

Increase capacity utilisation to improve operational efficiency and implement cost reduction measures

We aim to consistently enhance our capacity utilization, which enables us to drive greater efficiencies in managing our fixed costs. We primarily operate through the Contract Manufacturing Model and pass on variable costs of raw materials, power, and labour to the cement brands. As a result, optimizing our fixed cost structure which is lowered on account of an increase in capacity utilization is key to improving profitability and overall operational performance. The table below provides details of our capacity utilization for the periods indicated:

Particulars	Nine-month period ended December 31, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
Effective Installed Cement Grinding Capacity (MMT)	2.66	3.54	3.17	2.04
Capacity Utilisation (%)	60.23%	49.23%	37.13%	46.10%

We constantly aim to implement measures that will lead to a reduction in our operating costs. We intend to include railway sidings at the two new SGUs that are expected to be commissioned by the Company which will significantly reduce the cost of procurement of raw materials through enhanced savings in freight costs. Further, the two new SGUs will also be equipped with vertical rolling mills, which will improve cost efficiencies which is expected to lead to an increase in profit margins. The two new SGUs will be eligible for state incentives and will be eligible for a subsidy through refund of SGST deposited with the state government under the Uttar Pradesh Industrial Investment and Employment Promotion Policy 2022.

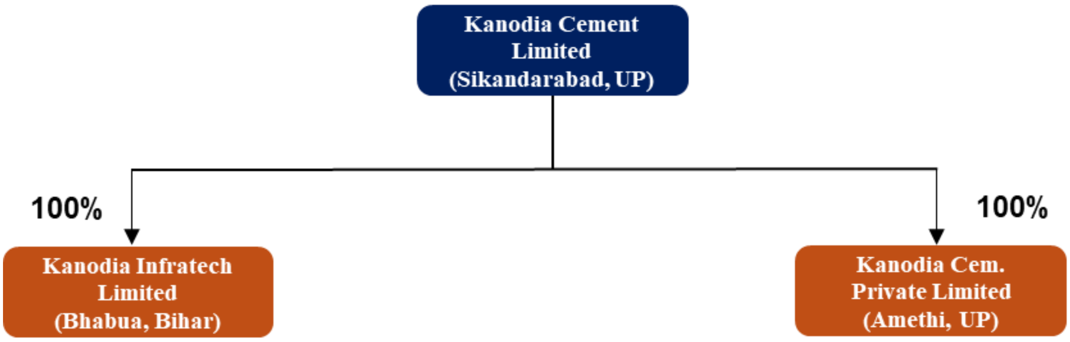
We intend to partly replace fly ash with pond ash in our production of blended cement in order to improve operational efficiency. Pond ash, a byproduct of thermal power plants, has similar chemical properties to fly ash, allowing it to perform effectively as an alternative pozzolanic material in the production of blended cement and is a cost-effective alternative to fly ash. By incorporating pond ash, we aim to maintain or even improve the quality of the final product while optimizing our supply chain and reducing dependence on fly ash.

Further, we intend to source our power requirements through the state grid and under open access arrangements which will reduce our overall power costs and insulate us against price volatility.

Therefore, by continuously enhancing our capacity utilization and implementing strategic cost reduction measures, we are positioning ourselves for improved operational efficiency and profitability. The combination of optimizing fixed costs, securing state incentives, and improving power procurement strategies ensures that we can meet market demands efficiently while driving sustainable growth.

Our Corporate Structure

Our corporate structure as on the date of this Draft Red Herring Prospectus is as follows:



Our operations

We operate in Uttar Pradesh and Bihar through a unique combination of (i) business-to-business contract manufacturing; and (ii) production and marketing of our business-to-consumer brands. We primarily manufacture PPC and Composite Cement through our five SGUs located in Uttar Pradesh and Bihar, which are used for individual housing building (IHB), real estate projects*(residential/commercial)* and industrial construction.

Our Product Portfolio

Cement

We produce the following kinds of cement:

Portland Pozzolana Cement ("PPC"): A type of portland cement characterized by the presence of pozzolana particles such as fly ash and volcanic ash which is added to OPC in the ratio of 15% to 35% as specified by the Bureau of Indian Standards (BIS). Due to the presence of pozzolana particles, it becomes a cement which uses less OPC but has greater durability and strength. Since it uses a lesser concentration of clinker, it is less expensive and more environmentally friendly than OPC. PPC is used in the construction of individual housing building (IHB), real estate projects *(residential/commercial)*, industrial construction, masonry mortars, dykes and sewage pipes.

Composite Cement: Portland composite cement is a mixture of high-quality clinker, fly ash, granulated slag, and gypsum. The typical range of these components is clinker (35% to 65%), fly ash (15% to 35%), granulated slag (20% to 30%), and gypsum (3% to 5%). For Composite Cement, the BIS allows slag and fly ash to comprise 40-65% of cement mass. It reduces the carbon footprint by utilizing industrial by-products, enhances resistance to chemical attacks and cracking, and provides better workability and long-term performance. The use of composite cement enhances the overall quality of concrete structures, making them more resilient and cost-effective. High strength cement, enhanced durability and sustainability, reduction of concrete bleeding and segregation, increased safety of structures are few benefits of Composite Cement.

The table below provides details of the composition of PPC and Composite Cement:

Particulars	PPC		Composite	
Raw material proportion	**Clinker**	60-65%	**Clinker**	35-65%
	Gypsum	4-5%	**Gypsum**	3-5%
	Fly-ash	15-35%	**Fly-ash**	15-35%
			Slag	20-30%
End uses	Residential & Commercial		Eastern/coastal	
Minimum clinker requirement	60%		35%	
Environmental benefits	Medium		High	

Note: Proportion of clinker is the minimum clinker requirement. For example, OPC cement must contain at least 95% clinker as per BIS norms.
Source: CRISIL MI&A Research

The following table sets forth details of PPC and Composite Cement sold as a percentage of the Cement Volume Sold for the nine-months ended December 31, 2024 and Fiscals 2024, 2023 and 2022:

Product	Nine-months ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Sales volume	Percentage of Cement Volume Sold *(in %)*	Sales volume	Percentage of Cement Volume Sold *(in %)*	Sales volume	Percentage of Cement Volume Sold *(in %)*	Sales volume	Percentage of Cement Volume Sold *(in %)*
PPC	1,503,503.80	94.03%	1,484,434.55	85.17%	1,169,140.95	99.48%	940,294.95	100.00%
Composite Cement	95,538.80	5.97%	258,401.85	14.83%	6,074.25	0.52%	-	0.00%
Total	**1,599,042.60**	**100.00%**	**1,742,836.40**	**100.00%**	**1,175,215.20**	**100.00%**	**940,294.95**	**100.00%**

Our Brands

We manufacture and sell the following types of cement products through our Business-to-Consumer Model under our own brands:

LPP / ADSTAR PACKING :

HDPE PACKING :

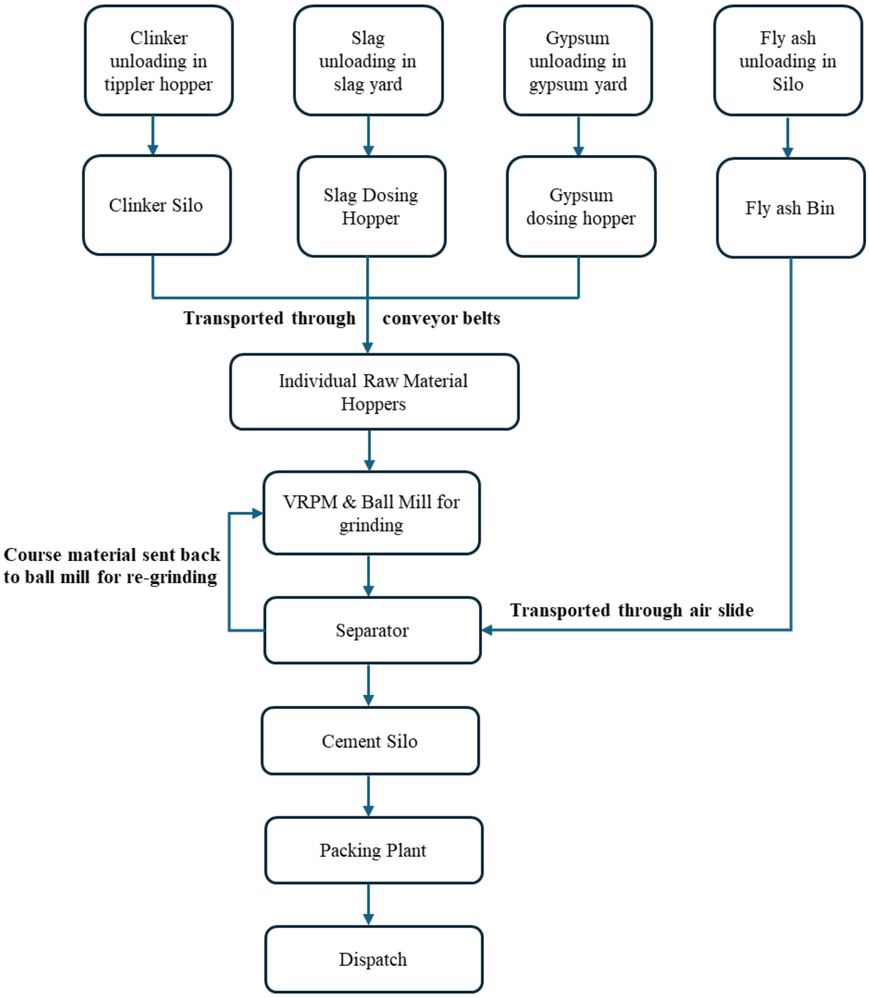
Our brands are engineered to deliver superior strength and durability, combining advanced manufacturing processes with a focus on environmental responsibility. With comprehensive quality control systems and low coefficient of variation (CoV), our cement delivers superior strength and performance, in line with regulatory benchmarks in both chemical and physical parameters which ensures optimal consistency across batches. Our cement forms a dense calcium-silicate hydrate (C-S-H) gel that enhances durability and resistance to environmental stressors such as chemical attacks, weathering, and corrosion. It is also formulated to reduce hydration heat, minimize segregation and bleeding, and resist cracks making it ideal for a variety of construction needs. Our cement is packaged in weatherproof low permeability polyethylene (LPP) and High-Density Polythylene (HDPE) bags, which protects the products from moisture and external contaminants, preserving the quality. Set forth below are the key features of our cement brands:

- Weatherproof, low permeability polyethylene (LPP) and High-Density Polyethylene (HDPE) packaging;
- High bonding strength and durability;
- Sulphate and corrosion resistance;
- High impermeability and crack resistance;

- Reduced segregation, bleeding, and hydration heat; and
- Eco-friendly composition for sustainable construction.

Manufacturing process

Our existing cement manufacturing process:



Step 1: Raw material collection and storage

The process begins with the inward freight, unloading and storage of the raw materials, namely clinker, gypsum, fly ash, and slag. Clinker is delivered by trucks and unloaded into a tippler hopper using a truck tippler. It is then transported via conveyor belts to the clinker silo/yard, ensuring protection from contamination. When required, the clinker is moved from the silo/yard to the clinker hopper for the next stage.

Gypsum is unloaded and stored in the gypsum yard. From the yard, the gypsum is transferred via conveyor belts to the gypsum dosing hopper. When required, it is transferred via conveyor belts in the dosing hopper to the gypsum hopper. Similarly, slag is unloaded and stored in the slag yard. From the yard, the slag is transferred via conveyor belts to the slag dosing hopper. When required, it is transferred via conveyor belts in the dosing hopper to the slag hopper. Fly ash, sourced from nearby thermal power plants, is brought to the plant via trucks and unloaded directly into the fly ash silo. The fly ash is then extracted from the silo and stored in a dedicated fly ash bin, ready for the feeding.

Step 2: Grinding and blending of cement

Once the clinker, gypsum and slag are in their respective hoppers, they are fed into the vertical roller pre-grinding mill (**"VRPM"**) in precise proportions. The VRPM grinds these materials into a coarse powder-like state while ensuring consistent product quality. Subsequently, the blend is transferred to the ball mill, where it is grinded further into an ultra-fine powder. The material is then transported to a separator, where it is blended with fly ash delivered via an air slide. In the separator, ultra-fine material is separated from coarse material. The coarse material is then sent back to the ball mill for further grinding.

Pressurized air then transports the ground cement to the bag house, where dust-laden gases are separated, maintaining environmental standards. The ground cement is then stored in a cement silo, ready for the final stage.

The following are the grinding technologies (*Source: CRISIL Report*) used/proposed to be used in our plants:

1) **Vertical Roller Pre-Grinding Mill** (**"VRPM"**): This technology acts as a pre-grinder, reducing particle size before feeding material to the main mill, most commonly a ball mill. VRPM improves grinding efficiency and increases mill capacity while consuming significantly less energy.

2) **Ball mills**: Ball mills are cylindrical rotating grinding machines that use steel balls to crush and grind materials like clinker and gypsum into the fine powder needed for cement production. Ball mills can operate in either open or closed circuits, with open circuits grinding material directly and producing coarser products, while closed circuits recirculate material for finer grinding and higher efficiency.

3) **Separator:** The material passes through a dynamic separator which separates fine material from the coarse material. Fine material is then stored in the cement silo as our final product and the coarse material is sent back to the ball mill circuit for finer grinding.

4) **Vertical Roller Mill ("VRM") (proposed to be used in the proposed SGUs)**: This is another breakthrough in the grinding process. Besides a higher drying capacity, the VRM consumes 20-30% less power as compared to ball mills. Our new units are expected to be commissioned with this technology, thereby improving our cost efficiencies.

Step 3: Packing and dispatch

From the cement silo, the ground cement is conveyed to a hopper in the packing plant through an air slide, ensuring smooth handling and maintaining consistency in output from the cement silo to the hopper. The hopper in the packing plant is connected to both, an automated packing machine, which accurately fills the cement into bags of standard weight, and to a bulk mechanism through which the ground cement is loaded directly into bulk cement trucks. From the automated packing machines, the bags are loaded onto trucks or railway wagons, weighed via a weighbridge, and ultimately dispatched.

Our Plants

As on December 31, 2024, we operate five SGUs with an aggregate cement grinding capacity of 3.54 MTPA. Our Company was incorporated in 2009 and commenced commercial production in 2011, through our first SGU located in Sikandrabad, (*western Uttar Pradesh*) with a cement grinding capacity of 0.30 MTPA, KCL Sikandrabad Unit 2 commenced commercial production in 2013 and KCL Sikandrabad Unit 3 commenced commercial production in 2016. Our SGUs located at KCL Sikandrabad Unit 1, 2 and 3 have an aggregate cement grinding capacity of 0.84 MTPA as of December 31, 2024. Further, we operate one SGU in Bhabua, Bihar through our subsidiary KIL which was incorporated in 2010, commenced commercial production in 2016 and has a cement manufacturing capacity of 1.2 MTPA. Further, we operate one SGU in Amethi (*eastern Uttar Pradesh*), through our subsidiary KCPL which was incorporated in Fiscal 2019 commenced commercial production in Fiscal 2023, and has a cement manufacturing capacity of 1.5 MTPA as of December 31, 2024. The Company, through its subsidiary, KCPL is proposing to expand its production capacity by setting up two SGUs at Pratapgarh (*eastern Uttar Pradesh*) and Sikandarpur, Bulandshahr (*western Uttar Pradesh*).

Installed cement grinding capacity and capacity utilisation of grinding units

The following table provides details of the installed grinding units as of December 31, 2024, March 31, 2024, 2023 and 2022 and capacity utilisation of our manufacturing units for December 31, 2024, Fiscals 2024, 2023 and 2022 and:

SGU	Commencement of commercial production	For the nine-months ended December 31, 2024			For the year ended March 31, 2024			For the year ended March 31, 2023			For the year ended March 31, 2022		
		Installed capacity (MT)	Actual Production (MT)	Capacity utilisation (%)	Installed capacity (MT)	Actual Production (MT)	Capacity utilisation (%)	Installed capacity (MT)	Actual Production (MT)	Capacity utilisation (%)	Installed capacity (MT)	Actual Production	Capacity utilisation (%)
KCL Sikandrabad – Units 1, 2 and 3	Unit 1 – 2011 Unit 2 – 2013 Unit 3 - 2016	630,000.00*	699,657.85	111.06**	840,000.00	664,912.75	79.16	840,000.00	535,992.70	63.81	840,000.00	593,551.95	70.66
KIL Bhabua Unit	2016	900,000.00^	464,961.60	51.66%	1,200,000.00	561,553.00	46.80%	1,200,000.00	396,525.90	33.04%	1,200,000.00	346,925.00	28.91%
KCPL Unit 1 Amethi	2022	1,125,000.00#	434,423.15	38.62%	1,500,000.00	516,370.65	34.42%	1,125,000.00$	242,721.60	21.58%	-	-	-
Aggregate utilisation		**2,655,000.00**	**1,599,042.60**	**60.23%**	**3,540,000.00**	**1,742,836.40**	**49.23%**	**3,165,000.00**	**1,175,240.20**	**37.13%**	**2,040,000.00**	**940,476.95**	**46.10%**

Source: Certificate from the Independent Chartered Engineer, Adroit Technical Services Private Limited dated May 22, 2025.

**Effective capacity available for the nine-month period ended December 31,2024 prorated based on annual capacity. The aggregate annualized installed grinding capacity for the three above-mentioned units is 840,000 MT.*

*** The consent to operate granted to Company for its Unit-1, Unit-2 and Unit-3 dated January 11, 2024 are valid till December 31, 2028. These approvals were granted for operating the facilities for 300 working days in a year. However, the Company has exceeded the number of working days on which Unit 1, Unit 2 and Unit 3 were operated i.e. 360 working days. Accordingly, the Company has submitted an application dated May 20, 2025to the Uttar Pradesh Pollution Control Board, seeking an approval for additional installed capacity pursuant to increase in the number of operational days from 300 to 360 working days per year.*

^ *Effective capacity available for the nine-month period ended December 31,2024 prorated based on annual capacity. The annualized installed grinding capacity for the KIL Bhabua Unit is 1,200,000 MT.*

Effective capacity available for the nine-month period ended December 31,2024 prorated based on annual capacity. The annualized installed grinding capacity for the KCPL Unit 1 Amethi is 1,500,000 MT.

$ *Effective capacity available for the year ended March 31, 2023, prorated based on unit commencing operations on July 1, 2022*

Kanodia Cement Limited – Sikandrabad, Uttar Pradesh

Raw material	Sources	Approximate distance from plant	Mode of inward freight
Clinker*	Marwar Mundwa, Rajasthan	450-500 kms	By Road
	Bangur City, Rajasthan	500-550 kms	By Road
Flyash	Khurja, Bulandshahr, Uttar Pradesh	10-25 kms	By Road
	Dadri, Gautam Budh Nagar, Uttar Pradesh	20-40 kms	By Road
	Ghaziabad, Uttar Pradesh	30-60 kms	By Road
	Pyawali Tajpur, Gautam Budh Nagar, Uttar Pradesh	40-50 kms	By Road
	Faridabad, Haryana	75-100 kms	By Road
	Ballabgarh, Haryana	70-90 kms	By Road
	Jhajjar, Haryana	150-200 kms	By Road
	Panipat, Haryana	125-150 kms	By Road
	Greater Noida, Gautam Budh Nagar, Uttar Pradesh	30-50 kms	By Road
Gypsum	Ellenebad, Haryana	350-400 kms	By Road
	Moon Cine Plex, Khurja, Bulandshahr, Uttar Pradesh	10-25 kms	By Road
	Dhankar, Khurja, Bulandshahr, Uttar Pradesh	20-40 kms	By Road
	Nai Basti, Bulandshahr, Uttar Pradesh	10-25 kms	By Road
	Gautam Budh Nagar, Uttar Pradesh	30-50 kms	By Road
Packaging Bags	Bareily, Uttar Pradesh	175-225 kms	By Road
	Varanasi, Uttar Pradesh	700-750 kms	By Road

*****for our Business-to-Consumer Model*

Note: While more than 50% of our revenue from operations originates from our top 10 suppliers, we have obtained consents from JK Lakshmi Cement Limited, KJS Cement (I) Limited, Prism Johnson Limited, JK Cement Limited, Shri Govind Polytex Private Limited and Jaidayal Hitex Private Limited and the names of certain suppliers from whom consents for disclosure of names were not available have not been disclose

Kanodia Infratech Limited – Bihar

Raw material	Sources	Approximate distance from plant (in kms)	Mode of inward freight
Clinker*	Satna	350-400 kms	Road
	Ametha	400-450 kms	Road/Rail
Flyash	Sonbhadra	175-225 kms	Road
Gypsum	Sirsa	1,150-1,200 kms	Road
	Hanumangarh	1,150-1,200 kms	Road
	Lucknow	400-500 kms	Road
	Jongakhar	1,050-1,100 kms	Road
Slag	Asansol	400-450 kms	Road
	Andal, Bardhaman	450-500 kms	Road
Packing Bags	Chandauli	50-60 kms	Road
	Mohania	15-20 kms	Road

*****for our Business-to-Consumer Model*

Kanodia Cem Private Limited – Amethi, Uttar Pradesh

Raw material/Power	Sources	Approximate distance from plant (in kms)	Mode of inward freight
Clinker*	Satna, Madhya Pradesh	250-300 kms	By Road
	Durg, Chhattisgarh	700-750 kms	By Railway
Flyash	Meja, Uttar Pradesh	150-200 kms	By Road
	Ambedkar Nagar, Uttar Pradesh	95-135 kms	By Road
Gypsum	Meja, Uttar Pradesh	150-200 kms	By Road
	Ambedkar Nagar, Uttar Pradesh	95-135 kms	By Road
	Bhutan	1250-1340 kms	By Road
	Hanumangarh	1000-1050 kms	By Road
Packaging Bags	Jaipur, Rajasthan	720-770 kms	By Road
	Rewa, Madhya Pradesh	250-300 kms	By Road
	Tonk, Rajasthan	750-800 kms	By Road
	Kaimur	250-300 kms	By Road

*****for our Business-to-Consumer Model*

For our Contract Manufacturing Model, clinker is supplied by the clients as per the terms of the cement supply agreements and for our Business-to-Consumer Model, we procure clinker from clinker manufacturers in Rajasthan and Madhya Pradesh.

Sales, Distribution and Logistics

The table below provides details of our sales and distribution network.

Particulars	Nine-month period ended December 31, 2024	As at March 31,		
		2024	*2023*	*2022*
Sales promoters	28	26	32	29
Dealers	118	104	107	173
Retailers	519	564	540	941

Quality Control and Quality Assurance

Quality control and testing is critical for us to maintain our customer credibility and market position. We carry out digital real time monitoring and parameters adjustments at our SGUs to ensure consistent product quality and safety and reduce human error margins.

We adopt standard operating procedures across various quality assurance stages to ensure uniform product quality and safety. Our quality control and testing strategies include regular sampling and chemical determination tests to control the quality of our raw materials prior to input, detailed assessments in order to determine free lime and silica in clinker and cement, to ensure its compliance with Bureau of Indian Standards ("BIS") specifications and the inspection of our final products to ensure that their chemical and physical parameters are consistent and adhere to BIS specifications. We also undertake physical tests such as determination of specific surface area by Blaine's apparatus, determination of standard consistency of cement paste, determination of initial and final setting time of cement. We also undergo periodic checks by third parties and the BIS to ensure the quality and compliance of our products with their respective quality and safety specifications.

Our comprehensive range of testing and investigation is complemented by our experienced and knowledgeable team that enable us to provide reliable testing and investigation services, responses to customer queries, concrete mix design services and technical training.

Marketing and Promotion

We have invested in the marketing and promotion of our brand, in new markets within India. Our aggregate expenses for advertisement and sales promotion and sales commission for the nine-months ended December 31,2024 and in the Fiscals 2024, 2023 and 2022 was ₹16.37 million, ₹18.83 million, ₹107.62 million and ₹29.02 million which amounted to 0.23%, 0.21%, 1.62% and 0.59% of our revenue from operations in nine-months ended December 31, 2024 and in the Fiscals 2024, 2023 and 2022. Set out below are a few illustrative examples of our marketing initiatives:

Properties and facilities

We have leased the land for our Corporate Office from M/S Kanodia Reality Private Limited (*formerly known as Sapnasudhansh Infosystem Private Limited*), which is a part of our Promoter Group. For details, see "*Restated Consolidated Financial Information – Note 42*" on page 339.

The table below provides the details of our properties and facilities as on the date of this Draft Red Herring Prospectus:

S. No	Property	Location	Nature of holding	Term of Lease
1.	Corporate Office	A-21, Sector-16, Noida -201301, India	On Rent	11 months (*beginning on June 1, 2024*)
2.	Registered Office KCL Sikandrabad Unit 1	D-19, UPSIDC Land Industrial Area, Sikandrabad, Gopalpur, Bulandshahr, Uttar Pradesh, 203205 India	Lease from UPSIDC	86 years (*beginning on April 19, 2009*)
3.	KCL Sikandrabad Unit 1	D-18, UPSIDC Land Industrial Area, Sikandrabad, Gopalpur, Bulandshahr, Uttar Pradesh, 203205 India	Lease from UPSIDC	90 years (*beginning on August 1, 1996*)[#]
4.	KCL Sikandrabad Unit 2	C-57, UPSIDC Land Industrial Area, Sikandrabad, Gopalpur, Bulandshahr, Uttar Pradesh, 203205 India	Lease from UPSIDC	83 years (*beginning on March 31, 2012)*
5.	KCL Sikandrabad Unit 3	D-22 UPSIDC Land Industrial Area, Sikandrabad, Gopalpur, Bulandshahr, Uttar Pradesh, 203205 India	Lease from UPSIDC	90 years (*beginning on April 15, 2006*)[^]
6.	KIL Bhabua Unit	Bhabua, Bihar	Own land	-
7.	KCPL Unit 1 Amethi	Amethi	Own land	-

[#] *Our Company was allotted the land on March 3, 2015.*
[^] *Our Company was allotted the land on March 3, 2015.*

Health, safety and environment

Our activities are subject to the environmental laws and regulations of India, which govern, among other things, air emissions, waste water discharges, the handling, storage and disposal of hazardous substances and wastes, the remediation of contaminated sites, natural resource damages, and employee health and employee safety. For information regarding applicable health, safety and environmental laws and regulations, see "*Key Regulations and Policies*" on page 240.

We have health and safety protocols in place with an aim to achieve a safe workplace. We prepare a job safety analysis report for all our routine and non-routine activities to identify potential hazards and outline mitigation measures to prevent safety incidents. We also conduct inter-location safety audits to identify and address all safety concerns and implement workplace safety best practices consistently across all our plants. We conduct regular safety trainings for all our employees and have implemented contractor safety management processes to conduct pre-qualification safety assessments of all our contractors before they are awarded contracts.

Insurance

We have purchased insurance in order to manage the risk of losses from potentially harmful events, including: (i) burglary insurance; (ii) standard fire and special perils insurance; (iii) machinery breakdown insurance and (iv) group mediclaim insurance. These insurance policies are reviewed periodically to ensure that the coverage is adequate.

Employees

As of December 31, 2024, we have 149 permanent employees and 258 contractual employees. The following table sets forth a breakdown of our employees by function, as of December 31, 2024:

Function/Department	Permanent	Contractual	Total Number of Employees
Accounts	21	12	33
Human resources and administration	9	14	23
Branding	2	-	2
Dispatch	-	4	4
Electrical and instrumentation	7	30	37
Environmental, health and Safety	3	-	3

Function/Department	Permanent	Contractual	Total Number of Employees
Information and technology	4	2	6
Legal	7	-	7
Management	1	-	1
Operations	14	11	25
Packing	2	15	17
Purchase	2	7	9
Sales and marketing	46	5	51
Store	-	6	6
Logistics	-	2	2
Mechanical	15	74	89
Process	13	36	49
Quality Control	3	25	28
Weigh Bridge	-	15	15
Total	**149**	**258**	**407**

The table below sets forth consolidated information on our attrition rates for permanent employees for the period stated:

Particulars	Nine-months ended December 31, 2024	As of/for the year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Key Managerial Personnel				
Number of Key Managerial Personnel	4	5	5	5
Attrition Rate (Key Managerial Personnel)	66.67%	20.00%	20.00%	0.00%
Total staff				
Total staff employed (Company)	82	62	68	26
Attrition Rate	30.56%	36.92%	23.40%	8.33%
Total staff employed (Subsidiaries)	70	51	42	91
Attrition Rate	50.39%	35.64%	70.92%	21.16%
Total staff employed (Consolidated)	152	113	110	117
Attrition Rate	36.63%	36.57%	43.77%	16.84%

We prioritize the continuous growth and expertise of our employees. Our policies are specifically designed to attract and nurture talented individuals, ensuring seamless integration and skill development. Set out below are the key elements of our company-specific training and development approach:

Structured Training Programs: We offer targeted training modules for technical apprentices, operators, supervisors, and engineers. These programs are meticulously designed to enhance their skills and core competencies. Our goal is to elevate apprentices from their initial level to skilled technicians by constantly enhancing their competence and efficiency.

External Training Opportunities: In addition to in-house training, we encourage participation in external programs. These may include workshops, conferences, and specialized courses. Our commitment extends to providing resources like educational materials, books that align with job-related learning.

Intellectual Property

The table below sets forth our trademarks applications as of the date of this Draft Red Herring Prospectus.

S. No.	Trademark	Class	Owner	Assignee	Status
1.	Kanodia (*with VG group device*)	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
2.	KANODIA VG GROUP	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
3.	Kanodia Group	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered

S. No.	Trademark	Class	Owner	Assignee	Status
4.	Kanodia Cement	19	Kanodia Cement Limited	-	Registered
5.	BigCem Cement	19	Kanodia Cement Limited	-	Registered
6.	Kanodia BigCem	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
7.	Kanodia Concrete Gold	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
8.	Kanodia Premium Plus	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
9.	BigCem Build Solid	19	Kanodia Cement Limited	-	Registered
10.	BIGCEM CEMENT BUILD SOLID	19	Kanodia Cement Limited	-	Registered
11.	BigCem Premium Plus	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
12.	Concrete Gold	19	Vishal Kanodia	-	Opposed
13.	CONCRETE GOLD CEMENT (PREMIUM PRODUCT OF KANODIA GROUP)	19	Vishal Kanodia	-	Opposed
14.	HBM (Ghar Ka Expert)	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
15.	HBM घर का EXPERT	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
16.	HBM Gold "Ghar Ka Expert"	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
17.	HBM GOLD घर का EXPERT	19	Vishal Kanodia	Kanodia Cement Limited along with its Wholly Owned Subsidiaries, KCPL and KIL.	Registered
18.	Bluestar Cement	19	Bluestar Cement Limited	-	Opposed
19.	BCLBLUESTAR	19	Bluestar Cement Limited	-	Opposed
20.	BigCem Build Solid	1	Kanodia Cement Limited	-	Registered
21.	BIGCEM CEMENT BUILD SOLID	1	Kanodia Cement Limited	-	Registered
22.	KG Bluestar Classic	19	Vishal Kanodia	-	Abandoned*

**Our Promoter, Vishal Kanodia had made an application for the registration of the trademark, 'KG Bluestar Classic' dated December 29, 2022. However, the status of the application stands abandoned as on the date of the DRHP.*

As on December 31, 2024, the following copyrights in respect of the names of our brands and logos have been registered to protect our intellectual property:

S. No.	Copyright Title	Owner	Assignee	Status
1.	Kanodia Group	Vishal Kanodia	Kanodia Cement Limited	Registered
2.	BigCem Build Solid	Kanodia Cement Limited	-	Registered
3.	Concrete Gold	Vishal Kanodia	Kanodia Cement Limited	Registered

The trademarks for our name, 'Kanodia Cement Limited' 'Kanodia (*with VG group device*)', 'Kanodia Group', 'Kanodia BigCem', 'Kanodia Concrete Gold', 'Kanodia Premium Plus', 'BigCem Premium Plus', 'HBM (Ghar Ka Expert)' and 'HBM Gold "Ghar Ka Expert"', and logos, , , and and the copyrights for 'Kanodia Group' and 'Concrete Gold' is registered in the name of our Promoter, Vishal Kanodia. Further, our Promoter, Vishal Kanodia has made applications for three trademarks, 'Concrete Gold' and its logo which have been opposed and 'KG Bluestar Classic', the status of which stands abandoned as of the date of the DRHP. Our Promoter, Vishal Kanodia has pursuant to an assignment agreements dated April 10, 2022, April 27, 2023 and December 3, 2024 allowed us to use the trademarks and logo.

Competition

We operate in a highly competitive and fragmented market and we face competition from both organised and unorganised companies in the Indian cement industry. Our main competitors in north and central India, where our operations are concentrated are JK Lakshmi Cement Limited, JK Cements Limited, HeidelbergCement India Limited, Shree Cement Limited and UltraTech Cement Limited.

Corporate Social Responsibility

We have adopted a Corporate Social Responsibility ("**CSR**") policy in compliance with the requirements of the Companies Act, 2013 and the rules framed thereunder. In accordance with our CSR policy, we aim to primarily focus on initiatives related to, inter alia, environmental sustainability, ecological balance, promoting education, including special education or employment enhancing vocational skills, especially among children, women and differently abled, eradicating hunger, poverty, malnutrition, promoting healthcare including preventive health care and sanitation and making available safe drinking water. Our CSR activities are monitored by the CSR committee of our Board.

KEY REGULATIONS AND POLICIES

The following is an overview of certain key laws and regulations in India which are applicable to the operations of our Company and the Subsidiaries. The information available in this chapter has been obtained from various legislations, rules and regulations made thereunder and other regulatory requirements available in the public domain. The description of laws and regulations set out below may not be exhaustive and is only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of the Indian law and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative actions, regulatory, administrative, quasi-judicial, or judicial decisions.

Under the provisions of various Central Government and State Government statutes and legislations, our Company and our Material Subsidiaries are required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details, see "Government and Other Approvals" on page 407.

A. Laws in relation to our ready mix concrete manufacturing operations

Bureau of Indian Standards Act, 2016 ("BIS Act") and Bureau of Indian Standards (Conformity Assessment) Regulations, 2018 ("BIS Regulations")

The BIS Act provides for the establishment of the Bureau of Indian Standards ("**BIS**") as the National Standards Body of India, for the development of activities of standardisation, conformity assessment and quality certification of goods, articles, processes, systems and services. The BIS Act, along with the Bureau of Indian Standards Rules, 2018, provides for the functions of the BIS which includes, among others, to (i) publish, establish and promote Indian standards, and (ii) adopt as Indian standard, any standard, established by any other institution in India or elsewhere, in relation to article or process. The BIS Act empowers the Central Government to order the compulsory use of standard mark for any goods or article if it finds it expedient to do so in public interest or for the protection of plant, animal or human health, for the safety of the environment or for the prevention of unfair trade practices. The BIS Act also provides for penalties in case there is a contravention of the provisions of the BIS Act.

The BIS Regulations provides for the conformity assessment scheme for grant of license to use or apply standard mark and grant of certificate of conformity on goods, services and articles as per Indian Standard. The BIS Regulations details the (a) scope, (b) selection, determination, review, decision, attestation and surveillance, (c) design, use and control of the standard mark, if applicable, (d) inspection and testing plan or quality manual, calibration schedule and records to be maintained by the first party, and (e) fees to be paid before or during the operation of license or certificate of conformity. An application for grant of license to use or apply a standard mark or for grant of certificate of conformity shall be made to the BIS, pursuant to which a license or certificate may be granted to the concerned applicant. The BIS Regulations also provides certain conditions of license to use or apply a standard mark or of certificate of conformity, as the case may be, which the licensee needs to comply with. Further, the BIS Regulations also provides for renewal, suspension and change in scope of license to use or apply a standard mark and grant of certificate of conformity. The BIS may by order in writing cancel the licence or certificate, as applicable, after giving a notice of not less than 21 days if (i) the licensee or the holder failed to comply with the conditions of the license or certificate, as applicable or (ii) the license or certificate has been issued in error. The schedule to the BIS Regulations lays down the different kinds of schemes, types and applicable forms. The Bureau of Indian Standards (Conformity Assessment) Amendment Regulations, 2020, the Bureau of Indian Standards (Conformity Assessment) First Amendment Regulations, 2021 and the Bureau of Indian Standards (Conformity Assessment) Second Amendment Regulations, 2021 introduced amendments to the BIS Regulations including in respect of the provisions relating to the validity and renewal of licenses and the schedules to the BIS Regulations.

The Central Marks Department – III, BIS issued guidelines dated August 28, 2020 ("**Guidelines**") to curb the various objective and subjective claims made by the manufactures on cement bags/ packages and in advertisements, which are not prescribed or verifiable or backed by any relevant Indian Standard and are likely to mislead the consumers regarding the quality of the product. The Guidelines directs all the manufacturers, in relation to subjective claims, to explicitly indicate that such claims are not covered under the scope of BIS license granted to them, and that the responsibilities of such claims lies on the manufacturers, and with regard to objective claims, the Guidelines advises all the manufacturers to refrain from making such claims through, including but not limited to, bags, packages, advertisements, hoardings, pamphlets, sales promotion leaflets and price lists. The Guidelines further provides that all the manufacturers, who are holding BIS licenses at different manufacturing premises are required to give reference to the Indian Standard or license number along with the standard mark while issuing corporate advertisements. The manufacturers have also been directed by the Guidelines to indicate in the corporate advertisement that the consumers can obtain complete information on the licenses held by the manufacturers from the BIS website. Further, the Guidelines provide that all licensees are required to mention complete details such as IS number and CM/L number along with standard mark on bags/packages/advertisements and directs the branch offices to take note of compliance of these Guidelines, while approving marking details/ designs of cement bags.

Industries (Development and Regulation) Act, 1951 ("IDRA Act")

The IDRA Act provides for the development and regulation of certain scheduled industries, which are controlled and monitored by the Central Government. The IDRA Act was amended by way of a notification dated July 25, 1991, pursuant to which, all industrial undertakings, except for certain industries specifically mentioned therein, have been exempted from procuring a license to carry on their business activities. In terms of this notification, the cement industry has been exempted by the Central Government from obtaining an industrial license. However, the exempted industrial undertaking is required to file an industrial entrepreneur's memorandum with the Secretariat of Industrial Assistance, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India. The IDRA Act is administered by the Ministry of Commerce and Industry through the Department of Industrial Policy and Promotion ("**DIPP**"). The main objectives of the IDRA Act are to empower the Government to take necessary steps for the development of industries; to regulate the pattern and direction of industrial development; and to control the activities, performance and results of industrial undertakings in the public interest. The DIPP is responsible for formulation and implementation of promotional and developmental measures for growth of the industrial sector.

The Legal Metrology Act, 2009 ("LM Act")

The LM Act has been in force since April 1, 2011, and replaced the Standards of Weights and Measures Act, 1976. The LM Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The LM Act provides that for prescribed specifications all weights and measures should to be based on metric system only. The LM Act provides that no person shall manufacture, repair or sell, or offer, expose or possess for repair or sale, any weight or measure unless he holds a licence issued by the controller. The LM Act provides for (i) appointment of Government approved test centres for verification of weights and measures, (ii) nomination of a person by the company who will be held responsible for breach of provisions under the LM Act, (iii) requirement of licenses for companies in order to manufacture and sell products, and (iv) stringent punishment for violation of provisions. The Legal Metrology (Packaged Commodities) Rules, 2011 regulate pre-packaged commodities in India and among others, mandate certain labelling requirements prior to sale of such commodities.

Further, the Legal Metrology Act lays down penalties for various offences, including but not limited to, use or sale of non-standard weight or measure, contravention of prescribed standards, counterfeiting of seals and tampering with license.

***Uttar Pradesh Industrial Investment & Employment Promotion Policy, 2022 (UP Investment Policy, 2022*)**

The UP Investment Policy, 2022 aims to enhance the industrial development and create jobs in the state. It includes various incentives to attract investors to the state of UP. Further, it aims to create numerous job opportunities by partnering with local educational institutions and promoting skill development programs. Further, the UP Investment Policy, 2022 aims to streamline regulations and improve the business sentiment in the state by reducing bureaucratic hurdles. As per the UP Investment Policy, 2022 special emphasis is given to key sectors like textiles, electronics, agriculture and manufacturing, encouraging technology adoption and innovation.

Bihar Industrial Incentive Policy – 2011 ("Bihar Incentive Policy 2011")

The Bihar Incentive Policy 2011 seeks to establish Bihar as an investment destination by promoting balanced industrial development and enabling industries to contribute towards the social and economic development of the state of Uttar Pradesh. There are provisions for granting incentives such as, 100% exemption from stamp duty and registration fees during the pre-production phase, capital subsidy for industrial units, incentive also to existing units for captive power generation / diesel generating sets and subsidy on non-conventional sources of energy production, re-imbursement of expenses incurred on project reports, technical know-how fees, quality certification, electricity duty etc.

Post-COVID-19 Accelerated Investment Promotion Policy for Economically Backward Regions of the State-2020 ("Accelerated Investment Promotion Policy")

The Accelerated Investment Promotion Policy promote fast paced implementation of industrial investments in the economically backward regions of the state of Uttar Pradesh to address the COVID-19 pandemic distress. The objectives of the policy include (i) to fast-track the implementation of industrial investment; (ii) to create employment avenues in backward regions; (iii) to reduce demographic risk due to COVID-19. The Accelerated Investment Promotion Policy provides incentives to mega and mega plus category of industrial undertakings that initiated commercial production within 30 months and super mega categories within 42 months from the notification date of this Accelerated Investment Promotion Policy. Some of the key incentives include (i) 70% reimbursement of net SGST for 12 years in Madhyanchal subject to 200% of eligible capital investment (made during the policy period) and 15 years in Poorvanchal and Bundelkhand subject to 300% of eligible capital investment (made during the policy period); (ii) capital interest subsidy; (iii) and electricity duty exemption.

B. Labour laws

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965, Maternity Benefit Act, 1961, Child Labour (Prohibition and Regulation) Act, 1986 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

a) Code on Wages, 2019, which regulates and amalgamates laws relating to wage and bonus payments and subsumes four existing laws namely –the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The GoI enacted The Code on Wages, 2019 which received the assent of the President of India on August 8, 2019. It regulates, among other things, the minimum wages payable to employees, the manner of payment, the manner of paying remuneration equally, calculation of wages and the payment of bonuses to employees.

b) Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. The Gol enacted The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

c) Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, among other things, including the Employee's Compensation Act, 1923, Employee's State Insurance Act, 1948, the Employee's Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961,the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1966 and the Unorganized Workers' Social Security Act, 2008. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

d) Occupational Safety, Health and Working Conditions Code, 2020, consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. The Gol enacted The Occupational Safety, Health and Working Conditions Code, 2020' which received the assent of the President of India on September 28, 2020. It replaces 13 certain old central labour laws including the Contract Labour (Regulation and Abolition) Act, 1970 and received the presidential assent on September 28, 2020, It proposes to subsume several separate legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Building and Other Construction Workers Welfare Cess Rules, 1988. The Ministry of Labour and Employment has by way of notifications, implemented only certain provisions of the Code on Social Security, 2020, including the repeal of certain provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

Certain portions of the Code on Wages, 2019, have come into force upon notification by the Ministry of Labour and Employment. The remaining provisions of these codes shall become effective as and when notified by the Government of India.

C. Environmental legislations

The Environment (Protection) Act, 1986, the Environment (Protection) Rules,1986 and the Environmental Impact Assessment Notification, 2006

The Environment (Protection) Act, 1986 ("**EPA**") is an umbrella legislation designed to provide a framework for the Government to protect and improve the environment. The power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution vests with the Government. The Environment (Protection) Rules, prescribe for the standards for emission or discharge of environmental pollutants from industries, operations, or processes through prohibitions and restrictions on the location of industries as well as 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 Environmental Impact Assessment Notification, 2006 and its subsequent amendments, industries are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources. Penalties for violation of the EPA include fines up to ₹100,000 or imprisonment of up to five years, or both. The imprisonment can extend up to seven years if the violation of the EPA continues beyond a period of one year after the date of conviction. There are provisions with respect to certain compliances by persons handling hazardous substances, furnishing of information to the authorities in certain cases, establishment of environment laboratories and appointment of government analysts.

The Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act, 1974 ("**Water Act**") aims to prevent and control water pollution by factories and manufacturing units and maintain and restore the quality and wholesomeness of water in the country and ensure that domestic and industrial pollutants are not discharged into water bodies without adequate treatment. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with. The Water Act also provides that the consent of the relevant state pollution control board must be obtained prior to opening of any new outlet, which is likely to discharge sewage effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions. The Water Act have been enacted to also provide for the establishment, with a view to carrying out the purposes aforesaid, of Boards for the prevention and control of water pollution, for conferring on and assigning to such Boards powers and functions relating thereto and for matters connected therewith.

The Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981("**Air Act**") provides for the prevention, control and abatement of air pollution. Under the Air Act, the state government may, after consultation with the state pollution control board, declare any area or areas within the state as air pollution control area or areas for the purposes of the Air Act. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain prior consent of the relevant state pollution control board prior to establishing or operating such industrial plant. The Air Act have been enacted to also provide for the establishment, with a view to carrying out the purposes aforesaid, of Boards for the prevention and control of air pollution, for conferring on and assigning to such Boards powers and functions relating thereto and for matters connected therewith. No person operating any industrial plant in any air pollution control area shall discharge or permit or cause to be discharged the emission of any air pollutant in excess of the standards laid down by the state pollution control board. The Air Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

The Uttar Pradesh Ground Water (Management and Regulation) Act, 2019

The Uttar Pradesh Ground Water (Management and Regulation) Act, 2019 aims to protect, conserve, control, and regulate groundwater for sustainable management. The Act addresses the alarming decline in groundwater levels due to uncontrolled extraction, recognizing groundwater's vital role in domestic, agricultural, and industrial uses. It prioritizes drinking, domestic, and cattle usage of groundwater. The Act establishes a multi-tiered institutional framework, including Gram Panchayat Ground Water Sub-Committees, Block Panchayat Ground Water Management Committees, Municipal Water Management Committees, District Ground Water Management Councils, and a State Ground Water Management and Regulatory Authority. These bodies are responsible for planning, monitoring, and implementing groundwater management plans. The Act mandates registration of groundwater users prohibits new well construction in notified areas (except for government drinking water and tree plantation schemes), and requires authorization for groundwater abstraction in non-notified areas. It also addresses groundwater pollution, promotes rainwater harvesting, and outlines offenses and penalties for non-compliance. The Act empowers the state government to make rules, remove difficulties, and exempt users from provisions. Its provisions prevail over any other conflicting state law.

D. Foreign exchange laws

Foreign Investment Regulations

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999, as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time (the "**Consolidated FDI Policy**"). Under the current Consolidated FDI Policy, foreign investment in manufacturing sector is under automatic route. Further, a manufacturer is permitted to sell its products manufactured in India through wholesale and/or retail, including through e-commerce, without Government approval.

Foreign Trade (Development and Regulation) Act, 1992

The Foreign Trade (Development and Regulation) Act, 1992 ("**FTA**") seeks to provide for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTA provides that no person shall make any import or export except under an importer-exporter code number ("**IEC**") granted by the Director General of Foreign Trade, Ministry of Commerce ("**DGFT**"). The IEC granted to any person may be suspended or cancelled inter alia in case the person contravenes any of the provisions of FTA or any rules or orders made thereunder or the DGFT or any other officer authorized by him has reason to believe that any person has made an export or import in a manner prejudicial to the trade relations of India. Any person who makes any export or import in contravention of any provision of this Act or any rules or orders made thereunder or the foreign trade policy would become liable to a penalty under the FTA. An importer exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain IEC shall attract penalties under the FTA.

E. Information Technology

Digital Personal Data Protection Act, 2023 ("Data Protection Act")

The Data Protection Act was published in the official Gazette of India on August 11, 2023, and is scheduled to be made effective by way of notification. The Data Protection Act applies to the personal data processed in India by any person in the capacity of a data fiduciary or a data processor for any lawful purpose, subject to certain exemptions. All persons determining the purpose and means of processing personal data will be classified as a data fiduciary and will be mandated to seek free, specific, informed, unconditional and unambiguous consent of an individual, whose personal data is being processed, and provide an itemized notice in plain and clear language containing: (i) a description of the personal data sought to be collected; (ii) the purpose of processing such personal data; (iii) specific rights available to the individual and the manner of exercise of such rights; (iv) the manner in which such individual may make a complaint to the Data Protection Board established under the Data Protection Act. The collection of personal data may be carried out upon receiving the consent of the concerned owner of the data, which may be facilitated through consent managers, or for legitimate purposes including sovereignty or security, and for providing benefit, subsidy, license, permit and so on by an agency or department of the Indian state if the concerned individual has previously consented to receiving any such service from the state. The Data Protection Act grants rights to individuals including the right to know the personal data processed and identities of data fiduciaries (defined as persons who determine the purpose and means of processing personal data) as well as data processors (defined as persons who undertake processing of personal data on behalf of the data fiduciary) with whom the data has been shared. It also provides individuals, the right to update or erase the personal data stored by any data fiduciary, except in case such personal data is required to be stored under a legal obligation. Additionally, obligations of data fiduciaries include inter alia maintenance of security safeguards, ensuring completeness and accuracy of personal data, and erasure of data upon withdrawal of consent by the individual. Any data processed prior to such withdrawal shall be considered lawful. Further, a data fiduciary may be classified as a significant data fiduciary on the basis of the volume, sensitivity and nature of data processed by it. Upon being classified as such, it will have to comply with additional obligations, such as undertaking periodic independent data audits, appointing data protection officer among other things.

The Data Protection Act further establishes the Data Protection Board whose members are to be appointed or re-appointed by the Central Government. The Data Protection Board will be empowered to adjudicate upon any instances of non-compliance with the Data Protection Act and to attend to grievances of concerned individuals in the exercise of their rights flowing from the Data Protection Act or arising out of acts and omissions of data fiduciaries and consent managers regarding the performance of their obligations in relation to the personal data of the concerned individual.

F. Other Laws

Trade Marks Act, 1999 ("**Trade Marks Act**") The Trade Marks Act provides for the registration and better protection of trade marks for goods and services and for the prevention of the use of fraudulent marks. The registration of a trademark under the Trade Marks Act confers on the proprietor the exclusive right to the use of the trade mark, and the right to obtain relief in respect of infringement of the trade mark. The registration of a trademark shall be for a period of ten years, but may be renewed from time to time as prescribed under the Trade Marks Act. The Trade Marks Act also prescribes penalties for the falsification or false application of trade marks.

In addition to the aforementioned laws and regulations, which are applicable to our Company, our Company is also required to comply with the provisions of the Indian Contract Act, 1872, Companies Act, 2013, Transfer of Property Act, 1882, Indian Stamp Act, 1899, Foreign Exchange Management Act, 1999, Prevention of Corruption Act, 1988, to the extent applicable, Income Tax Act 1961, Income Tax Rules, 1962, as amended by the Finance Act in respective years, the relevant goods and services tax legislations, Customs Act, 1962, Customs Tariff Act, 1975, Insolvency and Bankruptcy Code, 2016, and other applicable statutes promulgated by the relevant Central and State Governments including the central and state tax laws.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as 'Kanodia Cement Limited' at Varanasi, Uttar Pradesh as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated August 3, 2009, issued by the Deputy Registrar of Companies, Uttar Pradesh and Uttarakhand at Kanpur. Our Company received the certificate of commencement of business under Section 149(2)(a) to (c) of the Companies Act, 1956 issued by the RoC on September 1, 2009.

Changes in our Registered Office

The following table sets forth details of the changes in the registered office of our Company since the date of its incorporation:

Date of change	Details of change in the address of the registered office	Reasons for change in the address of the registered office
February 11, 2012	The registered office of our Company was shifted from 38/13A, Tulsipur, Mahmoorganj, Varanasi, 221010, Uttar Pradesh, India to Flat No. 102, Mahalaxmi Appartment, Navodit Nagar, Tulsipur Mahmoorganj, Varanasi - 221010, Uttar Pradesh, India.	To ensure smooth functioning of Company
November 7, 2018	The registered office of our Company was shifted from Flat No. 102, Mahalaxmi Appartment, Navodit Nagar, Tulsipur Mahmoorganj, Varanasi, 221010 Uttar Pradesh, India to D-19 UPSIDC Land, Industrial Area, Sikandrabad, Bulandshahr, 203205 Uttar Pradesh, India	For administrative and operational convenience.

The Registered Office of our Company is currently situated at D-19 UPSIDC Land, Industrial Area, Sikandrabad, Bulandshahr, 203205, Uttar Pradesh, India.

Main Objects of our Company

The main objects contained in our Memorandum of Association are as follows:

1. *"To establish and carry in India or elsewhere the business to produce, manufacture, process, refine, prepare, import, export, purchase, sell, manipulate, finish, pack, repack, mix, grade, operate and to act as brokers agents, consultants, merchants, stockiest, distributors, suppliers, providers, collaborators, consignors, C&F agents, indenting agents, job workers, wholesalers, retailers, traders concessionaries or otherwise to deal in all varieties, specifications, descriptions, applications & uses of cements, whether ordinary, white, coloured, pozzolana, alumina blast furnace. silica lime, plaster of paris, fiber etc. including grey cement, Portland cement, Portland pozzolana cement, Portland slag cement, Portland rapid hardening cement, Fiber Cement, Portland cement, Portland oil well cement, special cement, repitix cement, waterproof cement, masonry cement, lime pozzolana cement, sagole cement and other allied products.*

2. *To carry, mine excavate, explore, extract, lift, handle, short blast, grade, dump, distribute, collect, buy sell, import export, treat, refine, prepare manipulate, finish, pack repack, transport, mix, store, and to act as agent broker stockiest, consultant, engineer, collaborator, consignor, franchiser, C&F agent, warehouse of otherwise to deal in lime, clay, granite, sand, concrete, mortar, minerals, whiting, coked fuel, gunny bags, Hessian cloth, paper bags, HDPE bags, clinker, gypsum, limestone, Sagle, Fiber, consumables substances and raw materials required for the manufacturing of cement and to own, explore and take land on lease or acquire, establish, operate, work and maintain mines, workshops and other works and to do all incidental acts and things necessary for the attainment of the above objects.*

3. *To carry on the business of manufacturers of, dealers in and sellers of cement, alumina cement, white cement, clinker, lime, plasters, whiting, clay, granule, sand, coke, fuel, artificial stone, builders' requisites& convenience of all kinds and any products or things which may be manufactured out of or with cement or in which the use of cement may be made."*

The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried on and proposed to be carried on by our Company.

Amendments to our Memorandum of Association

The following table set forth details of the amendments to our Memorandum of Association, in the last 10 years:

Date of Shareholders' resolution/Effective date	Details of the amendments
May 17, 2021	Pursuant to the Scheme of Amalgamation of Kanodia Cement Limited with Sargam Dealer Private Limited, Maharaj Retailers Private limited, Rinam Trading Private Limited, Rinam Dealmark Private Limited,

Date of Shareholders' resolution/Effective date	Details of the amendments
	Bluestar Cement Limited and Vevant Cement Works Private Limited (formerly known as Durgashree Bricks Private Limited), the Clause V of the Memorandum of Association was amended to reflect the increase in the authorized share capital of the Company from ₹ 10,50,00,000 divided into 10,50,000 Equity Shares of face value of ₹ 100 each to ₹ 84,96,66,100 divided into 84,96,661 Equity Shares of face value ₹ 100 each.
March 12, 2022	Clause V of the Memorandum of Association was amended to reflect the subdivision of equity shares and read as follows: "*The authorized share capital of the Company is ₹ 84,96,66,100 divided into 8,49,66,610 equity shares of face value ₹ 10 each*".
March 12, 2022	Clause III(A) of the Memorandum of Association of the Company, the main objects was amended to insert subclause III(A)3 after subclause III(A)2: *To carry on the business of manufacturers of, dealers in and sellers of cement, alumina cement, white cement, clinker, lime, plasters, whiting, clay, granule, sand, coke, fuel, artificial stone, builders' requisites & convenience of all kinds and any products or things which may be manufactured out of or with cement or in which the use of cement may be made.* Further, Clause III(B) containing the *"Objects Incidental or Ancillary to the attainment of Main Objects"* and subclause no. 1 to 36 was deleted and replaced with new Clause III(B) to reflect *"Matters which are necessary for furtherance of Objects specified in Clause III(A) containing subclause no. 1 to 46".*

Major Events and Milestones in the history of our Company

The table below sets forth the key events and milestones in the history of our Company:

Calendar Year	Particulars
2009	Our Company was incorporated as 'Kanodia Cement Limited'
2009	Installation of KCL Sikandrabad Unit 1 at D-19, Industrial Area, Sikandrabad (Bulandshahr), Uttar Pradesh by our Company.
2011	Commenced production at KCL Sikandrabad Unit 1located at D-19, Industrial Area, Sikandrabad (Bulandshahr), Uttar Pradesh with the installed capacity of 0.30 million tonnes per annum.
2011	Commenced supply of cement to JK Lakshmi Cement Limited
2012	Installation of KCL Sikandrabad Unit 2 at C-57, Industrial Area, Sikandrabad (Bulandshahr), Uttar Pradesh by Blue Star Cement Limited^
2013	Commenced production at KCL Sikandrabad Unit 2 at C-57, Industrial Area, Sikandrabad (Bulandshahr), Uttar Pradesh with the installed capacity of 0.18 million tonnes per annum
2013	Installation of KCL Sikandrabad Unit 3 at D-22, Gopalpur Industrial Area, Sikandrabad (Bulandshahr), Uttar Pradesh by Vevant Cement Works Private Limited[&]
2015	Installation of fourth grinding unit by Kanodia Infratech Limited at Kaimur, Bhabua, Bihar, a Wholly-owned Subsidiary of our Company
2016	Commenced production at KCL Sikandrabad Unit 3 at D-22, Gopalpur Industrial Area, Sikandrabad (Bulandsahr), Uttar Pradesh with the installed capacity of 0.36 million tonnes per annum
2016	Commenced production at fourth grinding unit Kaimur, Bhabua, Bihar, Bihar with the installed capacity of 1.20 million tonnes per annum
2019	Installation of fifth grinding unit named as Kanodia Cem Private Limited at Amethi, Uttar Pradesh, a Wholly-owned Subsidiary of our Company
2022	Commenced production at Amethi, Uttar Pradesh with the installed capacity of 1.50 million tonnes per annum

^ *Pursuant to the amalgamation of Blue Star Cement Limited with the Company by the order of NCLT dated January 13, 2021.*

& *Vevant Cement Works Private Limited, (formerly known as Durgashree Bricks Private Limited amalgamated with the Company by the order of NCLT dated January 13, 2021*

Key Awards and Accreditations

Calendar Year	Award
2013	Our Company has received 'Business and Leadership Award' by Goodwin Research Brand Management and Market Research at 7th Anniversary & Ugadi Puraskar
2015	Our Company has received a 'IEBF Excellence Award' at the Indo-European Business Forum
2020	Our Company has received 'Asia's Best Employer Brand Award' at CMO Asia's 15th Employer Branding Awards
	Our Company has received 'Best New Cement Brand' by CMO Asia & World Federation of Marketing Excellence Professionals at National Awards for Marketing Excellence
	Our Company received the award for 'Company of the Year – Cement Manufacturing', by Industry Outlook
2021	Our Company has received the 'Fastest Growing Company of the Year in Cement Industry' at the 3rd Asian African Leadership Forum

Calendar Year	Award
	Our Company has received the 'North India Best Employer Brand Awards' at the 16th Employer Branding Awards
	Our Company has received a 'National Awards for Excellency in Manufacturing Sector – Cement Industry' by the World HRD Congress
	Our Company has received the 'International Fame Award' by Brand Icon
2022	Our Company has received the 'Corporate Excellence Award 2021 - 2022 by MICE Affairs
2023	Our Company has received the 'Times Business Awards North 2023' by Optimal Media Solutions, a division of Times Internet Limited
2024	Our Company has received the 'Environmental Excellence Northern Region' by cem WHR 2024

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/ facility creation or location of plants

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets and capacity/facility creation to the extent applicable, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 210, and 366, respectively.

Time and cost overrun

There have been time and cost overruns in respect of our business operations.

Defaults or re-scheduling /restricting of borrowings from financial institutions/ banks

As on the date of this Draft Red Herring Prospectus, there have been no defaults or rescheduling / restructuring of borrowing with financial institutions/ banks in respect of our Company's borrowings nor have any such borrowings or loans been converted into Equity Shares.

Our Holding Company

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Our Subsidiaries, joint ventures and associate companies

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures and Associates.

Our Company has the following Subsidiaries:

1. Kanodia Cem Private Limited

2. Kanodia Infratech Limited

Unless stated otherwise, the detail in relation to our Subsidiaries provided below are as on the date of this Draft Red Herring Prospectus:

1. Kanodia Cem Private Limited

Corporate Information

Kanodia Cem Private Limited ("**KCPL**") was incorporated as a company limited by shares on October 19, 2019, under the Companies Act, 2013. Its corporate identification number is U26999UP2019PTC122527, and its registered office is situated at Gata No – 1140, 1142, Bhadar, Nagardeeh, Amethi, 227 405, Uttar Pradesh, India.

Nature of Business

KCPL is authorised to engage in the business of producing, manufacturing, processing, preparing, refining, importing, exporting, purchasing, selling and generally to deal with all types and kinds of cement ordinary portland, white coloured cement, portland pozzolana, alumina, blast furnace, silica, and all other varieties. It is also authorised to undertake manufacturing of bricks, tiles, cement pipes, cement poles, lime, building materials, requisites and other materials used in construction or any substitute thereof.

Capital Structure

The following table sets forth details of the capital structure of Kanodia Cem Private Limited:

Particulars	Aggregate value at face value (In ₹)
Authorised capital	
10,000,000 equity shares of ₹ 10 each	100,000,000
Issued, subscribed and paid-up capital	
8,762,000 equity shares of ₹ 10 each	87,620,000

Shareholding Pattern

The following table sets forth details of the shareholding pattern of Kanodia Cem Private Limited:

Sr. No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of total equity holding (%)
1.	Kanodia Cement Limited	8,761,994	99.99
2.	Vishal Kanodia ^	1	Negligible
3.	Khushboo Kanodia^	1	Negligible
4.	Gautam Kanodia^	1	Negligible
5.	Swati Kanodia^	1	Negligible
6.	Manju Kanodia^	1	Negligible
7.	Vishal Kanodia HUF^	1	Negligible
Total		8,762,000	100.00

^ *Kanodia Cement Limited being the beneficial owner*

Brief financial information

The brief financial information of Kanodia Cem Private Limited for the nine months ended December 31, 2024, Fiscals 2024, 2023, and 2022 as derived from the audited financial statements of its respective years is as follows:

S. No.	Particulars	Unit	As at/for the period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
1.	Equity share capital	in ₹ million	82.62	1.50	1.50	1.50
2.	Revenue from operations	in ₹ million	2,076.46	2,795.56	1,320.53	-
3.	Profit/loss after tax	in ₹ million	223.15	417.34	98.48	(19.84)
4.	Profit/loss after tax	%	10.75%	14.93%	7.46%	-
5.	Basic EPS	₹	29.06*	278.22	65.66	(132.26)
6.	Diluted EPS	₹	29.06*	278.22	65.66	(132.26)
7.	Total borrowings	in ₹ million	897.66	1,529.31	1,954.98	1,824.00
8.	Net worth	in ₹ million	1,802.92	579.79	162.42	0.89

* *Not annualised*

2. Kanodia Infratech Limited

Corporate Information

Kanodia Infratech Limited ("**KIL**") was incorporated as a company limited by shares on March 3, 2010, under the Companies Act, 1956. Its corporate identification number is U74900UP2010PLC039750 and its registered office is situated at A-21, Sector-16, Noida, Gautam Buddha Nagar, 201 301, Uttar Pradesh India.

Nature of Business

KIL is authorised to engage in the business of producing, manufacturing, processing, purchasing and selling in all varieties, specifications, descriptions, applications & uses of cements, whether ordinary, white, coloured, pozzolana, alumina blast furnace, silica lime, plaster of paris, fiber etc. including grey cement, Portland cement, Portland pozzolana cement, Portland slag cement, Fiber Cement, Portland high alumina cement, Portland oil well cement, special cement, repitix cement, water proof cement, masonry cement, lime pozzolana cement, sagole cement and other allied products. It is also authorised to carry on the business of immovable property as Contractor, consultants and to give on rent, sale and purchase, designing and construction of residential houses, commercial buildings, flats and factories, sheds and buildings.

Capital Structure

The following table sets forth details of the capital structure of Kanodia Infratech Limited:

Particulars	Aggregate value at face value (In ₹)
Authorised capital	
20,356,070 equity shares of ₹ 10 each	203,560,700
Issued, subscribed and paid-up capital	

Particulars	Aggregate value at face value (In ₹)
14,125,070 equity shares of ₹ 10 each	141,250,700

Shareholding Pattern

The following table sets forth details of the shareholding pattern of Kanodia Infratech Limited:

Sr. No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of total equity holding (%)
1.	Kanodia Cement Limited	14,125,064	99.99%
2.	Vishal Kanodia^	1	Negligible
3.	Khushboo Kanodia^	1	Negligible
4.	Manju Devi Kanodia^	1	Negligible
5.	Vishal Kanodia (HUF)^	1	Negligible
6.	Somia Lohia^	1	Negligible
7.	Saurabh Lohia^	1	Negligible
Total		14,125,070	100

^ *Kanodia Cement Limited being the beneficial owner*

Brief financial information

The brief financial information of Kanodia Infratech Limited for the nine months ended December 31, 2024, Fiscals 2024, 2023, and 2022 as derived from the audited financial statements of its respective years follows:

S. No.	Particulars	Unit	As at/for the period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
1.	Equity share capital	in ₹ million	141.25	141.25	141.25	141.25
2.	Revenue from operations	in ₹ million	2,111.84	2,786.99	2,244.44	1,822.34
3.	Profit/loss after tax	in ₹ million	489.25	555.97	315.10	282.27
4.	Profit/loss after tax	%	23.17%	19.95%	14.04%	15.49%
5.	Basic EPS	₹	34.64	39.36	22.31	19.98
6.	Diluted EPS	₹	34.64	39.36	22.31	19.98
7.	Total borrowings	in ₹ million	-	-	14.32	13.23
8.	Net worth	in ₹ million	2,060.62	1,571.26	1,015.20	724.09

Amount of accumulated profits or losses

There are no accumulated profits or losses of our Subsidiaries as applicable, which are not accounted for by our Company.

Common Pursuits

All our Subsidiaries, are engaged in the business of manufacturing, preparing and processing all kinds of cements. Our Company ensures necessary procedure and practices as permitted by laws and regulatory guidelines to address any conflict situations as and when they arise. Our Company has not encountered any such instances of conflict in the past. For further details, please refer "*Restated Consilidated Financial Information– Note 42*" on 339.

Business interest of our Subsidiaries in our Company

Except as disclosed in the section entitled "*Our Business*" and "*Restated Consolidated Financial Information*" on pages 210 and 279, respectively, our Subsidiaries do not have any business interests in our Company.

Significant financial and strategic partners

Our Company does not have any financial or strategic partners, as of the date of this Draft Red Herring Prospectus.

Details regarding material acquisitions or divestment of business or undertakings, mergers, amalgamations or revaluation of assets etc., if any, in the last ten years

Our Company has not made any divestments of any material business or undertaking, and has not undertaken any material mergers, amalgamation or revaluation of assets in the last 10 years immediately preceding the date of this Draft Red Herring Prospectus. Further, except as disclosed below, our Company has not made any material acquisitions in the last 10 years immediately preceding the date of this Draft Red Herring Prospectus:

Scheme of Amalgamation between Sargam Dealer Private Limited, Maharaj Retailers Private limited, Rinam Trading Private Limited, Rinam Dealmark Private Limited, Bluestar Cement Limited, Vevant Cement Works Private Limited and

Kanodia Cement Limited as sanctioned by the National Company Law Tribunal, Allahabad by way of its order dated January 13, 2021

The Board of Directors of our Company on August 2, 2019 passed a resolution approving the scheme of amalgamation under sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 (the "**Scheme of Amalgamation**") between, Sargam Dealers Private Limited, Maharaj Retailers Private Limited, Rinam Trading Private Limited, Rinam Dealmark Private Limited, Bluestar Cement Limited, Vevant Cement Works Private Limited (formerly known as Durgashree Bricks Private Limited) (collectively referred to as the "**Transferor Entities**") and Kanodia Cement Limited (the "**Transferee**"). The appointed date for the Scheme of Amalgamation was April 1, 2019 and the Scheme of Amalgamation was sanctioned by the National Company Law Tribunal, Allahabad by its order dated January 13, 2021.

In terms of the Scheme of Amalgamation, the Transferor Entities shall stand amalgamated with the Transferee and all assets, liabilities, cash and bank balances, contracts, arrangements, employees, permits, licenses, records, approvals, etc. of the Transferor Entities shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee. Additionally, upon the Scheme of Amalgamation coming into effect, each of the aforementioned Transferor Entities shall stand dissolved.

The Company has obtained valuation report from Vikas Singh & Associates, Chartered Accontant, dated August 20, 2019 in connection with aforesaid matter. The said valuation report has been included as part of the *"Material Contracts and Documents for Inspection*" on page 515.

Details of Shareholders Agreements

As on the date of this Draft Red Herring Prospectus, except as stated below, there are no agreements entered into by and between our Company and Shareholders of our Company or any inter-se Shareholders with regard to rights and obligations in connection with the securities of our Company.

Shareholders' Agreement dated March 22, 2025 (the "SHA") entered into between our Company, Vishal Kanodia, Nupoor Kanodia Beneficiary Trust, Trish Kanodia Beneficiary Trust (the "Promoters") and Baring Private Equity India Fund 6 (the "Investor" together with the Company and Promoters the "Parties")

The SHA governs the mutual rights and obligations of the Parties to the SHA in relation to their respective shareholding, the management and other rights and obligations. Pursuant to the SHA, the Investor have *inter alia* acquired the following rights:

(i) board nomination right: The right to nominate one director to the Board of the Company subject to Investor or the person to whom Investor transfers the securities hold at least 2% in the Company;

(ii) tag-along right: In the event our Promoter intends to transfer any of its securities ("**Offered Securities**") to the promoter transferee, then the Investor shall have the right but not the obligation to require the Promoters to ensure that the promoter transferee purchases its respective portion of the tag shares along with the Offered Securities being transferred by the Promoters at the same price (including all forms of consideration, whether in cash or kind, and including any structured payments such as fees, bonus payments, earnouts or otherwise) at which the Promoter is transferring the Offered Securities.

(iii) pre-emptive rights: In the event our Company issues any securities other than exempted issuance, to any person, our Company must provide the Investors, the right but not an obligation to participate in such proposed issuance to maintain its shareholding in the Company.;

(iv) anti-dilution rights: In the event our Company issues any securities at a price per lower than the price at which the securities held by the Investors were subscribed, then it shall be entitled to a broad based weighted average anti-dilution protection in terms of the SHA; and

(v) certain inspection and information rights:

Our Company shall arrange regular meetings between the Investor and the leadership team of the Company. Additionally, the director nominated (if any) by the Investor is entitled to receive all notices, agenda (and all information and documents circulated to the Board), as provided under the SHA. The SHA can be terminated (i) at any time by the mutual consent of the Parties; or (ii) with respect to a Party, upon such Party ceasing to hold any Securities of the Company. The rights of the Parties in relation to (i) promoter's purchasing the securities from the Investor ("**Promoter Purchase**") and (ii) buyback of Investor shares by the Company, to provide exit to the Investor will be suspended if the Company files the DRHP with SEBI before March 31, 2026. The suspension of the rights will start from the day, the DRHP is filed with SEBI and will last until the earlier of (i) September 30, 2026, (ii) 12 months from the filing of such DRHP, or (ii) termination of this SHA pursuant to completion of IPO.

Our Company is required to provide an exit to the Investors by way of an IPO no later than September 30, 2026 ("**IPO Date**"). In the event, our Company is unable to provide exit to the Investors within the IPO Date, our Company shall provide them exit by way of third-party sale or Company buyback or Promoter Purchase or a combination thereof on or before September 30, 2028 ("**Exit Date**"), in the manner set out the SHA.

However, the rights of the Investors to receive an exit through buyback by the Company or Promoter Purchase shall cease to be in effect on and from the date on which our Company files the draft red herring prospectus in connection with its proposed IPO. In the event that any of the rights available to the Parties cease to be available as a result of the foregoing, and the IPO is not completed (for any reason whatsoever) in accordance with the timelines, or the Parties agree to not proceed with the IPO, all of the rights of the Parties shall immediately stand automatically reinstated, with full force and effect, and the Parties agree to take all necessary steps and perform all necessary actions as may be necessary, to effectively implement the same

Share Purchase Agreement dated March 22, 2025 entered into between Nupoor Kanodia Beneficiary Trust ("the Seller), Baring Private Equity India Fund 6 (the "Investor") and our Company (the "SPA")

Pursuant to the SPA, the Investor agreed to subscribe to 3,728,483 shares for consideration of ₹ 254.79 aggregating up to ₹ 949.98 million based on certain consideration and conditions laid out under the SSPA. The SSPA, inter alia, provides for conditions in which the allotment of the Equity Shares would be made to the Investor and provides for indemnification of the Investor by the Seller for claims in relation to (i) any misrepresentation, inaccuracy, or breach by Seller and / or the Company of any of the warranties provided in the SPA; and / or (ii) breach of any covenants by the Company.

The Company has obtained valuation report from Sumedha Fiscal Services Limited, a merchant banker having registration number INM000008753 dated March 15, 2025 states the price of Equity Share was valued at ₹ 253.21 per Equity Share. The said valuation report has been included as part of the "*Material Contracts and Documents for Inspection*" on page 515.

Details of guarantees given to third parties by our Promoters who is participating in the Offer for Sale

As on the date of this Draft Red Herring Prospectus, no guarantee has been issued by the Promoter Selling Shareholders to third parties.

Agreements with Key Managerial Personnel, members of the Senior Management, Directors, Promoters or any other employee

There are no agreements entered into by our Promoters, members of the Senior Management, Key Managerial Personnel or Directors 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.

Except as disclosed "*History and Certain Corporate Matter - Details of Shareholders Agreements*" We confirm there are no other inter-se agreements, arrangements and clauses or covenants which our Company is a party to, in relation to securities of our Company, which are material, adverse or pre-judicial to the interest of the minority/ public shareholders or which may have a bearing on the investment decision.

Key terms of other subsisting material agreements

We confirm that there are no other inter-se agreements between our Company, Shareholders, Promoters, shareholders' agreements or other agreements of a like nature, in relation to the securities of our Company, comprising material clauses / covenants that are required to be disclosed in this Draft Red Herring Prospectus or containing clauses / covenants that are adverse / prejudicial to the interest of public shareholders.

Other material agreements

There are no other agreements, arrangements, and clauses, covenants which are material, and which are required to be disclosed. Further, there are no other clauses or covenants which are material, adverse or pre-judicial to the interest of the minority/public shareholders or the non-disclosure of which may have bearing on the investment decision.

There are no inter-se agreements/ arrangements to which the Company or any of its Promoters or Shareholders are a party to and therefore, there are no clauses/ covenants which are material and which needs to be disclosed, and that there are no other clauses / covenants in the inter-se agreements or arrangements or the Articles of Association which are adverse / pre-judicial to the interest of the minority / public shareholders of the Company 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 this Draft Red Herring Prospectus. Further, other than as disclosed above, there are no other agreements, deed of assignments, acquisition agreements, SHA, inter-se agreements, agreements of like nature to which the Company or any of its Promoters or Shareholders are a party.

There are no agreements entered into by the Shareholders, Promoters, Promoter Group entities, related parties (as defined under Section 2(76) of the Companies Act), Directors, Key Managerial Personnel, employees of our Company, among themselves or with our Company or with a third party, solely or jointly, which, either directly, indirectly, potentially or whose purpose and effect is to, impact the management or control of our Company or impose any restriction or create any liability upon our Company, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not our Company is a party to such agreement.

There are no material clauses of our Articles of Association that have been left out from disclosures having bearing on the Offer or this Draft Red Herring Prospectus.

None of the Directors or KMPs of our Company are appointed pursuant any inter-se agreement/agreement to which our Company or any of its Promoters or Shareholders are a party to.

None of our Directors, Key Managerial Personnel or Senior Management have any conflict of interest with the suppliers of raw materials, third party manufacturers or third-party logistics providers, crucial for operations of our Company.

None of our Directors, Key Managerial Personnel or Senior Management have any conflict of interest with any lessor of the immovable properties leased to our Company, crucial for operations of our Company.

Details of Special Rights

Except as disclosed in the "*–Details of Shareholders Agreements*" on page 252, there are no special rights available to any Shareholder of our Company or any other person.

OUR MANAGEMENT

Board of Directors

In terms of the Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises of six Directors, including three Non – Executive Independent Directors (including one woman Non-Executive, Independent Director) and three Executive Directors.

Details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus are set forth below:

Sr. No.	Name, designation, term, period of directorship, address, date of birth, nationality, occupation and DIN and age	Other directorships
1.	**Vishal Kanodia** ***Designation:*** Chairman and Managing Director ***Current term:*** For a period of five years with effect from March 24, 2023 ***Period of directorship:*** Since August 3, 2009 ***Address:*** H no.-187, Sector 15 -A, Noida, Gautam Buddha Nagar, Uttar Pradesh – 201301, India ***Occupation:*** Business ***Nationality:*** Indian ***Date of Birth:*** April 12, 1981 ***DIN:*** 00946204 ***Age:*** 44	*Indian Companies* • Kanodia Cem Private Limited • Building Paradise Private Limited • Kanodia Infratech Limited *Foreign Companies* Nil
2.	**Saurabh Lohia** ***Designation:*** Executive Director ***Current term:*** Liable to retire by rotation ***Period of directorship:*** Since January 1, 2020 ***Address:*** Flat No. 102, Maa Laxmi Apartment, Tulsipur, Mahmoorganj, Tulsipur, Varanasi, Uttar Pradesh, India -221010 ***Occupation:*** Business ***Nationality:*** Indian ***Date of Birth:*** September 20, 1984 ***DIN:*** 03087080 ***Age:*** 40	*Indian Companies* • Kanodia Cem Private Limited • Kanodia Infratech Limited • Trends Advisory Private Limited *Foreign Companies* Nil
3.	**Santosh Ramanuj Tiwari** ***Designation:*** Non – Executive Independent Director ***Current term:*** For a period of five years with effect from March 12, 2022 ***Period of directorship:*** Since March 12, 2022 ***Address:*** C-1704, Elite Homz, Sector 77, Noida, Gautam Budha Nagar, Uttar Pradesh, 201301, India ***Occupation:*** Chartered Accountant	*Indian Companies* • Kanodia Cem Private Limited • Kanodia Infratech Limited *Foreign Companies* Nil

Sr. No.	Name, designation, term, period of directorship, address, date of birth, nationality, occupation and DIN and age	Other directorships
	Nationality: Indian ***Date of Birth:*** December 31, 1984 ***DIN:*** 09545839 ***Age:*** 40	
4.	**Sanjay Banthia** ***Designation:*** Non – Executive Independent Director ***Current term:*** For a period of five years with effect from March 12, 2022 ***Period of directorship:*** Since March 12, 2022 ***Address:*** C-801, Siddha Pines, Rajarhat Main Road Gopalpur, Near Airport, Rajarhat Gopalpur (M), Rajarhat Gopalpur, North 24 Parganas, West Bengal – 700136, India ***Occupation:*** Self Employed – management and technical consultancy services for cement plants, power plants, process plants. ***Nationality:*** Indian ***Date of Birth:*** February 27, 1960 ***DIN:*** 08120707 ***Age:*** 65	*Indian Companies* • Shri Maa Polyfabs Limited • Shri Dakshineshwari Maa Polyfabs Limited • Hariom Polypacks Limited *Foreign Companies* Nil
5.	**Preeti** ***Designation:*** Non – Executive Independent Director ***Current term:*** For a period of five years with effect from June 28, 2024* ***Period of directorship:*** since July 27, 2024 ***Address:*** 3rd-F-27, Nehru Nagar, Ghaziabad, Uttar Pradesh-201001, India ***Occupation:*** Service ***Nationality:*** Indian ***Date of Birth:*** July 6, 1984 ***DIN:*** 09662113 ***Age:*** 40	*Indian Companies* • Consecutive Investments Trading & Co. Limited • Kotia Enterprises Limited • Artificial Electronic Intelligent Material Limited • Vintage Coffee and Beverages Limited • Elitecon International Limited • Rajnish Wellness Limited *Foreign Companies* Nil
6.	**Roop Narain Maloo** ***Designation:*** Chief Financial Officer and Executive Director* ***Current term:*** Liable to retire by rotation ***Period of directorship:*** since June 28, 2024 ***Address:*** B-111, Sector 40, Noida, Sector 37, Gautam Buddha Nagar, Uttar Pradesh-201303, India	*Indian Companies* Nil *Foreign Companies* Nil

Sr. No.	Name, designation, term, period of directorship, address, date of birth, nationality, occupation and DIN and age	Other directorships
	Occupation: Professional ***Nationality:*** Indian ***Date of Birth:*** June 15, 1962 ***DIN:*** 03495830 ***Age:*** 62	

* *Regularized as an Executive Director on July 27, 2024 pursuant to the shareholders' meeting dated July 27, 2024.*

Brief biographies of Directors

Vishal Kanodia is the Chairman and Managing Director of our Company. He has been associated with the Company as a Director, since the incorporation of the Company in the year 2009. He holds a bachelor's degree in commerce from Deen Dayal Upadhayay Gorakhpur University. He has been awarded an honorary doctorate (Entrepreneurship) from the National American University. He has 15 years of experience in cement industry. He also served as a director on the board of other companies. He was awarded as "*The Young Industrialist Award*" from the Governor of Uttar Pradesh in 2013.

Saurabh Lohia is an Executive Director of our Company and has been appointed as a director of the Company since January 1, 2020. He holds a bachelor's degree in commerce from Deen Dayal Upadhayaya Gorakhpur University. He has been associated with the Company since the incorporation of the Company in the year 2009 as a Marketing Head and has more than 10 years of experience in marketing. He is responsible for managing the existing client base and securing new accounts for overall growth of the Company.

Santosh Ramanuj Tiwari is the Non – Executive Independent Director of our Company and associated with the Company since March 12, 2022. He has completed his graduation in commerce from Patna University. He is Fellow member of Institute of Chartered Accountants of India and is registered as an insolvency professional, registered valuer and forensic auditor. He has completed the post qualification course in Information Systems Audit conducted by the Institute of Chartered Accountants of India. He has been associated as the Partner of M/s Santosh Ramanuj & Co., chartered accountants firm, for a period of more than 15 years. He was previously associated with India News Channel.

Sanjay Banthia is the Non – Executive Independent Director of our Company associated with the Company since March 12, 2022. He holds a bachelors' degree in mechanical engineering from University of Jabalpur and has an advance diploma in business management from Law College, Satna. He is a certified Chartered Engineer and a member of the Institution of Engineers (India) and Indian Institute of Materials Management (India). He is currently working as management & technical consultant providing services for various cement plants, power plants and process plants. He was previously associated with Birla Corporation Limited, Navbharat Fuse Co. Ltd, Kamal Sponge Steel and Power Limited, New Wave Industries P.L.C., Ethopia. He is also an Independent director of Shri Dakshineshwari Maa Polyfabs Limited, Shri Maa Polyfabs Limited and Hariom Polypacks Limited.

Preeti is the Non – Executive Independent Director of our Company associated with the Company since July 27, 2024. She holds a bachelor's degree in commerce from the University of Delhi. She is an associate member of the Institute of Company Secretaries of India. She was previously associated with Gajraj Textiles Limited as the company secretary. She is currently associated with Mardiya Samyoung Capillary Tubes Company Limited as the company secretary.

Roop Narain Maloo is the Executive Director and Chief Financial Officer of our Company. He is a chartered accountant and has experience working as a chief financial officer/vice president (Finance) with listed companies such as Surya Roshni Limited, RSWM Limited, Welspun Corp Limited, Trident, Parsvnath Developers Limited and Banswara Syntex Limited. He is a fellow member of the Institute of Chartered Accountants of India since 1986. He specializes in corporate affairs, corporate finance, budgeting, mergers and acquisitions, taxation, business performance reviews, corporate governance, investor relations and risk management strategies.

Details of directorship in companies suspended or delisted

None of our Directors is or was the director of any listed company during the five years immediately preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on any stock exchange during the term of their directorship in such companies.

None of our Directors is or was the director of any listed company which has been or was delisted from any stock exchange during the term of their directorship in such company.

None of our Directors have been identified as Wilful Defaulters or Fraudulent Borrower by any bank or financial institution or consortium, in accordance with the applicable guidelines issued by the Reserve Bank of India.

Relationship amongst our Directors, Key Managerial Personnel and/or Senior Management

Except as stated below, none of our Directors are related to each other (as defined in the Companies Act, 2013), nor are any of our Directors related to any of our Key Managerial Personnel or Senior Management.

Name of Director / Key Managerial Personnel / Senior Management	Name of related Director / Key Managerial Personnel / Senior Management	Relationship
Vishal Kanodia, Chairman and Managing Director	Saurabh Lohia, Executive Director	Brother – in – law

Apart from this, none of our Directors are related to each other or to any of the Key Managerial Personnel or Senior Management.

Arrangement or Understanding with Major Shareholders, Customers, Suppliers or Others

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors were appointed on the Board.

Service contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Terms of appointment of our Executive Directors:

Vishal Kanodia

Vishal Kanodia is currently the Chairman and Managing Director of our Company. He was re-appointed as the Chairman and Managing Director of our Company for a period of five years with effect from March 24, 2023, pursuant to our Board resolution dated June 29, 2023, and Shareholders' resolution dated July 4, 2023.

Saurabh Lohia

Saurabh Lohia is currently an Executive Director of our Company. He was appointed as an Executive Director of our Company with effect from January 1, 2020, liable to retire by rotation, pursuant to our Board resolution dated December 3, 2019, and our Shareholders resolution dated January 1, 2020.

Roop Narain Maloo

Roop Narain Maloo is currently the Chief Financial Officer and Executive Director of our Company. He was appointed as the Chief Financial Officer and Executive Director of our Company, and is liable to retirement by rotation, with effect from June 28, 2024, pursuant to our Board resolution dated June 28, 2024, and Shareholders' resolution dated July 27, 2024.

Remuneration to Executive Directors:

Vishal Kanodia

Vishal Kanodia was paid a remuneration of ₹ 1.90 million (out of which ₹ 0.10 million was paid by Kanodia Infratech Limited) during Fiscal 2024.

As on date, the details of remuneration governing his appointment with effect from March 24, 2023 pursuant to the original agreement dated July 5, 2023 and the supplemental agreement dated July 27, 2024 between the Company and Vishal Kanodia and the Board resolution dated June 28, 2024, and Shareholders' resolution dated July 27, 2024 are stated below:

Particulars	Remuneration (in ₹, per annum)*
Salary	91,12,500
	Includes: a. Basic Salary: 5,625,000 b. House Rent Allowance: 2,812,500 c. Providedent fund: 675,000
Perquisites	a. Telephone: As per the rules of the Company; b. Actual entertainment and traveling expenses incurred in connection with the Company's business

* *The annual increments which will be effective April 1st of each year, will be decided by the Board and will be merit-based and take into account the Company's performance as well. The total remuneration (including commission/perquisites/ annual increment) shall not exceed ₹ 10.00 million in any financial year.*

Additionally, Vishal Kanodia also receives ₹ 3,037,500 from Kanodia Infratech Limited.

Saurabh Lohia

Saurabh Lohia was paid a total remuneration of ₹ 0.90 million during Fiscal 2024.

As on date, the details of remuneration governing his appointment with effect from January 1, 2020, liable to retire by rotation, pursuant to our Board resolution dated December 3, 2019, and our Shareholders resolution dated January 1, 2020 and further revised according to the Shareholders resolution dated July 27, 2024 are stated below:

Particulars	Remuneration (in ₹, per annum)
Basic salary	1,800,000
	Includes: a. Basic Salary: 900,000 b. House Rent Allowance: 450,000 c. Travel Allowance: 19,200 d. Medical Allowance: 15,000 e. Special Allowance: 415,800
Perquisites	All direct and indirect expenses such as phone calls, accommodation, and travelling expenses, reasonably and properly incurred and documented.

Roop Narain Maloo

Roop Narain Maloo was not paid any remuneration during Fiscal 2024.

Further, pursuant to letter of employment dated April 15, 2024, he is entitled the following remuneration and perquisites with effect from June 28, 2024:

Particulars	Remuneration (in ₹, per annum)
Salary	12,000,000
	Includes: a. Basic Salary: 6,000,000 b. House Rent Allowance: 3,000,000 c. Leave Travel Allowance and Vehicle Expense: 720,000 d. Helper Allowance: 300,000 e. Special Allowance: 1,260,000 f. Provident Fund: 720,000
Perquisites	All direct and indirect expenses such as phone calls, accommodation, and travelling expenses, reasonably and properly incurred and documented.

Remuneration to Non – Executive Independent Directors:

Each Non-Executive Independent Director is entitled to receive the following sitting fees pursuant to the board resolution dated March 22, 2025 within the limits prescribed under the Companies Act, 2013. The travel expenses for attending meetings of the Board or a committee thereof, site visits and other Company related expenses are borne by our Company, from time to time:

Name of the Director	Sitting Fees	
	For attending the Board meeting (₹) (per meeting)	For attending the meeting of committees of the Board (₹) (per meeting)
Santosh Ramanuj Tiwari	30,000	20,000
Sanjay Banthia	30,000	20,000
Preeti	30,000	20,000

Our Company has paid the following remuneration to our Non-Executive Independent Directors for Fiscal 2024:

(*in million*)

Name of the Director	Sitting fees	Total remuneration
Santosh Ramanuj Tiwari	0.14	0.14
Sanjay Banthia	0.15	0.15
Preeti	Nil	Nil*

* *No compensation including sitting fees and commission was paid to Preeti, by our Company during Fiscal 2024, since she was appointed in Fiscal 2025.*

Contingent or deferred compensation payable to the Directors

There is no contingent or deferred compensation payable to any of our Directors which accrued in Fiscal 2024.

Remuneration paid to our Directors by our Subsidiaries

As on the date of this Draft Red Herring Prospectus, except as disclosed below, none of our Directors have been paid remuneration by our Subsidiaries, including any contingent or deferred compensation accrued for Fiscal 2024:

Vishal Kanodia received a remuneration of ₹ 0.1 million from our Subsidiary, Kanodia Infratech Limited in the financial year 2023-24.

None of our Directors are entitled to receive any remuneration from our Subsidiaries, including contingent or deferred compensation accrued for the current Fiscal Year.

Bonus or profit-sharing plan of our Directors

None of our Directors are party to any bonus (excluding performance linked incentive which is a part of their remuneration) or profit-sharing plan of our Company.

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold any qualification shares on the date of this Draft Red Herring Prospectus.

The table below sets forth details of Equity Shares held by the Directors as on date of this Draft Red Herring Prospectus:

Name	No. of Equity Shares	Percentage of the pre-Offer paid up share capital (%)	Percentage of the post-Offer paid up share capital (%)*
Vishal Kanodia	4,614,540	6.19	[●]
Saurabh Lohia	24,293	0.03	[●]

For details of the shareholding of our Directors in our Company, see "*Capital Structure*" on page 94.

Shareholding of Directors in our Subsidiaries

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, none of our Directors hold any equity shares in our Subsidiaries:

Name of the Director	Name of the Subsidiary	Number of equity shares held*
Vishal Kanodia*	Kanodia Infratech Limited	1
	Kanodia Cem Private Limited	1
Saurabh Lohia*	Kanodia Infratech Limited	1

* *Vishal Kanodia and Saurabh Lohia holds shares as a nominee shareholder appointed by Kanodia Cement Limited*

Interests of Directors

Our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company as well as sitting fees, if any, payable to them for attending meetings of our Board or Committees thereof. Our Director, Vishal Kanodia is on the board of trustees of our Promoter Trusts. For further details, please see the section titled " *– Terms of appointment of our Directors – Remuneration to Executive Directors*", " *– Terms of appointment of our Directors – Remuneration to Non - Executive Independent Directors* ", and "*Our Promoters and Promoter Group – Promoter - Trusts*" each on page 256, 257, and 270, respectively.

Our Directors may also be interested to the extent of Equity Shares, if any (together with dividends and other distributions in respect of such Equity Shares), held by them or held by their relatives or held by the entities in which they are associated as partners, or that may be subscribed by or allotted to them or the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer and any dividend, and other distributions payable in respect of such Equity Shares. Our Directors may also be deemed to be interested in our Company to the extent of transactions entered into by our Company with other companies where such Directors hold directorship and/or have shareholding. All our Non-Executive, Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and/or committees, the reimbursement of expenses payable to them, and commission as approved by our Board from time to time.

Further, certain of our Directors are also shareholders, members, directors and trustees of certain Promoter entities and Subsidiaries and may be deemed to be interested to the extent of the payments made by our Company to such Promoter Group entities and Subsidiaries, and the shareholding of such Promoter Group entities and Subsidiaries if any and dividends declared thereon. For the payments that are made by our Company to certain Promoter Group entities, please see the section titled "*Restated Consolidated Financial Information*" on page 279.

Except for the amount received by our Director, Vishal Kanodia pursuant to the assignment agreements between him and our Company for the assignment of the intellectual properties as disclosed under the *"Our Business – Intellectual Property*" section of the Draft Red Herring Prospectus on page 237, 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 our Directors except the normal remuneration for services rendered as a Director of our Company.

There is no material existing or anticipated transaction whereby any of our Directors will receive any portion of the proceeds from the Offer as on the date of this DRHP. Our Directors shall not participate in the Offer. For more information on the Selling Shareholders, see "*The Offer*" on page 79.

No sum or consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested, by any person, either to induce them to become, or to help them qualify as a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

Except for Vishal Kanodia, who is the Promoter of our Company, our Directors have no interest in the promotion or formation of the Company.

No loans have been availed by our Directors from our Company as on the date of this Draft Red Herring Prospectus.

None of our Directors have any interest in any property acquired or proposed to be acquired of our Company.

Except as stated in "*Offer Document Summary – Summary of Related Party Transactions*" on page 18 and "*Our Business*" on page 210, no amount or benefit has been paid or given within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given to any of our Directors.

None of our Directors have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery during the three years preceding the date of this Draft Red Herring Prospectus.

Except in the ordinary course of business and as disclosed in "*Restated Consolidated Financial Information – Note 42*" on page 339, our Directors do not have any other business interest in our Company.

Changes in our Board of Directors in the last three years

Name	Effective Date of Appointment/ Cessation	Reason
Anju Kumari	March 12, 2022	Appointed as Non - Executive Independent Director
Santosh Ramanuj Tiwari	March 12, 2022	Appointed as Non - Executive Independent Director
Sanjay Banthia	March 12, 2022	Appointed as Non - Executive Independent Director
Santosh Kumar	March 3, 2022	Cessation from directorship due to resignation under section 168 of Companies Act, 2013
Sandeep Kumar Khemka	March 3, 2022	Cessation from directorship due to resignation under section 168 of Companies Act, 2013
Sonia Mendiratta	September 30, 2023	Appointed as Non - Executive Independent Director
Sonia Mendiratta	May 22, 2024	Cessation from directorship due to resignation under section 168 of Companies Act, 2013
Preeti	July 27, 2024	Appointed as Non – Executive Independent Director
Roop Narain Maloo	June 28, 2024	Appointed as Chief Financial Officer and Executive Director*
Manoj Kedia	September 10, 2024	Cessation from directorship due to resignation under section 168 of Companies Act, 2013
Anju Kumari	July 29, 2023	Cessation from directorship due to resignation under section 168 of Companies Act, 2013

* *regularised as an Executive Director on July 27, 2024*

Borrowing powers of our Board of Directors

Pursuant to the provisions of the Companies Act, 2013 and the rules framed thereunder, and the resolution authorized by the Board and approved by the Shareholders dated August 3, 2021 and September 14, 2021, respectively, our Board is authorised to borrow from time to time in one or more tranches, any sum or sums of money which together with the money already borrowed by the Company (apart from the temporary loans obtained/to be obtained from the bankers of the Company in the ordinary course of business) may exceed the aggregate paid up capital of the Company and its free reserves, provided that the total amount so borrowed shall not at any point of time exceed ₹ 8,000 million.

Corporate Governance

The provisions of Companies Act, 2013 along with the SEBI Listing Regulations with respect to corporate governance will be applicable to us immediately upon the listing of the Equity Shares with the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, pertaining to the constitution of the Board and committees thereof and formulation and adoption of policies. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of SEBI Listing Regulations and the Companies Act, 2013.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations.

Committees of our Board of Directors

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

(a) Audit Committee;

(b) Nomination and Remuneration Committee;

(c) Stakeholders' Relationship Committee;

(d) Corporate Social Responsibility Committee; and

(e) Risk Management Committee

For purposes of the Offer, our Board has also constituted an IPO Committee

Audit Committee

The Audit Committee was constituted by way of resolution passed by our Board of Directors in its meeting held on March 30, 2015 and last reconstituted pursuant to resolution passed by our Board in its meetings held on May 23, 2022. Further, the terms of reference of the Audit Committee were modified pursuant to the resolution passed by the Audit Committee dated May 22, 2025. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations:

Name of Director	Position in the Committee	Designation
Santosh Ramanuj Tiwari	Chairperson	Independent Director
Sanjay Banthia	Member	Independent Director
Vishal Kanodia	Member	Chairman and Managing Director

1. Oversight of the entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. recommendation for appointment, remuneration and terms of appointment of auditors of the entity and review and monitor the auditor's independence, performance, and effectiveness of audit process;

3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. reviewing, with the management, the annual financial statements 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

    e) findings;

f) compliance with listing and other legal requirements relating to financial

g) statements;

h) disclosure of any related party transactions;

i) modified opinion(s) in the draft audit report;

5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the 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;

7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8. approval or any subsequent modification of transactions of the listed entity with related parties;

9. scrutiny of inter-corporate loans and investments;

10. valuation of undertakings or assets of the entity, wherever it is necessary;

11. evaluation of internal financial controls and risk management systems;

12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. discussion with internal auditors of any significant findings and follow up there on;

15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. 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;

17. 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;

18. to review the functioning of the whistle blower mechanism;

19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

21. To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore 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.

22. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The audit committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;

2. statement of significant related party transactions (as defined by the audit committee), submitted by management;

3. management letters / letters of internal control weaknesses issued by the statutory auditors;

4. internal audit reports relating to internal control weaknesses; and

5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

6. 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).

The Audit Committee shall be authorised to investigate any matter in relation to above term of reference and shall have power to:

1. To seek information from any employee.

2. To obtain outside legal or other professional advice.

3. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Company Secretary of our Company shall serve as the secretary of the Audit Committee.

The Audit Committee is required to meet at least four times a year under Regulation 18(2)(a) of the SEBI Listing Regulations. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

Nomination and Remuneration Committee

The NRC Committee was constituted pursuant to resolution passed by our Board in its meeting held on March 30, 2015 and last reconstituted pursuant to resolution passed by our Board in its meeting held on June 28, 2024. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations:

Name of Director	Position in the Committee	Designation
Sanjay Banthia	Chairperson	Independent Director
Santosh Ramanuj Tiwari	Member	Independent Director
Preeti	Member	Independent Director

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013, read with Regulation 19 of the SEBI Listing Regulations. Its terms of reference as stipulated pursuant to resolution passed by our Board in its meeting held on June 28, 2024 are set forth below:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

2. Formulating of criteria for evaluation of the performance of the independent directors and the Board;

3. Devising a policy on Board diversity;

4. Identifying persons who qualify to become directors or 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.

5. 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;

The Nomination and Remuneration Committee is required to meet at least once in a year under Regulation 19(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members of the committee, whichever is greater, including at least one independent director.

Stakeholders' Relationship Committeee

The Stakeholders' Relationship Committee was constituted pursuant to resolution passed by our Board in its meeting held on December 30, 2022 and last reconstituted pursuant to resolution passed by our Board in its meeting held on September 18, 2024. The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

The members of the Stakeholders' Relationship Committee are:

Name of Director	Position in the Committee	Designation
Sanjay Banthia	Chairperson	Independent Director
Vishal Kanodia	Member	Chairman and Managing Director
Saurabh Lohia	Member	Executive Director

The scope and function of the Stakeholders' Relationship Committee is in accordance with Regulation 20 of the SEBI Listing Regulations and its terms of reference as stipulated pursuant to resolution passed by our Board in its meeting held on September 18, 2024 are set forth below

1. To consider and resolve grievances of security holders of the Company, 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.;

2. To review of measures taken for effective exercise of voting rights by shareholders. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;

3. To consider and specifically look into various aspects of interest of shareholders, debenture holders and other security holders;

4. To investigate complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

5. To review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensure timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

6. To formulate procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

7. To approve, register, refuse to register transfer or transmission of shares and other securities and debentures, dematerialization of shares and re-materialization of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

8. To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;

9. To review allotment of secrurities and listing of securities;

10. To authorise affixation of common seal of the Company;

11. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;

12. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;

13. To dematerialize or rematerialize the issued shares;

14. To ensure proper and timely attendance and redressal of investor queries and grievances;

15. To carry out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and

16. To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

The Stakeholders' Relationship Committee is required to meet at least once in a year under Regulation 20(3A) of the SEBI Listing Regulations.

Corporate Social Responsibility Committee ("CSR Committee")

The CSR Committee was constituted pursuant to resolution passed by our Board in its meeting held on December 30, 2022 and last reconstituted pursuant to resolution passed by our Board in its meeting held on June 28, 2024. The scope and functions of the CSR Committee are in accordance with Section 135 of the Companies Act, 2013 and the SEBI Listing Regulations. The current constitution of the Corporate Social Responsibility Committee is as follows:

Name of Director	Position in the Committee	Designation
Santosh Ramanuj Tiwari	Chairperson	Independent Director
Vishal Kanodia	Member	Chairman and Managing Director
Roop Narain Maloo	Member	Executive Director and Chief Financial Officer

The terms of reference as stipulated pursuant to resolution passed by our Board in its meeting held on December 30, 2022 are set forth below:

1. To formulate and recommend to the Board of Directors, the CSR Policy, indicating the CSR activities to be undertaken as specified in Schedule VII of the Companies Act, 2013, as amended;

2. To formulate and recommend an annual action plan in pursuance of its Corporate Social Responsibility Policy which shall list the projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects;

3. To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

4. To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

5. To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

6. To recommend the amount of expenditure to be incurred on the CSR activities, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy;

7. To monitor the CSR Policy and its implementation by the Company from time to time;

8. To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, 2013, as amended and the rules framed thereunder.

Risk Management Committee

The Risk Management Committee was constituted at a meeting of our Board held on March 22, 2025.

Name of Director	Position in the Committee	Designation
Vishal Kanodia	Chairperson	Chairman and Managing Director
Roop Narain Maloo	Member	Executive Director and Chief Financial Officer
Preeti	Member	Independent Director

The scope and functions of the Risk Management Committee are in accordance with Regulation 21 of the SEBI Listing Regulations and its terms of reference as stipulated pursuant to a resolution dated March 22, 2025, passed by our Board are set forth below:

1. To review, assess, and formulate a detailed risk management policy which shall include:

   a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   b. Measures for risk mitigation including systems and processes for internal control of identified risks.

   c. Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. To monitor and oversee implementation of the risk management policy, in the adequacy of risk management systems;

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity and recommend for any amendment or modification thereof, as necessary;

5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee; and

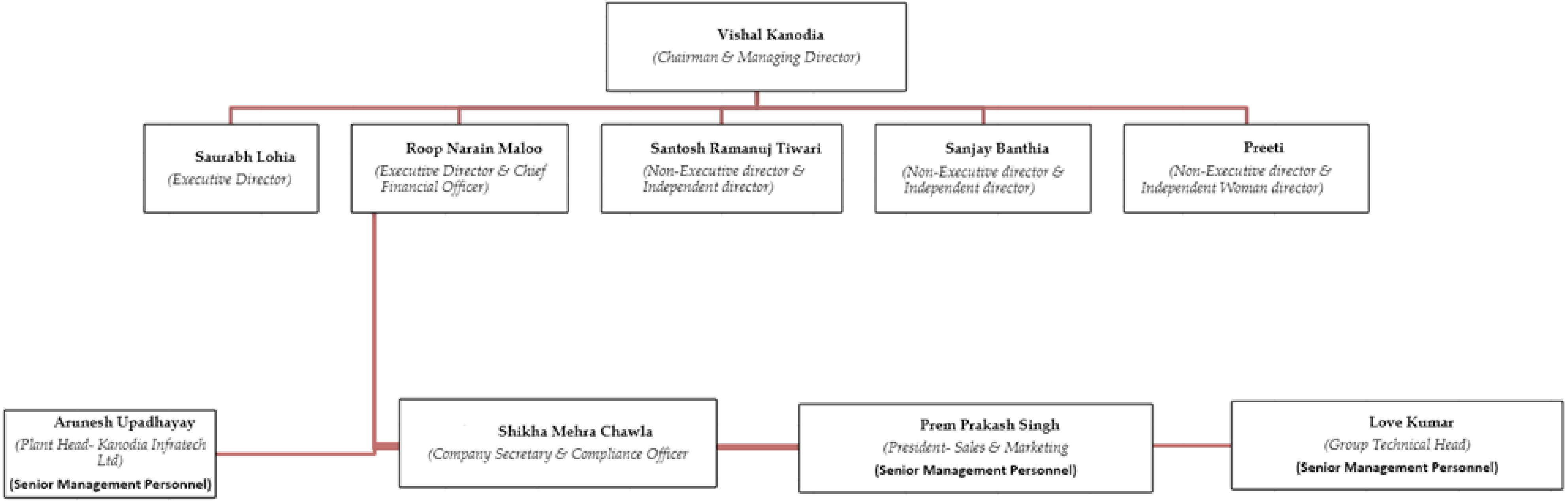
7. To implement and monitor policies and/or processes for ensuring cyber security;

8. To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board; and

9. Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the SEBI Listing Regulations.

The Risk Management Committee is required to meet at least twice in a year under Regulation 21(3A) of the SEBI Listing Regulations. The quorum for a meeting of the Risk Management Committee shall be two members or one third of the members of the committee, whichever is higher, including at least one member of the Board in attendance.

Management Organisation Chart



Key Managerial Personnel and Senior Management

Key Managerial Personnel

In addition to Vishal Kanodia, who is the Chairman and Managing Director and Roop Narain Maloo, who is the Chief Financial Officer and Executive Director of the Company, whose details are provided in "*Our Management – Brief Biographies of Directors*" on page 255, the details of the Key Managerial Personnel as of the date of this Draft Red Herring Prospectus are set forth below:

Shikha Mehra Chawla is the Company Secretary and Compliance Officer of our Company and has been associated with our Company since June 30, 2022. She holds a bachelor's degree in commerce from Delhi University and is a fellow member of Institute of Company Secretaries of India (ICSI) since February 2014. She is responsible for leading the secretarial functions and compliance of our Company. Prior to joining our Company, her previous stints were with NDTV Group and IM+ Capitals Limited (REPL Group), Globalca Business Solutions Private Limited and Vinayaka Finlease Private Limited. She has also written various articles on various secretarial/compliance related topics which were duly published with Taxguru. During Fiscal 2024, she received a remuneration of ₹ 0.45 million.

Senior Management

Except Roop Narain Maloo, who is the Chief Financial Officer and Executive Director of the Company and Shikha Mehra Chawla, Company Secretary and Compliance Officer of the Company who are also our Key Managerial Personnel and whose details are mentioned above, the details of our Senior Management as on the date of this Draft Red Herring Prospectus are as set forth below.

Prem Prakash Singh is the President – Sales and Marketing, of our Company and has been associated with the Company since August 19, 2019. He has passed the bachelor's degree in arts from Bayalsi University, Jaunpur. He has completed a workshop on Brand Marketing through a 'New Care' conducted by Jaiprakash Associated Limited. He was previously associated with Satna Cement Works. During Fiscal 2024, he received a remuneration of ₹ 0.54 million.

Love Kumar is the Group Technical Head of our Company and has been associated with the Company as a Mechanical Manager since July 10, 2015. He was later promoted to the post of Group Technical Head on July 1, 2024. He holds a diploma course in mechanical engineering from the Board of Technical Education, Lucknow, Uttar Pradesh. During Fiscal 2024, he received a remuneration of ₹ 1.52 million.

Arunesh Kumar is the Plant Head of our Subsidiary, Kanodia Infratech Limited and has been associated with the Company as a Manager E&I since October 1, 2019. He was later promoted to the post of Plant Head on June 1, 2022. He has passed the diploma in Electronics and Telecommunication Engineering from Janardan Rai Nagar Rajasthan Vidyapeeth University. He has received the National Trade Certificate in the trade of Electronic Mechanic from the National Council for Vocational Training, Ministry of Labour. He has previously worked with Hills Cement Company Limited, Kalyanpur Cements Limited, and Shriram Cement Limited. During Fiscal 2024, he received a remuneration of ₹ 0.77**.**

Relationship between Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and Senior Management are related to each other.

Arrangements or understandings with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel and Senior Management have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Payment or benefit to Key Managerial Personnel and Senior Management

Except for the amount received by our Director, Vishal Kanodia pursuant to the assignment agreements between him and our Company for the assignment of the trademark as disclosed under the '*Our Business*' section of the Draft Red Herring Prospectus on page 210, no amount or benefit has been paid or given to any of our officers, including Key Managerial Personnel and Senior Management within the two preceding years or is intended to be paid or given, as on the date of this Draft Red Herring Prospectus, except remuneration for services rendered as Directors, officers or employees of our Company.

Contingent and deferred compensation payable to our Key Managerial Personnel and Senior Management

Other than as disclosed in the section entitled "*– Key Managerial Personnel and Senior Management*" and "*Terms of appointment of our Executive Directors - Remuneration to Executive Directors*" beginning on pages 267 and 256, respectively, our Company has not paid any compensation or granted any benefit to any of our Key Managerial Personnel and Senior Management (including contingent or deferred compensation) in all capacities in Fiscal 2024. Further, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management which accrued in Fiscal 2024.

Status of Key Managerial Personnel and Senior Management

All our Key Managerial Personnel and Senior Management (other than Arunesh Kumar, being an employee of Kanodia Infratech Limtied) are permanent employees of our Company.

Shareholding of Key Managerial Personnel and Senior Management

Except for as stated under *"Capital Structure"* on page 94, none of our Key Managerial Personnel and Senior Management hold any Equity Shares in our Company.

Bonus or Profit-Sharing Plans of the Key Managerial Personnel and Senior Management

Our Company does not have any bonus or profit-sharing plan for our Key Managerial Personnel and Senior Management.

Interests of Key Managerial Personnel and Senior Management

Except as disclosed in the section entitled "*Our Management – Interests of Directors"* on page 258, none of our Key Managerial Personnel and Senior Management have any interest in our Company other than to the extent of their equity shareholding and employee stock options held by them in our Company, the remuneration 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.

Except for the amount received by our Director, Vishal Kanodia pursuant to the assignment agreements between him and our Company for the assignment of the intellectual properties as disclosed under the *"Our Business – Intellectual Property*" section of the Draft Red Herring Prospectus on page 237, none of our Key Managerial Personnel and Senior Management have been paid any consideration of any nature by our Company other than remuneration in the ordinary course of their employment.

Except for Vishal Kanodia, who is the Promoter of our Company, none of our Key Managerial Personnel and Senior Management are interested in the promotion or formation of our Company.

None of our Key Managerial Personnel and Senior Management have availed any loan from our Company.

Other than as disclosed in "*Terms of appointment of our Executive Directors*", "*Key Managerial Personnel and Senior Management"* on pages 256 and 267, our Company has not paid any compensation or granted any benefit to any of our Key Managerial Personnel and Senior Management (including contingent or deferred compensation) in all capacities in the Fiscal Year 2024.

Deferred or contingent compensation payable to Key Managerial Personnel and Senior Management

There is no deferred or contingent compensation payable to any of our Key Managerial Personnel and Senior Management for the Fiscal Year 2024.

Changes in the Key Managerial Personnel and Senior Management

The changes in Key Managerial Personnel (other than change in our Directors) and Senior Management in the three years preceding the date of this Draft Red Herring Prospectus is as follows:

Name	Designation	Date of change	Reason for change
Abhishek Saxena	Company Secretary & Compliance Officer	June 30, 2022	Cessation due to personal reasons
Shikha Mehra Chawla	Company Secretary & Compliance Officer	June 30, 2022	Appointment
Anup Kumar Singh	Chief Financial Officer	April 10, 2023	Cessation due to resignation
Satyaprakash Prasad	Chief Financial Officer	June 24, 2024	Cessation due to resignation
Satish Sharma	Chief Executive Officer	June 28, 2024	Appointment
Roop Narain Maloo	Chief Financial Officer	June 28, 2024	Appointment
Satish Sharma	Chief Executive Officer	October 7, 2024	Cessation due to resignation
Prem Prakash Singh	President, Sales and Marketing	May 22, 2025	Appointment
Love Kumar	Group Technical Head	May 22, 2025	Appointment
Arunesh Kumar	Plant Head, Kanodia Infratech Limited	May 22, 2025	Appointment

For details of change in the Directors of our Company, please see the section entitled "- *Changes in our Board of Directors in the last three years*" on page 259.

Service Contracts with Directors and Key Managerial Personnel and Senior Management

Other than the statutory benefits that the Key Managerial Personnel and Senior Management are entitled to, upon their retirement, Directors and the Key Managerial Personnel and Senior Management 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.

Our Company does not have a high attrition rate of Key Managerial Personnel and Senior Management as compared to the industry.

Particulars	Nine-months ended December 31, 2024	As of/for the year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Key Managerial Personnel				
Number of Key Managerial Personnel	4	5	5	5
Attrition Rate (Key Managerial Personnel)	66.67%	20.00%	20.00%	0.00%
Senior Management				
Number of Senior Management	Nil	Nil	Nil	Nil
Attrition Rate (Senior Management)	NA	NA	NA	NA

Employees Stock Options

For details of the employee stock option scheme implemented by our Company, see "***Capital Structure – Employee Stock Options Scheme of our Company***" on page 108.

Other Confirmations

As on the date of this DRHP, none of our Directors and Key Managerial Personnel have any conflict of interest with our suppliers/vendors and third-party service providers which are crucial for the operations of our Company. Further, none of our Directors and Key Managerial Personnel have any conflict of interest with the lessors of immovable properties which are crucial for the operations of our Company as on the date of this DRHP.

OUR PROMOTERS AND PROMOTER GROUP

Vishal Kanodia, Nupoor Kanodia Beneficiary Trust ("**Nupoor Kanodia Beneficiary Trust**") and Trish Kanodia Beneficiary Trust ("**Trish Kanodia Beneficiary Trust**") are the Promoters of our Company. As on the date of the Draft Red Herring Prospectus, our Promoters currently hold an aggregate of 61,776,457 Equity Shares, equivalent to 82.84% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For further details, please see the section entitled *"Capital Structure"* on page 94.

Individual Promoter

Vishal Kanodia

Vishal Kanodia (DIN: 00946204), aged 44 years, is the Promoter, and is also the Chairman and Managing Director of our Company. His date of birth is April 12, 1981 and he resides at H no.-187, Sector 15 -A, Noida, Gautam Buddha Nagar, Uttar Pradesh – 201301, India.

For the complete profile of Vishal Kanodia along with details of his educational qualification, experience in the business, positions/posts held in past, directorship, his business and financial activities, see "*Our Management – Brief biographies of our Directors*" on page 255.

Permanent account number: AKCPK2992F

As on date of this Draft Red Herring Prospectus, Vishal Kanodia holds 4,614,540 Equity Shares in our Company of face value ₹10 each, representing 6.19% of the issued, subscribed and paid-up Equity Share capital of our Company.

Our Company confirms that the permanent account number, bank account number, Aadhaar card number, driving license number and passport number of Vishal Kanodia, shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Promoter – Trusts

A. Nupoor Kanodia Beneficiary Trust

As on date of this Draft Red Herring Prospectus, Nupoor Kanodia Beneficiary Trust holds 27,201,717 Equity Shares in our Company of face value ₹10 each, representing 36.48% of the issued, subscribed and paid-up Equity Share capital of our Company.

a. Trust information

Nupoor Kanodia Beneficiary Trust was formed pursuant to a trust deed dated August 10, 2008, under the Indian Trust Act, 1882. The trust deed was subsequently amended pursuant to the deed of addendum dated September 13, 2018 and November 19, 2024. The principal office of the Nupoor Kanodia Beneficiary Trust is located at H.No. 187, Sector 15A, Noida - 201301**.** Its permanent account number is AABTN8877H.

b. Settlor and Trustees

The current trustees of Nupoor Kanodia Beneficiary Trust are Vishal Kanodia and Khushboo Kanodia. Further, please note that Vishal Kanodia is the Managing Trustee of the Nupoor Kanodia Beneficiary Trust.

The current settlor is Vishal Kanodia.

c. Beneficiaries

The primary beneficiary of Nupoor Kanodia Beneficiary Trust is Nupoor Kanodia.

d. Objects

The overall objective of the Nupoor Kanodia Beneficiary Trust is to meet financial needs of the beneficiary of the trust including education in foreign countries, medical expenses, expenses in relation to marriage and other social function, insurance premium.

B. ***Trish Kanodia Beneficiary Trust***

As on date of this Draft Red Herring Prospectus, Trish Kanodia Beneficiary Trust holds 29,960,200 Equity Shares in our Company of face value ₹10 each, representing 40.18% of the issued, subscribed and paid-up Equity Share capital of our Company

a. Trust information

Trish Kanodia Beneficiary Trust was formed pursuant to a trust deed dated January 7, 2014, under the Indian Trust Act, 1882. The trust deed was subsequently amended pursuant to the deed of addendum dated September 13, 2018 and November 19, 2024. The principal office of the Trish Kanodia Beneficiary Trust is located at H.No. 187, Sector 15A, Noida - 201301. Its permanent account number is AACTT7429A.

b. Settlor and Trustees

The current trustees of Trish Kanodia Beneficiary Trust are Vishal Kanodia and Khushboo Kanodia. Further, please note that Vishal Kanodia is the Managing Trustee of the Trish Kanodia Beneficiary Trust.

The current settlor is Vishal Kanodia.

c. Beneficiaries

The primary beneficiary of Trish Kanodia Beneficiary Trust is Trish Kanodia.

d. Objects

The overall objective of the Trish Kanodia Beneficiary Trust is to meet the financials needs of the beneficiary of the trust including education in foreign countries, medical expenses, expenses in relation to marriage and other social function, insurance premium.

Our Company confirms that the PAN and bank account number of Nupoor Kanodia Beneficiary Trust and Trish Kanodia Beneficiary Trust were submitted to the Stock Exchanges at the time of filing of the Draft Red Herring Prospectus.

Experience of the Promoters in the business of our Company

Our individual Promoter, Vishal Kanodia, has adequate experience in the business activities undertaken by our Company.

Change in the control of our Company

Except as disclosed below, there has been no change in control of our Company in the five years immediately preceding the date of the Draft Red Herring Prospectus.

Our Promoters, Nupoor Kanodia Beneficiary Trust and Trish Kanodia Beneficiary Trust acquired 3,018,020 equity shares and 2,996,020 equity shares of face value ₹100 each respectively, on January 15, 2021, pursuant to the Scheme of Amalgamation. For further details, please see the section "*History and Certain Other Corporate Matters*" on page 245 of this Draft Red Herring Prospectus.

Interests of our Promoters

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) of their shareholding and the shareholding of their relatives in our Company and the dividend payable, if any, and other distributions in respect of the Equity Shares held by them and their relatives; (iii) of being Directors and Key Management Personnel and the remuneration, benefits and reimbursement of expenses payable by our Company to them or their relatives; and (iv) that our Company has undertaken transactions with them, their relatives or entities in which our Promoters hold shares. For details regarding the shareholding of our Promoters and other interests in our Company, please see the sections entitled "*Capital Structure*", "*Our Management*" and "*Restated Consolidated Financial Information – Note 42*" on pages 94, 253 and 339, respectively.

Our Promoters have no interest in any property acquired in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to any of our Promoters or to any firm or company in which any of our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce any of our Promoters to become, or qualify them as a director, or promoter, or otherwise for services rendered by any our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Payment of benefits to our Promoters or our Promoter Group

Except as stated in "*Restated Consolidated Financial Information –Note 42*","*Our Management*" and "*Financial Information"* on pages 339, 253 and 279 respectively, no amount or benefit has been paid or given to our Promoters or members of our Promoter Group during the two years preceding the filing of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or members of our Promoter Group other than in the ordinary course of business.

Material Guarantee given by our Promoters with respect to the Equity Shares

Our Promoters have not given any material guarantee to any third party with respect to the Equity Shares, as on the date of this Draft Red Herring Prospectus.

Other ventures of our Promoters

Other than as disclosed in "*Our Management*" on page 253, our Promoters are not involved in any other ventures.

Confirmations

None of our Promoters have been declared as Wilful Defaulters. Our individual Promoter has not been declared as Fugitive Economic Offenders.

Our Promoters and members of our Promoter Group have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Individual Promoter, namely, Vishal Kanodia (also our Chairman and Managing Director), may be deemed to be interested to the extent of their remuneration/ fees and reimbursement of expenses, payable to them, if any. For further details, see "*Our Management –Board of Directors – Interests of Directors*" and *"Our Management – Interests of Key Managerial Personnel and Senior Management*" on pages 258 and 268.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is debarred from accessing capital markets under any order or direction passed by SEBI.

As on the date of this DRHP, there is no conflict of interest between the Promoters and Promoter Group and the lessors and the suppliers of raw materials and third-party service providers of our Company (who are crucial for the operations of our Company), except for M/S Kanodia Reality Private Limited (*formerly known as Sapnasudhansh Infosystem Private Limited*), member of the Promoter Group from whom we have leased the land for our Corporate Office.

Companies or Firms with which our Promoters have disassociated in the last three years

Except as disclosed below, our Promoters have not disassociated themselves from any company or firms in the three years immediately preceding the date of this Draft Red Herring Prospectus.

Our Promoter, Vishal Kanodia, has disassociated from Kanodia Team Private Limited and Kanodia Hi-tech Private Limited on October 9, 2023 and March 7, 2024 respectively due to his resignation as a Director.

Our Promoter Group

In addition to the Promoters named above, the following individual and entities form part of the Promoter Group of the Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations.

A. Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group (due to their relationship with our individual Promoter or whose shareholding is aggregated under the heading "*shareholding of the promoter group*"), other than our promoter are as follows:

Immediate relatives of our Promoters

Name of the Promoters	Name of the Individuals	Relationship
Vishal Kanodia	Khushboo Kanodia	Spouse of the promoter
	Manju Kanodia	Mother of the promoter

Name of the Promoters	Name of the Individuals	Relationship
	Gautam Kanodia	Brother of the promoter
	Pooja Poddar	Sister of the promoter
	Trish Kanodia	Son of the promoter
	Nupoor Kanodia	Daughter of the promoter
	Chiranjivi Lohia	Father of the spouse of the promoter
	Veena Devi	Mother of the spouse of the promoter
	Saurabh Lohia	Brother of the spouse of the promoter

B. Entities forming part of the Promoter group

The entities forming part of the Promoter group are as follows:

Sr. No.	Entities forming part of the Promoter group
1.	Building Paradise Private Limited
2.	Easy Cargo Solutions Private Limited
3.	Intelligence Game Private Limited
4.	Matra Finance Private Limited
5.	Kanodia Reality Private Limtied (*formerly Sapnasudhansh Infosystem Private Limited*)
6.	Fair Hygiene Private Limited
7.	Blossom Realcon Private Limited
8.	Hygiene Plus Limited (*formerly Hygiene Plus Private Limited*)
9.	Anadi Infotainment Private Limited
10.	LT Media Private Limited (*formerly Two Star Media Private Limited*)
11.	Affy Investment Private Limited
12.	Global Infocom Private Limited (*formerly Global Infocom Limited*)
13.	Real Value Agrotech Projects Private Limited
14.	Leoline Developers Private Limited
15.	Trends Advisory Private Limited
16.	Kanodia Hi-tech Private Limited
17.	Bigbull Infrabuild Private Limited
18.	Sunup Infra Reality Private Limited
19.	Sunup Build Private Limited
20.	Sunup Elements Private Limited
21.	Silverpearls Builders Private Limited
22.	Bigbull Real Estate Private Limited
23.	Ashok Foundation
24.	Aanaya Foundation
25.	Vishal Kanodia HUF
26.	Gautam Kanodia HUF
27.	Ashok Kanodia HUF

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term "group companies", includes (i) such companies (other than Promoter(s) and Subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed in the Offer Document(s) as covered under Ind AS 24, and (ii) other companies considered material by the Board.

Accordingly, for (i) above, a company shall be considered material and will be disclosed as a "group company" if the Company has entered into related party transactions with companies (other than the Promoters and Subsidiaries) as described under Ind AS 24 during any of the financial periods being included in the Offer Documents.

In respect of (ii) above, companies (other than the Promoter, Subsidiaries and companies categorised in (i) above) will be considered material and shall be disclosed as a "group company" in the Offer Documents if: (i) such company is a member of the promoter group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations; and (ii) the Company has entered into one or more transactions with such company during the last fiscal year and stub period, in respect of which restated consolidated financial information is included in the Offer Documents, which cumulatively exceeds 10% of the total revenue of the Company for such period derived from the restated consolidated financial information.

Further, any such company that was categorized as a subsidiary in the Restated Financial Statements and with which there were related party transactions during the periods covered in the Restated Financial Statements and which has ceased to be a subsidiary of the Company as on the date of adoption of the Materiality Policy shall be excluded from being categorized as a group company.

Accordingly, in terms of the Materiality Policy, our Board by way of its resolution dated March 22, 2025 has resolved that as on the date of this Draft Red Herring Prospectus, following are the Group Companies of our Company in terms of the SEBI ICDR Regulations:

1. Midpoint Commodeal Private Limited
2. Hygiene Plus Limited (formerly known as Hygiene Plus Private Limited)
3. Sunup Build Private Limited
4. Kanodia Reality Private Limited (formerly known as Sapnasudhansh Infosystem Private Limited)
5. Building Paradise Private Limited
6. Real Value Agrotech Projects Private Limited
7. Kanodia Hi-Tech Private Limited
8. Blossom Realcon Private Limited
9. Fair Hygiene Private Limited
10. Trends Advisory Private Limited
11. Kanodia Team Private Limited
12. Amaestro Media Private Limited
13. Leoline Developers Private Limited
14. Anadi Infotainment Private Limited
15. Sunup Infra Reality Private Limited
16. Easy Cargo Solutions Private Limited

A. Details of our Group Companies

1. Midpoint Commodeal Private Limited

   Registered Office
   Unit no 1, 11 Crooked Lane, Kolkata, West Bengal - 700069

2. Hygiene Plus Limited (formerly known as Hygiene Plus Private Limited)

Registered Office
Khata No. 297, Khet No. 417 K and 417 KH, Village Nagla Chamroo, Tehsil- Dadri, Gautam Buddha Nagar, Uttar Pradesh - 203207.

3. Sunup Build Private Limited

Registered Office
Plot Number 122, First Floor, Block-Q1, South City-II, Sector-49, Badshahpur, Gurgaon, Haryana - 122101

4. Kanodia Reality Private Limited (formerly known as Sapnasudhansh Infosystem Private Limited)

Registered Office
A-21 Sector 16, Gautam Buddha Nagar, Noida, Uttar Pradesh, India, 201301

5. Building Paradise Private Limited

Registered Office
2nd Floor, A-21, Sector 16, Gautam Buddha Nagar, Noida, Uttar Pradesh – 201301

6. Real Value Agrotech Projects Private Limited

Registered Office
Unit No. 1, 11 Crooked Lane, Kolkata, West Bengal, India - 700069

7. Kanodia Hi-Tech Private Limited

Registered Office
A-21, Sector 16, Gautam Buddha Nagar, Noida, Uttar Pradesh - 201301

8. Blossom Realcon Private Limited

Registered Office
166, Shahzada Bagh, Phase-II, Inder Lok, Delhi- 110035

9. Fair Hygiene Private Limited

Registered Office
T-8, Aditya Mega City, Vaibhav Khand, Indirapuram, Ghaziabad, Uttar Pradesh – 201010

10. Trends Advisory Private Limited

Registered Office
Unit No 1, Crooked Lane, Kolkata, West Bengal- 700069

11. *Kanodia Team Private Limited (formerly Neo HBM Private Limited)*

Registered Office
Cabin No. 1 & 2, Second Floor, A-21, Sector-16, Gautam Buddha Nagar, Noida, Uttar Pradesh, India - 201301

12. *Amaestro Media Private Limited*

Registered Office
Ashirwad Bhawan, Chandrma Nagar, Varanasi, Kandwa, Uttar Pradesh - 221006

13. Leoline Developers Private Limited

Registered Office
Unit no.1,11 Crooked Lane, Kolkata, West Bengal - 700069

14. Anadi Infotainment Private Limited

Registered Office
Ground floor, B&B Genesis, A-12/13, Noida Sector-16, Ghaziabad, Noida, Uttar Pradesh - 201301

15. Sunup Infra Reality Private Limited

Registered Office
Plot No -122, first floor, Block-Q1, South City -II, Sector-49, Badshahpur, Gurgaon, Badshahpur, Haryana, India, 122101

16. Easy Cargo Solutions Private Limited

Registered Office
2nd Floor, A-21, Sector-16, Gautam Buddha Nagar, Noida Sector 16, Uttar Pradesh, India, 201301.

In accordance with the SEBI ICDR Regulations, information with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit/(loss) after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, of our top five Group Companies determined on the basis of their annual turnover, based on their respective audited financial statements and management certified accounts for the preceding three years shall be hosted on the following websites:

S. No.	Top five Group Companies	Website
1.	Hygiene Plus Limited	https://www.kanodiacement.co.in/investor-contacts
2.	Kanodia Team Private Limited	https://www.kanodiacement.co.in/investor-contacts
3.	Building Paradise Private Limited	https://www.kanodiacement.co.in/investor-contacts
4.	Kanodia Reality Private Limited	https://www.kanodiacement.co.in/investor-contacts
5.	Midpoint Commodeal Private Limited	https://www.kanodiacement.co.in/investor-contacts

Our Company has provided links to such websites to comply with the requirements specified under the SEBI ICDR Regulations. Such financial information of the Group Companies provided on the websites given above does not constitute a part of this Draft Red Herring Prospectus.

Nature and extent of interest of Group Companies

In the promotion of our Company

Our Group Companies do not have any interest in the promotion of our Company.

In transactions for acquisition of land, construction of building, supply of machinery, etc.

Our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery, etc. For details in relation to our related party transactions as per the requirements under Ind AS 24, please see the section titled "*Restated Consolidated Financial Information – Note 42*" on page 339.

Interest in the property acquired or proposed to be acquired by the Company

Our Group Companies are not interested, directly or indirectly, in the properties acquired by our Company in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

Litigation involving our Group Companies which will have a material impact on our company

As on the date of this Draft Red Herring Prospectus, there is no pending litigation involving our Group Companies which will have a material impact on our Company.

Common pursuits between our Group Companies and our Company

None of our Group Companies are in the same line of business as our Company and our Subsidiaries and there are no common pursuits between our Group Companies and our Company and our Subsidiaries. However, we do not perceive any conflict of interest with our Group Companies and our Company ensures and adopts the necessary procedure and practices as permitted by laws and regulatory guidelines to address any instances of conflict of interest as and when they arise.

Related business transactions within the Group Companies and significance on the financial performance of our Company

Other than the transactions appearing in the section titled "*Restated Consolidated Financial Information – Note 42*" on page 339, there are no other related business transactions between the Group Companies and our Company.

Business interests or other interests

There are related party transactions between the Group Companies and our Company as appearing in the section titled "*Restated Consolidated Financial Information – Note 42*" on page 339. Other than the related party transactions, our Group Companies do not have any business interest or other interest in our Company.

Other confirmations

The equity shares of our Group Companies are not listed on any stock exchange. Our Group Companies has not made any public issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus.

Our Group Companies does not have any conflict of interest with our suppliers/vendors and third-party service providers which are crucial for the operations of our Company.

Further, our Group Companies does not have any conflict of interest with the lessors of immovable properties which are crucial for the operations of our Company.

DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable law, including the Companies Act. The dividend policy of our Company was adopted and approved by our Board in their meeting held on March 22, 2025.

The quantum of dividend, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements, contractual obligations, applicable legal restrictions and overall financial position of our Company.

Any future determination as to the declaration of and payment of dividend will be based on the recommendation of our Board, and will depend on a number of factors, such as (i) the inadequacy of profits or our Company has incurred losses; (ii) our Company undertakes or proposes to undertake any significant business, expansion, investment or acquisitions; (iii) significant working capital requirement affecting free cash flow; (iv) our Company proposes to utilise surplus cash for buy-back of securities or setting off of the previous year losses or losses of its Subsidiaries; or (v) the declaration of dividend is prohibited by any regulatory body. In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under the loan or financing documents, our Company is currently a party to or may enter into from time to time.

For more information on restrictive covenants under our loan agreements, see "*Financial Indebtedness*" beginning on page 398.

No dividend has been declared or paid by our Company during the last three Fiscals preceding the date of this Draft Red Herring Prospectus and for the nine months ended December 31, 2024, and for the period from January 1, 2025, until the date of this Draft Red Herring Prospectus.

There is no guarantee that any dividends will be declared or paid in the future. For more details, see "*Risk Factors – Our ability to pay dividends in the future will depend on our future earnings, cash flows, working capital requirements, capital expenditures, financial condition and restrictive covenants of our financing arrangements. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Company's shareholders consistent with our past practices, or at all.*" on page 65.

SECTION V: FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

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

Singhi & Co.
Chartered Accountants

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Sector 16, Noida 201301 (India)
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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors,
Kanodia Cement Limited
D-19 UPSIDC Land Industrial Area
Sikandrabad, Bulandshahr
Uttar Pradesh, India, 203205

Dear Sirs,

1. The Company proposes to make an initial public offering of its equity shares of face value of Rs. 10 each, which comprises of an offer for sale by certain existing shareholders of the Company at such premium arrived at by the book building process (referred to as the "Offer"), as may be decided by the Company's Board of Directors.

2. We, Singhi & Co., Chartered Accountants, have examined, the Restated Consolidated Financial Information of Kanodia Cement Limited (the "Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries are collectively referred to as the "Group"), comprising the Restated Consolidated Statement of Assets and Liabilities as at December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the nine months ended December 31, 2024, and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the summary statement of material accounting policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on March 22, 2025 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP"), prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

   a. section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act");

   b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"); and

   c. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

Management's Responsibility for the Restated Consolidated Financial Information

3. The Company's Management is responsible for the preparation of the Restated Consolidated Financial Information which have been approved by the Board of Directors for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India (the "SEBI"), BSE Limited and National Stock Exchange of India Limited ("NSE") (collectively, with BSE Limited, the "Stock Exchanges") in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the Management of the Company on the basis of preparation stated in Note 1.2 to the Restated Consolidated Financial Information. The responsibility of the respective Board of Directors of the companies included in the Group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the respective restated financial information, which have been used for the purpose of preparation of these Restated Consolidated Financial Information by the management of the Company, as aforesaid. The respective Board of Directors are also responsible for identifying and ensuring that the Company/Group complies with the Act, ICDR Regulations and the Guidance Note.

Auditors' Responsibilities

4. We have examined these Restated Consolidated Financial Information taking into consideration:

   a. the terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated December 17, 2024 in connection with the proposed IPO;

   b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and

   d. the requirements of Section 26 of the Act and the ICDR Regulations.

   Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

Restated Consolidated Financial Information

5. The Restated Consolidated Financial Information have been prepared by the management from:

   a) the audited special purpose interim consolidated financial statements of the Group for the nine month ended December 31, 2024 prepared in accordance with the Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under Section 133 of the Act and other accounting principles generally accepted in India ("Special Purpose Interim Consolidated Financial Statements") which have been approved by the Board of Directors at their meeting held on March 22, 2025.

   b) the audited consolidated financial statements of the Group as at and for the financial year ended March 31, 2024 prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (referred to as "Ind AS") specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on September 18, 2024;

   c) the audited special purpose consolidated financial statements for the financial years ended March 31, 2023 and March 31, 2022 prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (referred to as "Ind AS") specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on March 22, 2025 ("Special Purpose Consolidated Financial Statements").

6. For the purpose of our examination, we have relied:

   a) on auditors' report issued by us, dated March 22, 2025, on the Audited Special Purpose Interim Consolidated Financial Statements of the Group as at and for the nine months ended December 31, 2024 as referred in paragraph 5 above.

   b) on auditors' report issued by us, dated September 18, 2024, on the Audited Consolidated Financial Statements of the Group as at and for the financial year ended March 31, 2024 as referred in paragraph 5 above.

   c) on auditors' report issued by us, dated March 22, 2025, on the Special Purpose Consolidated Financial Statements of the Group as at and for the financial year ended March 31, 2023, as referred in paragraph 5 above. The financial information for the financial year ended March 31, 2023 included in special purpose consolidated financial statements as mentioned above, are based on the previously issued statutory consolidated financial statements prepared for the year ended March 31, 2023 audited and reported by us having issued a modified audit opinion vide audit report dated September 30, 2023. The financial information for the financial year ended March 31, 2023 included in special purpose consolidated financial statements as mentioned above have been prepared by making Ind AS adjustments and after rectifying the effect to the matters giving rise to modifications mentioned in paragraph 8(a) below to the statutory consolidated financial statements of the Group as at and for the financial year ended March 31, 2023, prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP").

d) on auditors' report issued by us, dated March 22, 2025, on the Special Purpose Consolidated Financial Statements of the Group as at and for the financial year ended March 31, 2022, as referred in paragraph 5 above. The financial information for the financial year ended March 31, 2022 included in special purpose consolidated financial statements as mentioned above, are based on the previously issued statutory consolidated financial statements prepared for the year ended March 31, 2022 by us having issued an unmodified audit opinion vide audit report dated September 29, 2022. The financial information for the financial year ended March 31, 2022 included in special purpose consolidated financial statements as mentioned above have been prepared by making Ind AS adjustments to the statutory consolidated financial statements of the Group as at and for the financial year ended March 31, 2022, prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP").

7. Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine month ended December 31, 2024;

b) have been prepared after rectifying the effect to the matter giving rise to modifications mentioned in paragraph 8(a) below and do not require any adjustments for the matter giving rise to modifications mentioned in paragraph 8(b). There is a certain Emphasis of Matter paragraph as mentioned in paragraph 9 below which do not require any corrective adjustments in the Restated Consolidated Financial Information. However, those qualifications / adverse remarks in the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act and reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) which do not require any corrective adjustments in the Restated Consolidated Financial Information have been disclosed in annexure VI to the Restated Consolidated Financial Information; and

c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8. The audit report on the statutory consolidated financial statements issued by us were modified and included following matters giving rise to modifications on the consolidated financial statements as at March 31, 2023 and for the year ended March 31, 2023:

a) The Group has not accounted for SGST subsidy income of Rs. 79.66 million under VAT Reimbursement – Bihar Industrial Incentive Policy 2011 as in opinion of the management, there is no certainty about its quantum and realization. This has consequent impact on the profit for the year and reserves and surplus as at the year end to the extent amount not accounted for. The Restated Consolidated Financial Information have been prepared after rectifying effect to the above matter giving rise to modification.

b) The Company has waived interest of Rs. 20.36 million on the loan granted to related parties. This has also impacted on the profit for the year and reserve and surplus as at the year end to the extent the amount waived off. The Restated Consolidated Financial Information do not require any adjustments for the above matter. (Refer Annexure VI to the Restated Consolidated Financial Information)

9.

a) The audit report on the statutory consolidated financial statements issued by us includes Emphasis of Matter paragraph on the consolidated financial statements as at March 31, 2024 and for the year ended March 31, 2024:

We draw attention to note no. 39A of the Ind AS consolidated financial statements regarding a case filed by a customer against a Subsidiary Company for alleged breach of contractual terms which has been disputed by the Subsidiary Company before the Hon'ble High Court of Delhi. Based on the Hon'ble High Court of Delhi instruction matter was referred for arbitration. Arbitrator has held the Subsidiary Company liable to pay principal sum of Rs. 498.39 million and interest thereon. The Subsidiary Company has challenged the aforesaid arbitration award before the Single Judge bench of the Hon'ble High Court which has been decided partly in the favor of the Subsidiary Company by set aside the award of Rs. 40.00 million. The Subsidiary Company has further challenged the matter before the Double bench of Hon'ble High Court of Delhi. The Double bench of Hon'ble High Court has granted stay on the operation of the award till the matter is finally disposed off by the Court. The Subsidiary Company has accounted for liability for principal amount aggregating Rs. 455.99 million (including Rs. 9.40 million towards arbitration costs) in earlier years. Principal amount of Rs. 11.80 million and interest of Rs. 819.92 million have not been accounted for and shown as contingent liability in the Ind AS Consolidated financial statements. The Subsidiary Company's legal counsel has given opinion that there are reasonable probabilities of favorable decision.

Our opinion is not qualified in respect of above matter.

b) The audit report on the statutory consolidated financial statements issued by us includes Emphasis of Matter paragraph on the consolidated financial statements as at March 31, 2023 and for the year ended March 31, 2023:

We draw attention to note no. 28 of the consolidated financial statements regarding a case filed by a customer against a Subsidiary Company for alleged breach of contractual terms which has been disputed by the Subsidiary Company before the Hon'ble High Court of Delhi. Based on the Hon'ble High Court of Delhi instruction matter was referred for arbitration. Arbitrator has held the Subsidiary Company liable to pay principal sum of Rs. 498.39 million and interest thereon. The Subsidiary Company has challenged the aforesaid arbitration award before the Single Judge bench of the Hon'ble High Court which has been decided partly in the favor of the Subsidiary Company by set aside the award of Rs. 40.00 million. The Subsidiary Company has further challenged the matter before the Double bench of Hon'ble High Court of Delhi. The Double bench of Hon'ble High Court has granted stay on the operation of the award till the matter is finally disposed off by the Court. The Subsidiary Company has accounted for liability for principal amount aggregating Rs. 455.99 million (including Rs. 9.40 million towards arbitration costs) in earlier years. Principal amount of Rs. 11.80 million and interest of Rs. 642.84 million have not been accounted for and shown as contingent liability in the consolidated financial statements. The Subsidiary Company's legal counsel has given opinion that there are high probabilities of favorable decision.

Our opinion is not qualified in respect of above matter.

c) The audit report on the statutory consolidated financial statements issued by us includes Emphasis of Matter paragraph on the consolidated financial statements as at March 31, 2022 and for the year ended March 31, 2022:

We draw attention to note no. 28.1 of the consolidated financial statements regarding a case filed by a customer against the Subsidiary Company for alleged breach of contractual terms which has been disputed by the Subsidiary Company before the Hon'ble High Court of Delhi. Based on the Hon'ble High Court of Delhi instruction matter was referred for arbitration. Arbitrator has held the Subsidiary Company liable to pay principal sum of Rs. 498.39 million and interest thereon. The Subsidiary Company has challenged the aforesaid arbitration award before the Single Judge bench of the Hon'ble High Court which has been decided partly in the favor of the Subsidiary Company by set aside the award of Rs. 40.00 million. The Subsidiary Company has further challenged the matter before the Double bench of Hon'ble High Court of Delhi. The Double bench of Hon'ble High Court has granted stay on the operation of the award till the matter is finally disposed off by the Court. The Subsidiary Company has accounted for liability for principal amount aggregating Rs. 455.99 million (including Rs. 9.40 million towards arbitration costs) in earlier years. Principal amount of Rs. 11.80 million and interest of Rs. 488.30 million have not been accounted for and shown as contingent liability in the consolidated financial statements. The Subsidiary Company's legal counsel has given opinion that there are high probabilities of favorable decision.

Our opinion is not qualified in respect of above matter.

10. As indicated in our audit report referred above:

a) we did not audit the financial statements for the financial year ended March 31, 2024 of Kanodia Cem Private Limited ('subsidiary'), whose share of total asset of Rs. 2,464.01 million, total revenue of Rs. 2,795.56 million, net cash outflows of Rs. 5.83 million included in the consolidated financial statements for the relevant year, which have been audited by other auditor, M/s. K Venkatachalam Aiyer & Co., and whose report has been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this component, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements is not modified in respect of this matter.

b) we did not audit the special purpose financial statements of Kanodia Cem Private Limited ('subsidiary'), whose share of total assets, total revenues, net cash outflows included in the consolidated financial statements for the relevant years is tabulated below, which have been audited by other auditor, M/s. K Venkatachalam Aiyer & Co., and whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this component, is based solely on the report of the other auditor:

Particulars	**As at/ for the nine-month ended December 31, 2024**	**As at/ for the year ended March 31, 2023**	**As at/ for the year ended March 31, 2022**
Total Assets	Rs. 2,902.26 million	Rs. 2,276.90 million	Rs. 2,045.10 million
Total Revenue	Rs. 2,076.46 million	Rs. 1,320.53 million	Rs. Nil
Net Cash Outflow	Rs. 2.23 million	Rs. 5.64 million	Rs. 107.83 million

Our opinion on the special purpose consolidated financial statements is not modified in respect of this matter.

The other auditor of the subsidiary, as mentioned above, has examined the restated financial information of that subsidiary and has confirmed that the restated financial information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine-month ended December 31, 2024;

b) do not contain any modification that require any adjustment;

c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

11. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial information mentioned in paragraph 5 above.

12. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

14. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, Stock Exchanges in connection with the proposed 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 Singhi & Co.
Chartered Accountants
Firm Reg. No.: 302049E

Bimal Kumar Sipani
Partner
Membership Number: 088926
UDIN: 25088926BMJHBX1081

Place: Noida (Delhi-NCR)
Date: March 22, 2025

Kanodia Cement Limited
CIN: U36912UP2009PLC037903
Annexure - I Restated Consolidated Statement of Assets and Liabilities
(All amounts in rupees millions, unless otherwise stated)

Particulars	Annexure VII Note	As at December 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Assets					
Non-current Assets					
Property, Plant and Equipment	3	3,514.42	3,394.55	3,434.36	1,731.15
Capital work-in-progress	3	1.76	7.81	1.18	1,661.60
Right of use Assets	4	28.65	29.00	29.46	29.92
Other Intangible Assets	3	0.28	0.23	0.25	0.06
Financial Assets					
(i) Investments	5	-	-	-	8.12
(ii) Loans	6	575.35	-	-	142.05
(iii) Other Financial Assets	7	305.77	305.58	184.97	132.43
Other Non-Current Assets	8	256.85	62.34	42.80	46.49
		4,683.08	**3,799.51**	**3,693.02**	**3,751.82**
Current Assets					
Inventories	9	409.54	322.77	261.37	94.11
Financial Assets					
(i) Investments	10	397.77	806.77	-	-
(ii) Trade Receivables	11	369.70	363.46	445.25	501.31
(iii) Cash and Cash Equivalents	12	299.67	18.78	65.53	38.39
(iv) Bank Balances other than (iii) above	13	70.59	10.33	9.99	4.50
(v) Other Financial Assets	14	410.44	333.92	80.91	116.87
Current Tax Assets (Net)	15	51.14	40.38	26.47	214.41
Other Current Assets	16	81.99	121.86	418.07	262.89
		2,090.84	**2,018.27**	**1,307.59**	**1,232.48**
Total Assets		**6,773.92**	**5,817.78**	**5,000.61**	**4,984.30**
Equity and Liabilities					
Equity					
Equity Share Capital	17	745.70	745.70	745.70	745.70
Other Equity	18	4,195.94	3,214.09	2,075.44	1,515.86
		4,941.64	**3,959.79**	**2,821.14**	**2,261.56**
Non-Controlling Interest		-	-	-	7.21
		4,941.64	**3,959.79**	**2,821.14**	**2,268.77**
Liabilities					
Non- current Liabilities					
Financial Liabilities					
(i) Borrowings	19	315.61	137.95	757.75	1,057.62
(ii) Lease Liabilities		0.32	0.35	0.32	0.29
(iii) Others Financial Liabilities	20	-	0.06	6.43	87.74
Provisions	21	4.06	2.27	1.56	2.53
Deferred Income	22	168.45	70.48	33.29	36.10
Deferred Tax Liabilities (Net)	23	266.16	249.25	234.79	158.75
		754.60	**460.36**	**1,034.14**	**1,343.03**
Current Liabilities					
Financial Liabilities					
(i) Borrowings	24	4.38	11.45	14.93	102.90
(ii) Lease Liabilities		0.01	0.01	0.01	0.01
(iii) Trade Payables	25				
Outstanding dues of Micro Enterprises & Small Enterprises		25.33	11.64	3.11	0.77
Outstanding dues other than Micro Enterprises & Small Enterprises		324.84	602.93	522.77	353.51
(iv) Other Financial Liabilities	26	82.62	103.00	96.00	274.20
Other Current Liabilities	27	600.09	630.28	508.07	545.75
Provisions	28	0.71	0.08	0.12	1.21
Current Tax Liabilities (Net)	29	39.70	38.24	0.32	94.15
		1,077.68	**1,397.63**	**1,145.33**	**1,372.50**
Total Equity and liabilities		**6,773.92**	**5,817.78**	**5,000.61**	**4,984.30**

The above statement should be read in conjunction with Material Accounting Policies to Restated Consolidated Financial Information in Annexure- V, Statement of Adjustments to Audited Consolidated Financial Statements in Annexure - VI and Notes to the Restated Consolidated Financial Information appearing in Annexure- VII.

As per our report of even date attached
For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

Bimal Kumar Sipani
Partner
M. No. 088926

Place: Noida
Date: March 22, 2025

For and on behalf of Board of Directors

Vishal Kanodia
Managing Director
DIN: 00946204

Saurabh Lohia
Director
DIN: 03087080

Shikha Mehra Chawla
Company Secretary

R.N. Maloo
Executive Director and Group CFO
DIN : 03495830

Kanodia Cement Limited
CIN: U36912UP2009PLC037903
Annexure II- Restated Consolidated Statement of Profit and loss
(All amounts in rupees millions, unless otherwise stated)

Particulars	Annexure VII Note	For the nine months ended December 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
I. Income					
Revenue from Operations	30	7,195.62	8,879.07	6,652.78	4,884.54
Other Income	31	122.30	122.09	38.13	45.98
Total Income (I)		**7,317.92**	**9,001.16**	**6,690.91**	**4,930.52**
II. Expenses					
Cost of Materials Consumed	32	5,095.27	6,011.28	4,288.85	3,053.57
Purchases of Stock-in-Trade		-	268.63	522.82	392.75
Change in Inventories of Work-in-progress	33	(26.21)	39.45	(44.27)	(9.42)
Employee Benefits Expense	34	154.61	153.13	118.57	68.32
Finance Costs	35	18.62	25.24	33.83	38.01
Depreciation and Amortization Expenses	36	120.01	157.66	160.16	104.43
Other Expenses	37	670.24	878.22	850.26	712.15
Total Expenses (II)		**6,032.54**	**7,533.61**	**5,930.22**	**4,359.81**
III. Restated Profit Before Exceptional Items and Tax (I-II)		**1,285.38**	**1,467.55**	**760.69**	**570.71**
IV. Exceptional Item	48	-	-	-	11.00
V. Restated Profit before tax (III-IV)		**1,285.38**	**1,467.55**	**760.69**	**559.71**
VI. Tax Expense:					
(1) Current Tax	23				
- Current period/year		285.44	313.51	129.25	120.68
- For earlier years		0.46	1.29	0.92	0.90
(2) Deferred Tax Charge/(Credit)	23	17.10	14.37	75.78	34.58
VII. Restated Profit for the period/year (V-VI)		**982.38**	**1,138.38**	**554.74**	**403.55**
VIII. Restated Other Comprehensive Income (OCI)					
(1) Items that will not be reclassified to profit & loss		(0.72)	0.36	1.00	0.75
Income Tax relating to above	23	0.19	(0.09)	(0.26)	(0.19)
(2) Items that will be reclassified to profit & loss		-	-	-	-
IX. Restated Total Comprehensive Income for the period/year (VII+VIII)		**981.85**	**1,138.65**	**555.48**	**404.11**
Restated Profit for the year attributable to:					
Owners of the Company		982.38	1,138.38	553.71	401.53
Non Controlling Interests		-	-	1.03	2.02
Restated Other Comprehensive Income for the period/year attributable to:					
Owners of the Company		(0.53)	0.27	0.74	0.55
Non Controlling Interests		-	-	-	0.01
Restated Total Comprehensive Income for the period/year attributable to:					
Owners of the Company		981.85	1,138.65	554.45	402.08
Non Controlling Interests		-	-	1.03	2.03
Earnings Per Equity Share (Per Share Value of Rs. 10 each)	38				
Basic (in Rs.)		**13.17**	**15.27**	**7.43**	**5.38**
Diluted (in Rs.)		**13.17**	**15.27**	**7.43**	**5.38**

The above statement should be read in conjunction with Material Accounting Policies to Restated Consolidated Financial Information in Annexure- V, Statement of Adjustments to Audited Consolidated Financial Statements in Annexure - VI and Notes to the Restated Consolidated Financial Information appearing in Annexure- VII.

As per our report of even date attached
For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

Bimal Kumar Sipani
Partner
M. No. 088926

Place: Noida
Date: March 22, 2025

For and on behalf of Board of Directors

Vishal Kanodia
Managing Director
DIN: 00946204

Saurabh Lohia
Director
DIN: 03087080

Shikha Mehra Chawla
Company Secretary

R.N. Maloo
Executive Director and Group CFO
DIN : 03495830

Annexure III - Restated Consolidated Statement of Changes in Equity
(All amounts in rupees millions, unless otherwise stated)

Particulars	Amount
(a) Equity Share Capital as at the beginning and end of the nine months / year :	
Balance as at March 31, 2024	745.70
Changes in equity share capital due to prior period errors	-
Restated balance as at April 01, 2024	745.70
Changes in equity share capital during the nine months	-
Balance as at December 31, 2024	**745.70**
Balance as at April 01, 2023	745.70
Changes in equity share capital due to prior period errors	-
Restated balance as at April 01, 2023	745.70
Changes in equity share capital during the year	-
Balance as at March 31, 2024	**745.70**
Balance as at April 01, 2022	745.70
Changes in equity share capital due to prior period errors	-
Restated balance as at April 01, 2022	745.70
Changes in equity share capital during the year	-
Balance as at March 31, 2023	**745.70**
Balance as at April 01, 2021	745.70
Changes in equity share capital due to prior period errors	-
Restated balance as at April 01, 2021	745.70
Changes in equity share capital during the year	-
Balance as at March 31, 2022	**745.70**

(b) Other equity

Particulars	Other Equity				Non-Controlling Interests
	Retained earnings	Security Premuim	Capital Reserve	Total	
Balance as at March 31, 2024	**2,051.18**	**1,205.13**	**(42.22)**	**3,214.09**	**-**
Profit for the nine months	982.38	-	-	982.38	-
Other Comprehensive Income for the nine months	(0.53)	-	-	(0.53)	-
Total Comprehensive Income for the nine months	**981.85**	**-**	**-**	**981.85**	**-**
Balance as at December 31, 2024	**3,033.03**	**1,205.13**	**(42.22)**	**4,195.94**	**-**
Balance as at April 1, 2023	**912.53**	**1,205.13**	**(42.22)**	**2,075.44**	**-**
Profit for the year	1,138.38	-	-	1,138.38	-
Other Comprehensive Income for the year	0.27	-	-	0.27	-
Total Comprehensive Income for the year	**1,138.65**	**-**	**-**	**1,138.65**	**-**
Balance as at March 31, 2024	**2,051.18**	**1,205.13**	**(42.22)**	**3,214.09**	**-**
Balance at April 1, 2022	**358.08**	**1,205.13**	**(47.35)**	**1,515.86**	7.21
Profit for the year	553.71	-	-	553.71	1.03
Other Comprehensive Income for the year	0.74	-	-	0.74	-
Total Comprehensive Income for the year	**554.45**	**-**	**-**	**554.45**	**1.03**
Transactions with owners in their capacity as owners:					
On account of Changes in proportion held by non-controlling interests	-	-	5.13	5.13	(8.24)
Balance as at March 31, 2023	**912.53**	**1,205.13**	**(42.22)**	**2,075.44**	**-**
Balance at April 1, 2021 as per IGAAP*	**(320.46)**	**1,205.13**	**-**	**884.67**	-
Impacts due to Ind AS Adjustments	(23.66)	-	-	(23.66)	-
Restated balance at the beginning of the year	**(344.12)**	**1,205.13**	**-**	**861.01**	**-**
Additions pursuant to acquisition of subsidiaries	300.12	-	(47.35)	252.77	5.18
Profit for the year	401.53	-	-	401.53	2.02
Other Comprehensive Income for the year	0.55	-	-	0.55	0.01
Total Comprehensive Income for the year	**402.08**	**-**	**-**	**402.08**	**2.03**
Balance as at March 31, 2022	**358.08**	**1,205.13**	**(47.35)**	**1,515.86**	**7.21**

*There are no changes in other equity due to prior period errors.

Retained Earnings: Retained earnings are accumulated profits earned by the Company and can be utilized in accordance with the provisions of the Companies Act, 2013.

Security Premium: Security premium represents amount of premium received on issue of shares to shareholders at a price more than its face value and can be utilized in accordance with the provisions of the Companies Act, 2013.

Capital Reserve: Capital Reserve represents the loss arised on the acquistion of subsidiaries by the Parent Company. It is the difference between net assets acquired in the subsidiaries and the consideration paid for the acquisition. This is not a free reserve.

The above statement should be read in conjunction with Material Accounting Policies to Restated Consolidated Financial Information in Annexure- V, Statement of Adjustments to Audited Consolidated Financial Statements in Annexure - VI and Notes to the Restated Consolidated Financial Information appearing in Annexure- VII.

As per our report of even date attached
For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

For and on behalf of Board of Directors

Bimal Kumar Sipani
Partner
M. No. 088926

Vishal Kanodia
Managing Director
DIN: 00946204

Saurabh Lohia
Director
DIN: 03087080

Shikha Mehra Chawla
Company Secretary

R.N. Maloo
Executive Director and Group CFO
DIN : 03495830

Place: Noida
Date: March 22, 2025

Kanodia Cement Limited
CIN: U36912UP2009PLC037903
Annexure IV-Restated Consolidated Statement of Cash Flows
(All amounts in rupees millions, unless otherwise stated)

Particulars	For the nine months ended December 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash Flow From Operating Activities				
Profit before Tax as per Statement of Profit & Loss	**1,285.38**	**1,467.55**	**760.69**	**559.71**
I. Adjusted For :				
Depreciation and Amortisation Expenses	120.01	157.66	160.16	104.43
Finance Costs	18.62	25.24	33.83	38.01
Interest Income	(58.22)	(28.47)	(27.36)	(36.32)
Waiver of Interest on loan given to others accounted under Ind AS	-	-	20.36	29.02
Exceptional Item (Refer note no. 48)	-	-	-	11.00
Dividend Income	-	-	(0.03)	(0.02)
Commission Income on Corporate Guarantee	(0.06)	(1.90)	(0.94)	(0.33)
Profit on Sale of Investments measured at FVTPL	(18.37)	(15.78)	(1.41)	(0.54)
Net Gain on Fair Value of Investments measured at FVTPL	(6.02)	(9.80)	-	(0.31)
Provison for Impairment in Investment	-	-	2.51	-
Provision for Expected Credit Losses/doubtful advances	1.14	(0.84)	(1.11)	(3.64)
Bad Debts	-	0.34	43.96	57.73
Advances written off	0.06	4.67	-	-
Corporate Guarantee expense	0.05	1.70	0.80	0.26
Amortisation of Deferred Income on UPFC Interest Free Loan	(13.95)	(10.45)	(6.54)	(4.22)
Income derived from fair value of loans and financial liability	-	(1.72)	(14.26)	(16.34)
Subsidy written off	-	-	9.48	-
Provision no longer required written back	-	-	(0.85)	(12.93)
Sundry balances written back	(4.47)	(10.23)	(0.92)	-
Fair Value reversal on Step acquistion of Subsidiary	-	-	-	0.44
Net loss on sales of property, plant and equipment	-	-	10.12	-
Operating Profit Before Working Capital Changes	**1,324.17**	**1,577.97**	**988.49**	**725.95**
II. Adjusted For :				
Trade and Other Receivables	(73.61)	187.51	107.94	(386.47)
Inventories	(86.77)	(61.40)	(167.27)	25.89
Trade and Other Payables	(273.92)	236.47	20.55	(19.49)
Cash Generated from Operation	**889.87**	**1,940.55**	**949.71**	**345.88**
Income Taxes Refund /(Paid)	(296.51)	(289.56)	(245.25)	(14.91)
Net Cash flow from Operating Activities (A)	**593.36**	**1,650.99**	**704.46**	**330.97**
B. Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment and Intangible Assets (including Capital Advance)	(450.67)	(150.81)	(410.17)	(1,023.77)
Proceeds from Sale of Property, Plant and Equipment	-	-	19.92	0.10
Investment made in Preference Shares	-	-	-	(5.01)
Payment made for purchase of shares of Subsidiaries	-	(4.99)	(3.11)	(63.07)
Proceeds from Sales of Non - Current Investments	-	-	7.01	0.32
Payment for purchase of Current Investments	(2,346.38)	(2,598.90)	-	-
Proceeds from sale of Current Investments	2,839.76	1,757.71	-	
Dividend received	-	-	0.03	0.02
Interest received	23.19	27.84	6.73	6.75
Loan given	(2,144.09)	(465.80)	(408.41)	(546.60)
Loan received back	1,568.74	465.80	550.47	797.05
Movement in Fixed Deposits	(63.87)	(124.67)	(50.85)	14.65
Net Cash flow in Investing Activities (B)	**(573.32)**	**(1,093.82)**	**(288.38)**	**(819.56)**

Annexure IV-Restated Consolidated Statement of Cash Flows
(All amounts in rupees millions, unless otherwise stated)

Particulars	For the nine months ended December 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
C. Cash Flow from Financing Activities				
Proceeds from Non Current Borrowings	353.69	452.96	887.54	469.61
Repayment of Non Current Borrowings	(82.91)	(1,036.78)	(1,174.86)	(365.05)
Proceeds/(Repayment) of Current Borrowings (net)	-	-	(88.64)	88.64
Payment of Lease Liabilities	(0.05)	-	-	(0.01)
Interest Paid	(9.88)	(20.10)	(12.98)	(18.95)
Net Cash flow from Financing Activities (C)	**260.85**	**(603.92)**	**(388.94)**	**174.24**
Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)	**280.89**	**(46.75)**	**27.14**	**(314.35)**
Cash And Cash Equivalents				
At the beginning of the year	18.78	65.53	38.39	227.44
Add: Cash And Cash Equivalents acquired pursuant to acquisition of subsidiaries	-	-	-	125.30
Closing				
At the year end	**299.67**	**18.78**	**65.53**	**38.39**
Components of Cash and Cash Equivalents:				
Cash on Hand	2.35	11.44	7.55	6.01
Balance with banks				
In current accounts	297.32	7.34	57.98	32.38
	299.67	**18.78**	**65.53**	**38.39**

Notes :

a) The above Restated Consolidated Statement of Cash Flows has been prepared under the “Indirect Method”as set out in Ind AS – 7 “Statement of Cash Flows”.

b) Movement of Liabilities covered under Financing Activities as per Ind AS - 7 is given in Note No 46.

c) The above statement should be read in conjunction with Material Accounting Policies to Restated Consolidated Financial Information in Annexure- V, Statement of Adjustments to Audited Consolidated Financial Statements in Annexure - VI and Notes to the Restated Consolidated Financial Information appearing in Annexure- VII.

As per our report of even date attached
For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

For and on behalf of Board of Directors

Bimal Kumar Sipani
Partner
M. No. 088926

Vishal Kanodia
Managing Director
DIN: 00946204

Saurabh Lohia
Director
DIN: 03087080

Shikha Mehra Chawla
Company Secretary

R.N. Maloo
Executive Director and Group CFO
DIN : 03495830

Place: Noida
Date: March 22, 2025

1. Reporting Entity

Kanodia cement Limited ('the Parent Company' or 'the Holding Company') is a public limited company domiciled and incorporated in India. The registered office of the Parent Company is at D-19 UPSIDC Land Industrial Area, Sikandrabad, Bulandshahr, Bulandshahr, Uttar Pradesh, India, 203205. The Parent Company and its subsidiaries, together referred to as "the Group" are principally engaged in the manufacturing of Cement in India.

1.1 Statement of Compliance

The restated consolidated financial information of Kanodia Cement Limited and its subsidiaries (the Company and its subsidiaries together referred to as the "Group") comprises the Restated Consolidated Statement of Asset and Liabilities as at December 31, 2024, March 31, 2023, March 31, 2022 and March 31, 2021, Restated Consolidated Statement of Profit and Loss (including other comprehensive income), Restated Consolidated Statement of Cash Flows and Restated Consolidated Statement of Changes in Equity for the period/years ended December 31, 2024, March 31, 2023, March 31, 2022 and March 31, 2021 and Material Accounting Policies and Other Explanatory Notes to Restated Consolidated Financial Statements (hereinafter referred to as 'Restated Consolidated Financial Information').

These restated consolidated financial information have been prepared by the Management of the Parent Company for the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP') to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), National Stock Exchange of India Limited and BSE Limited in connection with the proposed Initial Public Offering ("IPO") of its equity shares.

The restated consolidated financial information, which have been approved by the Board of Directors of the Company, have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective as at March 31, 2024 in accordance with the requirements of:

a. Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");
b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"); and
c. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

The Restated Consolidated Financial Statements of the Group have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to the consolidated financial statements and other relevant provisions of the Act.

1.2 Basis of preparation

These Restated Consolidated Financial Information have been compiled by the Management from:

a) the audited special purpose interim consolidated financial statements of the Group for the nine month ended December 31, 2024 prepared in accordance with the Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under Section 133 of the Act and other accounting principles generally accepted in India ("Special Purpose Interim Consolidated Financial Statements") which have been approved by the Board of Directors at their meeting held on March 22, 2025.
b) the audited consolidated financial statements of the Group as at and for the financial year ended March 31, 2024 prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (referred to as "Ind AS") specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on September 18, 2024;
c) the audited special purpose consolidated financial statements for the financial years ended March 31, 2023 and March 31, 2022 prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (referred to as "Ind AS") specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules,

2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on March 22, 2025 ("Special Purpose Consolidated Financial Statements").

For the purpose of the audited special purpose consolidated financial statements for the year ended March 31, 2022 of the Group, the transition date is considered as April 01, 2021 which is different from the transition date adopted by the Group at the time of first time transition to Ind AS (i.e. April 01, 2022) for the purpose of preparation of the Statutory Consolidated Ind AS Financial Statements as required under the Act. Accordingly, the Group has applied the same accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101, as applicable) as on April 01, 2021 for the Special Purpose Consolidated Ind AS Financial Statements, as initially adopted on transition date i.e. April 01, 2022.

The audited special purpose consolidated financial statements have been prepared solely for the purpose of preparation of Restated Consolidated Financial Information for inclusion in offer documents in relation to the proposed IPO, which requires financial statements of all the periods included, to be presented under Ind AS. As such, these Special Purpose Consolidated Financial Statements are not suitable for any other purpose other than for the purpose of preparation of the Restated Consolidated Financial Information and are also not financial statements prepared pursuant to any requirements under Section 129 of the Act.

Further, since the statutory date of transition to Ind AS is April 01, 2022, and that the Special Purpose Consolidated Ind AS Financial Statements for the year ended March 31, 2022 have been prepared considering a transition date of April 01, 2021, the closing balances of items included in the Special Purpose Balance Sheet as at March 31, 2022 may be different from the balances considered on the statutory date of transition to Ind AS on April 01, 2022, due to such early application of Ind AS principles with effect from April 01, 2021 as compared to the date of statutory transition.

The Company's Restated Consolidated Financial Information for the period/years ended December 31, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 were approved by the Board of Directors, in accordance with resolution passed on March 22, 2025.

1.3 Basis of Consolidation

Subsidiaries:

i. The Restated Consolidated Financial Information comprise the financial statements of the Parent and its subsidiaries for the period/years ended December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.

ii. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and can affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:
   a. Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee),
   b. Exposure, or rights, to variable returns from its involvement with the investee, and
   c. The ability to use its power over the investee to affect its returns.

   The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

iii. Generally, there is a presumption that a majority of voting rights results in control. To support this presumption, when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
   a. The contractual arrangement with the other vote holders of the investee,
   b. Rights arising from other contractual arrangements,
   c. The Group's voting rights and potential voting rights,
   d. The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders,
   e. Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time when decisions need to be made, including voting patterns at previous shareholders' meetings.

iv. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the Restated Consolidated Financial Information from the date the Group gains control until the date the Group ceases to control the subsidiary.

v. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., period/year ended on December 31/March 31.

vi. Restated Consolidated Financial Information are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the Restated Consolidated Financial Information for like transactions and events in similar circumstances, appropriate adjustments are made to that of the Group member's financial statements in preparing the Restated Consolidated Financial Information to ensure conformity with the Group's accounting policies.

vii. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity shareholders of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

viii. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:
   a. Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost,
   b. Derecognises the carrying amount of any non-controlling interest,
   c. Derecognises the cumulative translation differences recorded in equity,
   d. Recognises the fair value of the consideration received,
   e. Recognises the fair value of any investment retained, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture
   f. Recognises any surplus or deficit in the consolidated statement of profit and loss,
   g. Reclassifies the parent's share of components previously recognised in other comprehensive income (OCI) to the consolidated statement of profit and loss
   h. or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

ix. Consolidation procedure
   a. The Restated Consolidated Financial Information of the Company and its subsidiaries have been prepared in accordance with the Ind AS 110 "Consolidated Financial Statements", on a line-by-line basis.
   b. The carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary is eliminated. Business combination policy explains how any related goodwill is accounted.
   c. Intra-group balances and transactions including unrealised gains / loss from such transactions are eliminated in full. Deferred tax is recognised on any temporary difference that arise from the elimination of profits and losses resulting from intra-group transactions.

1.4 Business combinations

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

The pooling of interest method involves the following:

i. The assets and liabilities of the combining entities are reflected at their carrying amounts.
ii. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
iii. The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if a business combination had occurred after that date, the prior period information shall be restated only from that date.

The consideration for the business combination may consist of securities, cash or other assets. Securities are recorded at nominal value. In determining the value of the consideration, assets other than cash are considered at their fair values.
The identity of the reserves is preserved and are appearing in the Restated Consolidated Financial Information in the same form in which they appeared in the financial statements of the subsidiaries.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the subsidiaries is transferred to capital reserve and is presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

1.5 Basis of measurement

The Restated Consolidated Financial Information have been prepared on a historical cost basis except certain items that are measured at fair value as explained in accounting policies.
- Defined benefit obligation and plan assets
- Non-current borrowings initially recognised at Fair value and subsequently recognised at amortised cost.
- Investments are measured at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

These Restated Consolidated Financial Information are presented in Indian National Rupee ('₹'), which is the Parent Company's functional currency. All amounts have been rounded to the nearest ₹ millions, except when otherwise indicated.

1.6 Use of estimates and critical accounting judgements

In the preparation of Restated Consolidated Financial Information, the Group makes judgements in the application of accounting policies; and estimates and assumptions which affects carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment and its impairment, valuation of deferred tax assets, provisions and contingent liabilities, fair value measurements of financial instruments and retirement benefit obligations as disclosed below:

Useful lives of property, plant and equipment and Intangible Assets

The Group has estimated the useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

Impairment

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount to determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring the Group estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value.

Valuation of current tax and deferred tax assets
The tax jurisdiction for the Group is India. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of current and deferred taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances. The Group reviews the carrying amount of deferred tax balances at the end of each reporting period.

Provisions and contingent liabilities
A provision is recognised when the Group has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liability may arise from the ordinary course of business in relation to claims against the Group. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events. Contingent liabilities are not recognised in the Restated Consolidated Financial Information.

Fair value measurements of financial instruments
When the fair value of financial assets and financial liabilities recorded in the consolidated balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow Model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair value. Judgements include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Retirement benefit obligations
The Group's retirement benefit obligations are subject to number of assumptions including discount rates, inflation and salary growth. Significant assumptions are required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Group's consolidated balance sheet and the consolidated statement of profit and loss. The Group sets these assumptions based on previous experience and third-party actuarial advice.

2. Summary of material accounting policies

The material accounting policies applied by the Group in the preparation of its Restated Consolidated Financial Information are listed below. Such accounting policies have been applied consistently to all the periods presented in these Restated Consolidated Financial Information, unless otherwise indicated.

a) Operating cycle and current versus non-current classification

Based on the nature of goods manufactured and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.
An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities respectively.

b) Property, plant, and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2021 measured as per the previous Generally Accepted Accounting Principles (GAAP). Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs and incidental expenses incurred during the period of construction are capitalised up to the date when the assets are ready for intended use.

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is derecognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognised in the consolidated statement of profit and loss.

c) Intangible assets

Intangible assets are stated at cost of acquisition or construction less accumulated amortisation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of intangible assets recognised as at 1st April, 2021 measured as per the previous Generally Accepted Accounting Principles (GAAP). Intangible assets subsequently purchased are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

d) Capital work-in-progress

Capital work-in-progress representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

e) Depreciation and amortisation of property, plant and equipment and intangible assets

Depreciation is calculated on Straight Line Method using the rates arrived at based on the estimated useful lives given in Schedule II of the Companies Act, 2013.

Depreciation on all assets commences from the dates the assets are available for their intended use and are spread over their estimated useful economic lives. The estimated useful lives of assets and residual values are reviewed at each reporting date and, when necessary, are revised.

Assets value up to ₹5,000 are fully depreciated in the year of acquisition.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use.

f) Borrowing and Borrowing Costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Statement of profit and loss over the period of the borrowings using the effective interest method. Borrowings are derecognised from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a borrowings that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Consolidated Statement of profit and loss as other gains/(losses). Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Ancillary costs incurred in connection with the arrangement of borrowings are adjusted with the proceeds of the borrowings.

g) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the consolidated statement of profit and loss.

For assets an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

h) Inventories

Inventories are valued as follows:

Raw materials and stores and spares - Lower of cost and net realisable value. Cost is determined on a FIFO basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition. Materials and other items held for use in the production of inventories are not written down below costs, if finished goods in which they will be incorporated are expected to be sold at or above cost.

Work-in-progress and finished goods - Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

Provision for obsolete/ old inventories is made, wherever required.

i) Revenue Recognition

The Group recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customers. This is achieved when;

- effective control of goods along with significant risks and rewards of ownership has been transferred to customers;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue represents net value of goods sold to customers after deducting for certain incentives including, but not limited to discounts, volume rebates, etc. For incentives offered to customers, the Group makes estimates related customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The actual amounts may differ from these estimates and are accounted for prospectively.

Revenue are net of Goods and Service Tax. No element of significant financing is present as the sales are made with a credit term, which is consistent with market practice.

Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

j) Foreign currencies

The Group’s financial statements are presented in Indian Rupees, which is also its functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rate of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

k) Income Taxes

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted in India, at the reporting date.

Current tax relating to items recognised outside the consolidated statement of profit and loss is recognised outside the consolidated statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax liabilities are generally recognised for all the taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the consolidated statement of profit and loss is recognised outside the consolidated statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

l) Employee benefit

Short-term benefits
Short-term employee benefits are expensed in the year in which the related services are provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans
Retirement benefit in the form of provident fund is defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Defined benefits plans
The Group operates a defined benefit gratuity plan in India. Gratuity is a defined benefit obligation.
The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method at each reporting date. In respect of post-retirement benefit re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the consolidated statement of profit and loss in subsequent periods.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

Other long-term benefits
Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date. Actuarial gains/ losses on the compensated absences are immediately taken to the statement of profit and loss and are not deferred. The obligation is measured on the basis of independent actuarial valuation using project unit credit method at each reporting date.

m) Provisions, contingent liabilities and contingent assets
Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events but is not recognised because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Group discloses the existence of contingent liabilities in other notes to the Restated Consolidated Financial Information.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent assets are not recognised. However, when an inflow of economic benefits is probable, related assets are disclosed.

n) Earnings per share
Basic earnings per equity share is computed by dividing net profit or loss for the year attributable to the equity shareholders of the Parent Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all periods presented is adjusted for events, such as bonus shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

o) Cash and cash equivalents
Cash and cash equivalent comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

p) Fair value measurement
In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general

approximation of value, and such value may never actually be realized. For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices /net asset value (unadjusted) in active markets for identical assets or liabilities that the group can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

q) Government grant

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants related to income under State Investment Promotion Scheme linked with Goods & Services Tax (GST) payment, are recognised in the Consolidated Statement of Profit and Loss on the event they become receivable.

When loans are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Government grants that compensate the Group for expenses incurred are recognised in the Statement of Profit and Loss, as income or deduction from the relevant expense, on a systematic basis in the periods in which the expense is recognised.

r) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting done to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the Parent Company in a single operating segment and geographical segment.

s) Group as a lessee

The Group assesses if a contract is or contains a lease at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period time in exchange for consideration.
The Group recognizes a right-of-use asset and a lease liability at the commencement date, except for short-term leases of twelve months or less and leases for which the underlying asset is of low value, which are expensed in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term.

t) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instruments. Financial instruments (except trade receivables) are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 115 for pricing adjustments embedded in the contract.

Subsequent measurement
Subsequent measurement of financial assets and financial liabilities is described below:

Non-derivative financial assets
i. Financial assets carried at amortised cost
A financial asset is measured at the amortised cost, if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. Financial assets at fair value through Profit & Loss (FVTPL)
Financial assets, which does not meet the criteria for categorization as at amortized cost or as FVOCI, are classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit & Loss.

Impairment of financial assets
Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Group recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.
The Group’s trade receivables do not contain a significant financing component and as per simplified approach, loss allowances on trade receivables are measured using provision matrix at an amount equal to lifetime expected losses i.e. expected cash shortfall.
The impairment losses and reversals are recognised in the Consolidated Statement of Profit and Loss.

De-recognition of financial assets: A financial asset is primarily de-recognised when the contractual rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities
Subsequent measurement: Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities: A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

Offsetting of financial instruments: Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

u) Standards issued but not yet effective
Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the nine months period ended December 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

(All amounts in rupees millions, unless otherwise stated)

Summarized below are the restatement adjustments made to the Audited Consolidated Financial Statements for the year ended March 31, 2024 and Audited Special Purpose Consolidated Financial Statements for nine months ended December 31, 2024 and financial years ended, March 31, 2023 and March 31, 2022 and their impact on equity and the profit/loss of the Group.

Part A: Statement of Adjustments to the Consolidated Financial Statements

Reconciliation between audited equity and restated equity

Partciulars	As at Decemeber 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Total Equity as per Audited Consolidated Financial Statements (under Indian IGAAP)				2,260.62
Ind AS adjustments				0.94
Total Equity as per Audited Consolidated Financial Statements (under Ind AS)	**4,941.64**	**3,959.79**	**2,821.14**	**2,261.56**
Material restatement adjustments:				
(i) Audit qualifications	-	-	-	-
(ii) Adjustments due to prior period items/other adjustment	-	-	-	-
(iii) Change in accounting policies	-	-	-	-
Total Impact of adjustments (i+ii+iii)	**-**	**-**	**-**	**-**
Total Equity as per Restated Consolidated Financial Information	**4,941.64**	**3,959.79**	**2,821.14**	**2,261.56**

Reconciliation between audited profit /(loss) after tax and restated profit/ (loss) after tax

Partciulars	For the nine months year ended December 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit after tax as per Audited Consolidated Financial Statements	982.38	1,138.38	554.74	403.55
Material restatement adjustments:				
(i) Audit qualifications	-	-	-	-
(ii) Adjustments due to prior period items/other adjustment	-	-	-	-
(iii) Change in accounting policies	-	-	-	-
Total Impact of adjustments (i+ii+iii)	**-**	**-**	**-**	**-**
Restated Profit after tax as per Restated Consolidated Financial Information	**982.38**	**1,138.38**	**554.74**	**403.55**

Note to adjustment:
i) Audit qualifications
There are no audit qualification in the audit report for the year ended March 31, 2024 which require any adjustments.
The audit report on the statutory consolidated financial statements were modified and included following matters giving rise to modifications on the consolidated financial statements as at March 31, 2023 and for the year ended March 31, 2023:

The Group has not accounted for SGST subsidy income of Rs. 79.66 millions under VAT Reimbursement – Bihar Industrial Incentive Policy 2011 as in opinion of the management, there is no certainty about its quantum and realization. This has consequent impact on the profit for the year and reserves and surplus as at the year end to the extent amount not accounted for. The financial information for the financial year ended March 31, 2023 included in special purpose consolidated financial statements as mentioned above have been prepared after rectifying the effect to the above matter, therefore, The Restated Consolidated Financial Information have been prepared after giving effect to the above matter.

Additionally, the audit reports issued on the separate statutory financial statements of the Comany and Kanodia Infratech Limited, subsidiary of the Company were also modified and as at and included following matters giving rise to modifications on the separate statutory financial statements for the years ended March 31, 2023 and March 31, 2022:

a) Kanodia Cement Limited
For the year ended March 31, 2023
The Company has waived interest of Rs. 83.41 millions on loan granted to M/s Kanodia Cem Private Limited (wholly owned subsidiary company) and other related parties which is not in compliance with Section 186 of the Companies Act, 2013. This has also impact on the profit for the year and reserve and surplus as at the year end to the extent amount waived off.
The above transaction related to M/s Kanodia Cem Private Limited has been eliminated in preparation of the Restated Consolidated Financial Information.
The Restated Consolidated Financial Information do not require any adjustments for the balance amount as the interest has been waived off.

For the year ended March 31, 2022
Nil

b) Kanodia Infratech Limited
For the year ended March 31, 2023
I) The Company has not accounted for SGST subsidy income of Rs. 79.66 millions under VAT Reimbursement – Bihar Industrial Incentive Policy 2011 as in opinion of the management, there is no certainty about its quantum and realization. This has consequent impact on the profit for the year and reserves and surplus as at the year end to the extent amount not accounted for. The Restated Consolidated Financial Information have been prepared after giving effect to the above matter giving rise to modification.

II) The Company has waived interest of Rs. 38.57 millions on loan granted to M/s Kanodia Cem Private Limited (fellow subsidiary company) and M/s Kanodia Cement Limited (Holding Company) which is not in compliance with section 186 of the Companies Act, 2013. This has also impact on the profit for the year and reserve and surplus as at the year end to the extent amount waived off. The above transactions have been eliminated in preparation of the Restated Consolidated Financial Information.

For the year ended March 31, 2022

Nil

ii) Material regrouping/ reclassification- Appropriate regrouping/ reclassifiacation have been made in the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss and restated consolidated statement of cash flows, wherever required, by reclassification of corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Audited Special Purpose Consolidated Financial Statements for the nine months period ended December 31, 2024, prepared in accordance with Schedule- III (Division-II) of the Act, as amended, requirements of IND AS 1-'Preparation of financial statements' and other applicable IND AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

Part B : Non Adjusting Items

There are no audit qualification in the audit report for the year ended March 31, 2024 which require any adjustments.

The audit report on the statutory consolidated financial statements were modified and included following matters giving rise to modifications on the consolidated financial statements as at March 31, 2023 and for the year ended March 31, 2023:

a) The Company has waived interest of Rs. 20.36 millions on the loan granted to related parties which is not in compliance with Section 186 of the Companies Act, 2013. This has also impact on the profit for the year and reserve and surplus as at the yearend to the extent amount waived off. The Restated Consolidated Financial Information do not require any adjustments for the above matter as the interest has been waived off.

The Group has granted intra group loans (within the group) and inter corporate loans to other related body corporates, carrying interest 8.25% per annum as per the loan agreement between respective lenders and respective borrowers in compliance with section 185 and 186 of the Companies Act, 2013. However, at the end of the years ended March 31, 2022 and March 31, 2023, at the request of the borrowers and on the basis of commercial expediency, the Group unconditionally and irrevocably, waived off the right to recover interest accrued during the respective financial years on these loans. Further, non-recovery of the interest does not contravene any applicable accounting standards. The waiver was appropriately accounted for in the special purpose consolidated financial statements and also disclosed appropriately, and there is no breach of the principles set out in the accounting framework. The accounting for waiver of interest is not leading to any misstatement of the financial statements on account of any classification, presentation, or disclosure as per the applicable accounting framework/standards. Given the unconditional nature of the waiver this do not require any adjustment in the restated financials for the recovery of interest.

a) Emphasis of Matter in Auditor's Report

Emphasis of Matter included in Audtior's Report on the separate statutory financial statements of Kanodia Infratech Limited, subsidiary of the Company as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 have also been reproduced below:

For the year ended March 31, 2024

We draw attention to note no. 34 of the Ind AS financial statements regarding a case filed by a customer against the Company for alleged breach of contractual terms which has been disputed by the Company before the Hon’ble High Court of Delhi. Based on the Hon’ble High Court of Delhi instruction matter was referred for arbitration. Arbitrator has held the Company liable to pay principal sum of Rs. 498.39 millions and interest thereon. The Company has challenged the aforesaid arbitration award before the Single Judge bench of the Hon’ble High Court which has been decided partly in the favour of the Company by set aside the award of Rs. 40.00 millions. The Company has further challenged the matter before the Double bench of Hon’ble High Court of Delhi. The Double bench of Hon’ble High Court has granted stay on the operation of the award till the matter is finally disposed off by the Court. The Company has accounted for liability for principal amount aggregating Rs. 455.99 millions (including Rs. 9.40 millions towards arbitration costs) in earlier years. Principal amount of Rs. 11.80 millions and interest of Rs. 819.92 millions have not been accounted for and shown as contingent liability in the Ind AS financial statements. The Company’s legal counsel has given opinion that there are reasonable probabilities of favorable decision.

Our opinion is not qualified in respect of above matter.

For the year ended March 31, 2023

We draw attention to note no. 27.1 of the financial statements regarding a case filed by a customer against the Company for alleged breach of contractual terms which has been disputed by the Company before the Hon’ble High Court of Delhi. Based on the Hon’ble High Court of Delhi instruction matter was referred for arbitration. Arbitrator has held the Company liable to pay principal sum of Rs. 498.39 millions and interest thereon. The Company has challenged the aforesaid arbitration award before the Single Judge bench of the Hon’ble High Court which has been decided partly in the favour of the Company by set aside the award of Rs. 40.00 millions. The Company has further challenged the matter before the Double bench of Hon’ble High Court of Delhi. The Double bench of Hon’ble High Court has granted stay on the operation of the award till the matter is finally disposed off by the Court. The Company has accounted for liability for principal amount aggregating Rs. 455.99 millions (including Rs. 9.40 millions towards arbitration costs) in earlier years. Principal amount of Rs. 11.80 millions and interest of Rs. 642.84 millions have not been accounted for and shown as contingent liability in the financial statements. The Company’s legal counsel has given opinion that there are high probabilities of favorable decision.

Our opinion is not qualified in respect of above matter.

For the year ended March 31, 2022

We draw attention to note no. 27.1 of the financial statements regarding a case filed by a customer against the Company for alleged breach of contractual terms which has been disputed by the Company before the Hon’ble High Court of Delhi. Based on the Hon’ble High Court of Delhi instruction matter was referred for arbitration. Arbitrator has held the Company liable to pay principal sum of ₹ 498.39 millions and interest thereon. The Company has challenged the aforesaid arbitration award before the Single Judge bench of the Hon’ble High Court which has been decided partly in the favour of the Company by set aside the award of ₹ 40.00 millions. The Company has further challenged the matter before the Double bench of Hon’ble High Court of Delhi. The Double bench of Hon’ble High Court has granted stay on the operation of the award till the matter is finally disposed off by the Court. The Company has accounted for liability for principal amount aggregating ₹ 455.99 millions (including ₹ 9.40 millions towards arbitration costs) in earlier years. Principal amount of ₹ 11.80 millions and interest of ₹ 488.30 millions have not been accounted for and shown as contingent liability in the financial statements. The Company’s legal counsel has given opinion that there are high probabilities of favorable decision.

Our opinion is not qualified in respect of above matter.

b) Auditor's Comments in Annexure to Auditors' Report

A) Certain statements/comments included in the CARO on the standalone financial statements of the Holding Company for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 which do not require any adjustments in the Restated Consolidated Financial Information are reproduced below.

Additionally, the statements/comments in the CARO issued on the separate statutory financial statements of Kanodia Infratech Limited and Kanodia Cem Private Limited, subsidiaries of the Company as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 have also been reproduced below:

i) Kanodia Cement Limited

Annexure to Auditor's Report for the year ended March 31, 2024

Clause (i)(a)(A) of CARO, 2020 Order

The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment in cases of old assets where the same is in process of updation.

Clause (i)(b) of CARO, 2020 Order

As represented us, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years, which in our opinion, is at reasonable intervals having regard to the size of the Company and nature of its property, plant and equipment. In accordance with this programme, property, plant and equipment were physically verified during the year for which reconciliations with records is under process. As informed to us, the discrepancies on such physical verification would not be material.

Clause (i)(c) of CARO, 2020 Order

Based on the records examined by us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the Ind AS standalone financial statements are held in the name of the Company except the followings:

Description of property	Gross carrying value (Rs. million)	Held in the name of	Whether promoter, director or their relative or employee	Period held (i.e., dates of capitalisation provided in range)	Reason for not being held in the name of the Company
Leasehold Land	7.17	Bluestar Cement Limited	No	January 13, 2021	These immovable properties acquired from erstwhile companies that were amalgamated with the company pursuant to National Company Law Tribunal Order dated January 13, 2021. The name change in the favor of company is pending.
	20.79	Durgashree Brick Private Limited	No	January 13, 2021	
Freehold Land	15.29	Durgashree Brick	No		
	28.40	Rinam Trading Private Limited through Saurabh Lohia	Yes		
	2.50	Maharaja Retailers Pvt. Limited	No		

Annexure to Auditor's Report for the year ended March 31, 2023

Clause (i)(a)(A) of CARO, 2020 Order

The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment except in cases of certain assets where the same is in process of updation.

Clause (i)(b) of CARO, 2020 Order

As represented us, the Company has a regular program of physical verification of its property, plant and equipment by which they are verified in a phased manner over a period of three years which is reasonable having regard to the size of the Company and their nature. However, no physical verification of property, plant, and equipment, as per program, were conducted during the year.

Clause (i)(c) of CARO, 2020 Order

Based on the records examined by us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) and included in property, plant & equipment [note no. 11 to the standalone financial statements] are held in the name of the Company except the followings:

Description of property	Gross carrying value (Rs. million)	Held in the name of	Whether promoter, director or their relative or employee	Period held (i.e., dates of capitalisation provided in range)	Reason for not being held in the name of the Company
Leasehold Land	7.20	Bluestar Cement Limited	No	January 13, 2021	These immovable properties acquired from erstwhile companies that were amalgamated with the company pursuant to National Company Law Tribunal Order dated January 13, 2021. The name change in the favour of company is pending. Refer Note no. 37.
	20.90	Durgashree Brick Private Limited	No	January 13, 2021	
Freehold Land	15.29	Durgashree Brick Private Limited	No	January 13, 2021	

Clause (ii)(a) of CARO, 2020 Order
The Company has not conducted physical verification of inventories during the year. Therefore, we could not comment about whether there are any discrepancies of 10% or more in the aggregate for each class of inventory between book records and physical inventory.

Clause (ii)(b) of CARO, 2020 Order
The Company having borrowing facilities from a bank on the basis of security of current assets which have been closed during the year, the amount shown in quarterly returns or statements for the Jun’ 22 and Sept’ 22 quarter were derived from the unaudited and provisional books of account. The details with respect to trade receivable and trade payable submitted in statement for the quarter ended June 30, 2022 and September 30, 2022 are in agreement with books of account, however, inventory valuations are not maintained in books of account therefore management has calculated valuation manually and submitted with the bank. As regards the disclosure of discrepancies, if any, were not made due to the unfinished summary of reconciliation in this regard.

Clause (iii)(b) of CARO, 2020 Order
In our opinion and according to the information and explanation given to us, the terms and conditions of the loan granted and investment made, during the year are, prima facie, not prejudicial to the Company's interest. However, the Company has waived off the interest of Rs. 83.41 million on the above loans which is prejudicial to the Company’s interest. The company has also outstanding guarantee, given in earlier year, on the behalf of two related parties for availing loan facility without charging any guarantee commission which is in our opinion, prima facie, prejudicial to the Company's interest.

Clause (iii)(c) of CARO, 2020 Order
The schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount was regular. The Company has waived off interest of Rs. 83.41 million on loan granted to related parties.

Clause (iv) of CARO, 2020 Order
According to information and explanation given to us and based on audit procedure performed by us, the Company has complied with provisions of section 185 and 186 of the Companies Act, 2013 with respect to loan granted and investment made during the year except to the extent of waiving off interest of Rs. 83.41 million accrued on loans granted to related parties. No security under section 185 and no guarantee and security under section 186 of the Companies Act,2013 have been given during the year.

Clause (vii)(a) of CARO, 2020 Order
According to the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Employee State Insurance, Provident Fund, Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value Added tax, Cess and other statutory dues as applicable, with the appropriate authorities except delay in payment of Goods and Service Tax, Provident fund and Tax deducted at source. There were no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable.

Annexure to Auditor's Report for the year ended March 31, 2022
Clause (i)(b) of CARO, 2020 Order
The property, plant and equipment were not physically verified during the year by the management. In our opinion all property, plant and equipment should be physically verified over a period of three years.

Clause (i)(c) of CARO, 2020 Order

Based on the records examined by us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) and included in property, plant & equipment [note no. 7 to the standalone financial statements] are held in the name of the Company except the followings :

Description of property	Gross carrying value (Rs. million)	Held in the name of	Whether promoter, director or their relative or employee	Period held (i.e., dates of capitalisation provided in range)	Reason for not being held in the name of the Company
Leasehold Land	7.20	Bluestar Cement Limited	No	January 13, 2021	These immovable properties acquired from erstwhile companies that were amalgamated with the company pursuant to National Company Law Tribunal Order dated January 13, 2021 (Refer note 37 to financial statements). The name change in the favor of company is pending.
	20.90	Durgashree Brick Private Limited	No	January 13, 2021	
Freehold Land	15.29	Durgashree Brick Private Limited	No	January 13, 2021	

Clause (ii)(a) of CARO, 2020 Order

The management has not conducted physical verification of inventories during the year.

Clause (iii)(a) of CARO, 2020 Order

Based on the books of account examined by us and according to information and explanation given to us, the Company has granted loans or provided advances in the nature of loans, or stood guarantee, or provided security during the year to the followings:

Particulars	Guarantees (₹ in million)	Security (₹ in million)	Loans (₹ in million)	Advance in nature of loans (₹ in million)
Aggregate amount granted/provided				
- Subsidiaries	-	-	1,193.79	-
- Joint Ventures / Associates	-	-	-	-
- others	320.00	-	546.60	-
Balance outstanding as at balance				
- Subsidiaries	-	-	655.09	-
- Joint Ventures / Associates	-	-	-	-
- others	370.00	-	142.05	-

Clause (iii)(b) of CARO, 2020 Order

In our opinion and according to the information and explanation given to us, the terms and conditions of the loan granted and investment made, during the year are, prima facie, not prejudicial to the Company's interest. However, the company has given guarantee on the behalf two entities for availing loan facility for which guarantee commission have not been charged which is prima facie, prejudicial to the Company's interest.

Clause (iii)(c) of CARO, 2020 Order

The schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount was regular. The Company has waived interest of ₹ 50.92 million loan granted to related parties.

Clause (iv) of CARO, 2020 Order

According to information and explanation given to us and based on audit procedure performed by us, the Company has complied with provisions of section 185 and 186 of the Companies Act, 2013 with respect to loan granted, investment made and guarantee given during the year except filing of relevant resolution with the Registrar of the Companies. No security under section 185 and no guarantee and security under section 186 of the Companies Act,2013 have been given during the year.

Clause (v) of CARO, 2020 Order

The Company has not accepted any deposit or amount which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. However, the Company has taken advances of ₹ 16.23 million towards for sale of its properties during 2020-2021 which were repaid during the year after expiry of one year but before expiry of agreed term of the agreement.

Clause (vii)(a) of CARO, 2020 Order

According to the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value Added tax, Cess and other statutory dues as applicable, with the appropriate authorities except delay in payment of Goods and Service Tax, Provident fund and Tax deducted at source. There was no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable except advance Income-tax of ₹ 17.75 million.

Clause (xiii) of CARO, 2020 Order

According to the information and explanation given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable except that the company has given guarantee on the behalf two entities for availing loan facility without charging guarantee commission and details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Accounting Standards.

ii) Kanodia Infratech Limited

Annexure to Auditor's Report for the year ended March 31, 2024

Clause (i)(a)(A) of CARO, 2020 Order

The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment in cases of old assets where the same is in process of updation.

Clause (i)(b) of CARO, 2020 Order

As represented us, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years, which in our opinion, is at reasonable intervals having regard to the size of the Company and nature of its property, plant and equipment. In accordance with this programme, property, plant and equipment were physically verified during the year for which reconciliations with records is under process. As informed to us, the discrepancies on such physical verification would not be material.

Annexure to Auditor's Report for the year ended March 31, 2023

Clause (i)(a)(A) of CARO, 2020 Order

The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment except in cases of certain assets where the same is in process of updation.

Clause (i)(b) of CARO, 2020 Order

As represented us, the Company has a regular program of physical verification of its property, plant and equipment by which they are verified in a phased manner over a period of three years which is reasonable having regard to the size of the Company and their nature. However, no physical verification of property, plant, and equipment, as per program, were conducted during the year.

Clause (i)(c) of CARO, 2020 Order

Based on the records examined by us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) and included in property, plant & equipment [note no. 10 to the financial statements] are held in the name of the Company except the followings:

Description of property	Gross carrying value (Rs. million)	Held in the name of	Whether promoter, director or their relative or employee	Period held (i.e., dates of capitalisation provided in range)	Reason for not being held in the name of the Company
Freehold Land	2.29	Title deed not available			

Clause (ii)(a) of CARO, 2020 Order

The Company has not conducted physical verification of inventories during the year. Therefore, we could not comment about whether there are any discrepancies of 10% or more in the aggregate for each class of inventory between book records and physical inventory.

Clause (iii)(b) of CARO, 2020 Order

In our opinion and according to the information and explanation given to us, the terms and conditions of the loans granted during the year are, prima facie, not prejudicial to the Company's interest. However, the Company has waived off interest of Rs. 38.57 million on above loans which is prejudicial to the Company’s interest.

Clause (iii)(c) of CARO, 2020 Order

The schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount was regular. The Company has waived off the interest of Rs. 38.57 millions on loan granted to M/s Kanodia Cem Private Limited (fellow subsidiary company) and M/s Kanodia Cement Limited (Holding Company).

Clause (iv) of CARO, 2020 Order

According to information and explanation given to us and based on audit procedure performed by us, the Company has complied with provisions of section 186 of the Companies Act, 2013 with respect to loan granted during the year except to the extent of waiving off interest of Rs. 38.57 million accrued on loans granted to related parties. No loan or guarantee or security under section 185 and no investment or guarantee and security under section 186 of the Companies Act, 2013 have been given during the year.

Clause (vii)(a) of CARO, 2020 Order

According to the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Employee State Insurance, Provident Fund, Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value Added tax, Cess and other statutory dues as applicable, with the appropriate authorities except delay in payment of Goods and Service Tax, Provident fund and Tax deducted at source. The provisions relating to Employees' State Insurance are not applicable to the Company. There were no disputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable.

Annexure to Auditor's Report for the year ended March 31, 2022

Clause (i)(a)(A) of CARO, 2020 Order

The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment except in cases of certain assets where the same is in process of Updation.

Clause (i)(b) of CARO, 2020 Order

The property, plant and equipment were not physically verified during the year by the management. In our opinion all property, plant and equipment should be physically verified over a period of three years.

Clause (i)(c) of CARO, 2020 Order

Based on the records examined by us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) and included in property, plant & equipment [note no. 7 to the financial statements] are held in the name of the Company except the followings :

Description of property	Gross carrying value (Rs. million)	Held in the name of	Whether promoter, director or their relative or employee	Period held (i.e., dates of capitalisation provided in range)	Reason for not being held in the name of the Company
Freehold Land	2.29	Title deed not available			

Clause (ii)(a) of CARO, 2020 Order

The management has not conducted physical verification of inventories during the year.

Clause (iii)(a) of CARO, 2020 Order

Based on the books of account examined by us and according to information and explanation given to us, the Company has granted unsecured loan of ₹ 990.20 million to holding company and a fellow subsidiary company during the year and balance outstanding as on balance sheet date was ₹ 173.00 million. The Company has not provided any advance in the nature of loans, or stood guarantee, or provided security during the year.

Clause (iii)(c) of CARO, 2020 Order

The schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount was regular. The Company has waived interest of ₹ 12.42 million on loan granted to M/s Kanodia Cem Private Limited (fellow subsidiary company).

Clause (iv) of CARO, 2020 Order

According to information and explanation given to us and based on audit procedure performed by us, the Company has complied with provisions of section 186 of the Companies Act, 2013 with respect to loan granted during the year except filing of relevant resolution with the Registrar of the Companies. No loan or guarantee or security under section 185 and no investment or guarantee and security under section 186 of the Companies Act,2013 have been given during the year.

Clause (vii)(a) of CARO, 2020 Order

According to the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value Added tax, Cess and other statutory dues as applicable, with the appropriate authorities except delay in payment of Goods and Service Tax, Provident fund and Tax deducted at source. The provisions relating to Employees' State Insurance are not applicable to the Company. There was no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable except advance Income-tax of ₹ 30.17 million.

Clause (xi)(a) of CARO, 2020 Order

Based upon the audit procedures performed and the considering the principles of materiality outline in Standards on Auditing for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management during the course of audit except an instance of ₹ 1.00 million, discovered by the Company where cash withdrawn from bank was robbed by some outsiders.

iii) Kanodia Cem Private Limited

Annexure to Auditor's Report for the year ended March 31, 2023

Clause (i)(a)(A) of CARO, 2020 Order

The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment except in cases of certain assets where the same is in process of updation.

Annexure to Auditor's Report for the year ended March 31, 2022

Clause (i)(a)(A) of CARO, 2020 Order

The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment except in cases of certain assets where the same is in process of Updation.

Clause (i)(b) of CARO, 2020 Order

The property, plant and equipment were not physically verified during the year by the management. In our opinion all property, plant and equipment should be physically verified over a period of three years.

Clause (ii)(a) of CARO, 2020 Order

The management has not conducted physical verification of inventories during the year.

Clause (iii)(a) of CARO, 2020 Order

Based on the books of account examined by us and according to information and explanation given to us, the Company has granted unsecured loan of ₹ 324.41 million to holding company during the year and no balance was outstanding as on balance sheet date. The Company has not provided any advance in the nature of loans, or stood guarantee, or provided security during the year.

Clause (iii)(c) of CARO, 2020 Order

The schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount was regular . The Company has waived interest of ₹ 2.32 million on loan granted to M/s Kanodia Cement Limited (Holding company).

Clause (iv) of CARO, 2020 Order

According to information and explanation given to us and based on audit procedure performed by us, the Company has complied with provisions of section 186 of the Companies Act, 2013 with respect to loan granted during the year except delay in filing relevant forms with relevant authorities. No loan or guarantee or security under section 185 and no investment or guarantee and security under section 186 of the Companies Act,2013 have been given during the year.

Clause (xi)(a) of CARO, 2020 Order

Based upon the audit procedures performed and the considering the principles of materiality outline in Standards on Auditing for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management during the course of audit except an instance of ₹ 1.00 million,discovered by the Company where cash withdrawn from bank was robbed by some outsiders.

Clause (xvii) of CARO, 2020 Order

The Company has incurred cash loss of ₹ 0.67 million in current year however no cash loss was incurred in the immediately preceding financial year.

B) Certain statements/comments and Emphasis of Matter included in the report with respect to the adequacy of the internal financial controls with reference to financial reporting of the Company with reference to the standalone financial statements and the operating effectiveness of such controls for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 which do not require any adjustments in the Restated Consolidated Financial Information are reproduced below.
Additionally, statements/comments and Emphasis of Matter in the report with respect to the adequacy of the internal financial controls with reference to financial reporting of the Company with reference to the financial statements and the operating effectiveness of such controls issued on the separate statutory financial statements of Kanodia Infratech Limited and Kanodia Cem Private Limited, subsidiaries of the Company as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 have also been reproduced below:

i) Kanodia Cement Limited

Annexure to Auditor's Report for the year ended March 31, 2024

Nil

Annexure to Auditor's Report for the year ended March 31, 2023

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India however the same needs to be further strengthened.

Emphasis of Matter

We draw attention that the Company has defined risk control matrix of various process basis Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India but the same is required to be further strengthened by incorporating more controls related to entity level controls, process level controls and controls related to financial statements review and closure process.

Our opinion under Section 143(3)(i) of the Act is not modified in respect of above matter.

Annexure to Auditor's Report for the year ended March 31, 2022
Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India however the same needs to be further strengthened.

Emphasis of Matter

We draw attention that the Company has defined risk control matrix of various process basis Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India but the same is required to be further strengthened by incorporating more controls related to entity level controls, process level controls and controls related to financial statements review and closure process.

Our opinion under Section 143(3)(i) of the Act is not modified in respect of above matter.

ii) Kanodia Infratech Limited
Annexure to Auditor's Report for the year ended March 31, 2024
Nil

Annexure to Auditor's Report for the year ended March 31, 2023
Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India however the same needs to be further strengthened.

Emphasis of Matter

We draw attention that the Company has defined risk control matrix of various process basis Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India but the same is required to be further strengthened by incorporating more controls related to entity level controls, process level controls and controls related to financial statements review and closure process.

Our opinion under Section 143(3)(i) of the Act is not modified in respect of above matter.

Annexure to Auditor's Report for the year ended March 31, 2022
Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India however the same needs to be further strengthened.

Emphasis of Matter

We draw attention that the Company has defined risk control matrix of various process basis Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India but the same is required to be further strengthened by incorporating more controls related to entity level controls, process level controls and controls related to financial statements review and closure process.

Our opinion under Section 143(3)(i) of the Act is not modified in respect of above matter.

iii) Kanodia Cem Private Limited
Annexure to Auditor's Report for the year ended March 31, 2024
Nil

Annexure to Auditor's Report for the year ended March 31, 2023
Nil

Annexure to Auditor's Report for the year ended March 31, 2022
Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India however the same needs to be further strengthened.

Emphasis of Matter

We draw attention that the Company has defined risk control matrix of various process basis Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India but the same is required to be further strengthened by incorporating more controls related to entity level controls, process level controls and controls related to financial statements review and closure process.

Our opinion under Section 143(3)(i) of the Act is not modified in respect of above matter.

(All amounts in rupees millions, unless otherwise stated)

3 Property, Plant and Equipment , Intangible Assets and Capital work-in-progress

Particulars	Property, Plant & Equipment									Intangible Assets	Capital work-in-progress
	Land (Freehold)	Buildings	Plant and Equipments	Electrical Installations & Equipments	Computers	Furniture and fixtures	Vehicles	Office Equipments	Total	Computer Software	
Cost											
As at April 01, 2021	**86.49**	**127.28**	**484.18**	**7.72**	**1.86**	**0.25**	**69.59**	**1.18**	**778.55**	**-**	**-**
Additions due to Consolidation	82.87	156.42	738.36	22.24	0.57	3.09	2.62	-	1,006.17	0.12	403.41
Additions	41.13	-	3.76	-	1.32	-	-	0.65	46.86	0.08	1,258.19
Capitalised	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	0.10	-	-	-	-	-	0.10	-	-
As at March 31, 2022	**210.49**	**283.70**	**1,226.20**	**29.96**	**3.75**	**3.34**	**72.21**	**1.83**	**1,831.48**	**0.20**	**1,661.60**
Additions	82.83	157.22	1,508.79	118.40	4.54	14.57	3.02	3.57	1,892.94	0.20	150.44
Capitalised	-	-	-	-	-	-	-	-	-	-	1,810.86
Disposals	-	-	-	-	-	-	45.01	-	45.01	-	-
As at March 31, 2023	**293.32**	**440.92**	**2,734.99**	**148.36**	**8.29**	**17.91**	**30.22**	**5.40**	**3,679.41**	**0.40**	**1.18**
Additions	92.08	3.13	10.70	0.40	0.91	0.06	7.44	2.65	117.37	-	7.80
Capitalised	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	1.17
As at March 31, 2024	**385.40**	**444.05**	**2,745.69**	**148.76**	**9.20**	**17.97**	**37.66**	**8.05**	**3,796.78**	**0.40**	**7.81**
Additions	191.39	0.23	9.48	0.46	0.60	0.16	36.98	0.19	239.49	0.09	12.18
Capitalised	-	-	-	-	-	-	-	-	-	-	18.23
Disposals	-	-	5.91	-	-	-	-5.91	-	-	-	-
As at December 31, 2024	**576.79**	**444.28**	**2,749.26**	**149.22**	**9.80**	**18.13**	**80.55**	**8.24**	**4,036.27**	**0.49**	**1.76**
Accumulated Depreciation											
As at April 1, 2021											
Depreciation/Amortization Expense	-	17.56	59.56	5.07	1.20	0.42	16.35	0.17	100.33	0.14	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	**-**	**17.56**	**59.56**	**5.07**	**1.20**	**0.42**	**16.35**	**0.17**	**100.33**	**0.14**	**-**
Depreciation/Amortization Expense	-	17.08	105.38	13.44	2.28	1.49	19.03	0.99	159.69	0.01	-
Disposals	-	-	-	-	-	-	14.97	-	14.97	-	-
As at March 31, 2023	**-**	**34.64**	**164.94**	**18.51**	**3.48**	**1.91**	**20.41**	**1.16**	**245.05**	**0.15**	**-**
Depreciation/Amortization Expense	-	16.54	116.57	15.48	2.41	1.82	3.23	1.13	157.18	0.02	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	**-**	**51.18**	**281.51**	**33.99**	**5.89**	**3.73**	**23.64**	**2.29**	**402.23**	**0.17**	**-**
Depreciation/Amortization Expense	-	12.32	87.03	11.72	1.61	1.37	4.21	1.36	119.62	0.04	-
Disposals	-	-	9.51	-	0.02	-	-9.51	-	0.02	-	-
As at December 31, 2024	**-**	**63.50**	**359.03**	**45.71**	**7.48**	**5.10**	**37.36**	**3.65**	**521.83**	**0.21**	**-**
Net Carrying Value											
Net Carrying Value as at March 31, 2022	**210.49**	**266.14**	**1,166.64**	**24.89**	**2.55**	**2.92**	**55.86**	**1.67**	**1,731.15**	**0.06**	**1,661.60**
Net Carrying Value as at March 31, 2023	**293.32**	**406.28**	**2,570.05**	**129.85**	**4.81**	**16.00**	**9.81**	**4.24**	**3,434.36**	**0.25**	**1.18**
Net Carrying Value as at March 31, 2024	**385.40**	**392.87**	**2,464.18**	**114.77**	**3.31**	**14.24**	**14.02**	**5.76**	**3,394.55**	**0.23**	**7.81**
Net Carrying Value as at December 31, 2024	**576.79**	**380.78**	**2,390.23**	**103.51**	**2.32**	**13.03**	**43.19**	**4.59**	**3,514.42**	**0.28**	**1.76**

Note :

(i) There were no revaluation carried out by the Group during the period ended December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.

(ii) Assets pledged and hypothecated against borrowings. Refer Note 24

(iii) Ageing Schedule of Capital work-in-progress (CWIP)

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at December 31, 2024					
Projects in progress	1.76	-	-	-	1.76
As at March 31, 2024					
Projects in progress	7.81	-	-	-	7.81
As at March 31, 2023					
Projects in progress	-	-	1.18	-	1.18
As at March 31, 2022					
Projects in progress	1,258.19	391.59	11.82	-	1,661.60

(iv) The Group has no intangible assets under development as at December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, hence ageing of the same has not been provided.

(All amounts in rupees millions, unless otherwise stated)

4. Leases

Group as a lessee

The Group has lease contracts for lands used in its operations. Lease of lands has lease term of 71 to 86 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased asset.

The Group also has certain leases with lease terms of 12 months or less and with low value. The Group applies the short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	**Land**
Cost	
As at April 01, 2021	**33.88**
Additions	-
Disposals	-
As at March 31, 2022	**33.88**
Additions	-
Disposals	-
As at March 31, 2023	**33.88**
Additions	-
Disposals	-
As at March 31, 2024	**33.88**
Additions	-
Disposals	-
As at December 31, 2024	**33.88**

Accumulated Depreciation	
As at April 01, 2021	**-**
Depreciation Expense	3.96
Disposals	-
As at March 31, 2022	**3.96**
Depreciation Expense	0.46
Disposals	-
As at March 31, 2023	**4.42**
Depreciation Expense	0.46
Disposals	-
As at March 31, 2024	**4.88**
Depreciation Expense	0.35
Disposals	-
As at December 31, 2024	**5.23**

Net Carrying Value	
Net Carrying Value as at March 31, 2022	**29.92**
Net Carrying Value as at March 31, 2023	**29.46**
Net Carrying Value as at March 31, 2024	**29.00**
Net Carrying Value as at December 31, 2024	**28.65**

Notes:

(i) Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	**As at December 31, 2024**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Opening balance	0.36	0.33	0.30	-
Additions due to transition to Ind AS		-	-	0.29
Additions		-	-	-
Accretion of interest	0.02	0.03	0.03	0.02
Payments	(0.05)	-	-	(0.01)
Closing balance	**0.33**	**0.36**	**0.33**	**0.30**
Current	0.01	0.01	0.01	0.01
Non-current	0.32	0.35	0.32	0.29

(ii) The maturity analysis of lease liabilities is disclosed in Note 43

(iii) The effective interest rate for lease liabilities is 8.25%.

(iv) The following are the amounts recognised in the Statement of Profit and Loss:

Particulars	**For the nine months ended December 31, 2024**	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Depreciation expense of right-of-use assets	0.35	0.46	0.46	3.96
Interest expense on lease liabilities	0.02	0.03	0.03	0.02
Rent Expense	4.58	4.30	15.89	15.89
Total amount recognised in the Statement of Profit and loss	**4.95**	**4.79**	**16.38**	**19.87**

(v) The Group had total cash outflows for leases of Rs. 4.63 millions for the nine months period ended December 31, 2024 (for the year ended March 31, 2024: Rs.4.30 millions, for the year ended March 31, 2023: Rs.15.89 millions and for the year ended March 31, 2022: Rs. 15.90 millions).

(All amounts in rupees millions, unless otherwise stated)

	Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
5	**Non-current Investments**				
	Investment in Equity Instruments				
A)	**Investments at fair value through Profit & Loss (fully Paid) (Quoted)**				
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares as at March 31, 2022: 18 Equity Shares) of Rs. 2/- each of Ajanta Pharma Ltd	-	-	-	0.03
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares as at March 31, 2022: 21 Equity Shares) of Rs. 5/- each of Apollo Hospitals Enterprise Limited	-	-	-	0.10
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares as at March 31, 2022 67 Equity Shares) of Rs. 5/- each of Bata India Ltd	-	-	-	0.13
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares as at March 31, 2022: 140 Equity Shares) of Rs. 2/- each of APL Apollo Tubes Limited	-	-	-	0.13
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 112 Equity Shares) of Rs. 2/- each of Caplin Point Laboratories Limited	-	-	-	0.08
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 438 Equity Shares) of Rs. 1/- each of Easy Trip Planners Limited	-	-	-	0.15
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 161 Equity Shares) of Rs. 1/- each of Emami Ltd	-	-	-	0.07
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as as at March 31, 2022: 1,167 Equity Shares) of Rs. 2/- each of The Federal Bank Limited	-	-	-	0.11
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as as at March 31, 2022: 1,640 Equity Shares) of Rs. 10/- each of Gateway Distriparks Ltd	-	-	-	0.11
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 46 Equity Shares) of Rs. 10/- each of Johnson Controls-Hitachi Air Conditioning India Ltd	-	-	-	0.08
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 209 Equity Shares) of Rs. 2/- each of ICICI Bank Ltd	-	-	-	0.15
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 78 Equity Shares) of Rs. 1/- each of IIFL Wealth Management Limited	-	-	-	0.13
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 47 Equity Shares) of Rs. 10/- each of ION Exchange (India) Limited	-	-	-	0.08
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 777 Equity Shares) of Rs. 1/- each of Jamna Auto Industries Limited	-	-	-	0.08
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 26 Equity Shares) of Rs. 10/- each of JK Cements Ltd	-	-	-	0.06
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 37 Equity Shares) of Rs. 2/- each of Jubilant Foodworks Ltd	-	-	-	0.10
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 76 Equity Shares) of Rs. 10/- each of Lumax Industries Ltd	-	-	-	0.07
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 233 Equity Shares) of Rs. 5/- each of Mayur Uniquoters Ltd	-	-	-	0.08
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 104 Equity Shares) of Rs. 10/- each of Oberoi Realty Ltd	-	-	-	0.10

(All amounts in rupees millions, unless otherwise stated)

	Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 3 Equity Shares) of Rs. 10/- each of Page Industries Ltd	-	-	-	0.13
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and and as at March 31, 2022: 39 Equity Shares) of Rs. 1/- each of PI Industries Ltd	-	-	-	0.11
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 277 Equity Shares) of Rs. 2/- each of PNC Infratech Limited	-	-	-	0.07
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 24 Equity Shares) of Rs. 2/- each of Navin Fluorine International Ltd	-	-	-	0.10
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 38 Equity Shares) of Rs. 10/- each of Persistent Systems Ltd	-	-	-	0.18
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 54 Equity Shares) of Rs. 10/- each of Shriram Transport Finance Company Ltd	-	-	-	0.06
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 126 Equity Shares) of Rs. 10/- each of Spandana Sphoorty Financial Limited	-	-	-	0.04
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 186 Equity Shares) of Rs. 5/- each of JK Lakshmi Cement Ltd	-	-	-	0.09
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 1 Equity Share) of Rs. 10/- each of Honeywell Automation India Ltd	-	-	-	0.04
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 24 Equity Shares) of Rs. 1/- each of Varroc Engineering Limited	-	-	-	0.01
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 107 Equity Shares) of Rs. 10/- each of Garware Hi-Tech Films Limited	-	-	-	0.08
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 262 Equity Shares) of Rs. 10/- each of JK Paper Limited	-	-	-	0.08
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 46 Equity Shares) of Rs. 10/- each of Polycab India Limited	-	-	-	0.11
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 100 Equity Shares) of Rs. 10/- each of SBI Cards and Payment Services Limited	-	-	-	0.09
	Nil Equity Shares (as at March 31, 2024: Nil Equity Shares, as at March 31, 2023: Nil Equity Shares and as at March 31, 2022: 408 Equity Shares) of Rs. 1/- each of Triveni Turbine Ltd	-	-	-	0.08
	Investment in Preference Shares				
A)	**Investments at fair value through Profit & Loss (fully Paid) (Unquoted)**				
	Nil Preference Shares (as at as at March 31, 2024: 155, as at as at March 31, 2023: 155 and as at March 31, 2022: 155 Preference Shares) of Rs. 10/- each of Edubite Technologies Private Limited)*	-	2.51	2.51	2.51
	Less: Provision for Impairment	-	(2.51)	(2.51)	-
	Nil 0.01% Compulsorily Convertible Preference Shares (as at as at March 31, 2024: Nil, as at as at March 31, 2023: Nil and as at March 31, 2022: 125 Preference Shares) of Rs. 10/- each of Stark Enterprises Private Limited	-	-	-	2.50
		-	**-**	**-**	**8.12**

* In November'24, the company has been strucked off.

(All amounts in rupees millions, unless otherwise stated)

	Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
a.	**Aggregate amount of investments are given below:**				
	Aggregate cost of quoted investments	-	-	-	1.94
	Aggregate market value of quoted investments	-	-	-	3.11
	Aggregate cost of unquoted investments	-	2.51	2.51	5.01
	Aggregated amount of impairment in value of investment	-	2.51	2.51	-
6	**Loans**				
	(Unsecured, Considered Good Unless Stated Otherwise)				
	- With Related Parties #	575.35	-	-	142.05
		575.35	**-**	**-**	**142.05**

For detail of loans to related parties, Refer note no. 42

a. No Loans or other receivables are due from directors or other officers of the group either severally or jointly with any other person. However, Loans are due from Companies in which director is a director or member.

b. Hypothecated against borrowings. Refer Note 24.

	Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
7	**Other Non-Current Financial Assets**				
	(Unsecured, Considered Good Unless Stated Otherwise)				
	Bank Deposits with remaining maturity of more than twelve months	239.58	236.97	112.65	67.28
	Security Deposits				
	- With Others	66.19	68.61	72.32	65.15
		305.77	**305.58**	**184.97**	**132.43**

a. Hypothecated against borrowings. Refer Note 24.

	Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
8	**Other Non-Current Assets**				
	(Unsecured, Considered Good Unless Stated Otherwise)				
	Capital Advance	255.52	61.29	42.80	46.49
	Deposit under Protest	1.33	1.05	-	-
		256.85	**62.34**	**42.80**	**46.49**
9	**Inventories**				
	(Valued at Lower of Cost and Net Realisable Value)				
	Raw Materials (including Packing Materials)	305.14	298.45	204.46	81.12
	Work -in-Progress	41.85	15.64	55.09	10.82
	Stores and Spares	62.55	8.68	1.82	2.17
		409.54	**322.77**	**261.37**	**94.11**

a. Inventories are hypothecated to secured borrowings. Refer note no. 24.

b. Raw material includes Stock in Transit as at December 31, 2024 is 26.10 million (as at March 31, 2024 of Rs. 21.79 million, as at March 31, 2023 Nil and as at March 31, 2022 Nil)

c. Stores and Spares includes Stock in Transit as at December 31, 2024 of Rs. 3.55 million (as at March 31, 2024 Nil, as at March 31, 2023 Nil and as at March 31, 2022 Nil)

	Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
10	**Current Investments**				
A)	**Investments in Debt Funds (Unquoted) (valued at fair value through profit & loss)**				
	4,989.07 Unit (as at as at March 31, 2024: 27,002.65 Unit, as at March 31, 2023: Nil and as at March 31, 2022: Nil) of Rs. 10/- each of HDFC Overnight Direct Growth Fund*	18.60	95.95	-	-
	2,20,558.825 Unit (as at March 31, 2024: 74,392.57 Unit, as at March 31, 2023: Nil and as at March 31, 2022: Nil) of Rs. 10/- each of ICICI Pru Overnight Direct Growth Fund*	297.73	96.01	-	-
	Nil (as at as at March 31, 2024: 24,622.13 Unit, as at March 31, 2023: Nil and as at March 31, 2022: Nil) of Rs. 10/- each of SBI Overnight Direct Growth Fund	-	95.92	-	-
	751.83 Unit (as at as at March 31, 2024: Nil, as at March 31, 2023: Nil and as at March 31, 2022: Nil) of Rs. 10/- each of ICICI Prudential Overnight Fund Direct Growth Fund	81.44	-	-	-
	Nil (as at as at March 31, 2024: 3,41,033.105 Unit, as at March 31, 2023: Nil and as at March 31, 2022: Nil) of Mirae Asset Overnight Fund - Direct Plan Growth Fund	-	418.68		
	Nil (as at as at March 31, 2024: 83,409.365 Unit, as at March 31, 2023: Nil and as at March 31, 2022: Nil) of Mirae Asset Ultra Short Duration Fund - Direct Plan Growth	-	100.21	-	-
		397.77	**806.77**	**-**	**-**
	Aggregate Cost of Un-Quoted Investment	**391.95**	**796.97**	**-**	**-**

(All amounts in rupees millions, unless otherwise stated)

Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
*Investments provided as margin against Bank Guarantee				
HDFC Overnight Direct Growth Fund:- 2,250 Unit (as at March 31,2024 Nil, as at March 31, 2023: Nil and as at March 31, 2022: Nil)	8.39	-	-	-
ICICI Pru Overnight Direct Growth Fund: 2,19,806.416 (as at March 31.2024 Nil, as at March 31, 2023: Nil and as at March 31, 2022: Nil)	297.73	-	-	-
11 Trade Receivables				
Unsecured				
Considered Good	369.70	363.46	445.25	501.31
Have Significant increase in Credit Risk	1.61	0.47	1.31	2.42
Considered Doubtful - Credit Impaired	-	-	-	-
	371.31	**363.93**	**446.56**	**503.73**
Less: Provision for Expected Credit Losses	1.61	0.47	1.31	2.42
	369.70	**363.46**	**445.25**	**501.31**

a. For details of receivable from related parties, Refer note no. 42.
b. Trade Receivables are hypothecated to secured borrowings. Refer note no. 24.
c. Trade Receivables Ageing

As at December 31, 2024

Particulars	Outstanding for following periods from transaction date						
	Unbilled	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
Undisputed							
- Considered good	-	365.86	1.31	1.68	0.10	-	368.95
- Which have significant increase in credit risk	-	0.19	0.36	0.18	0.02	0.11	0.86
- Credit impaired	-	-	-	-	-	-	-
Disputed							
- Considered good	-	0.10	-	0.65	-	-	0.75
- Which have significant increase in credit risk	-	0.10	-	0.65	-	-	0.75
- Credit impaired	-	-	-	-	-	-	-
Total	**-**	**366.25**	**1.67**	**3.16**	**0.12**	**0.11**	**371.31**

As at March 31, 2024

Particulars	Outstanding for following periods from transaction date						
	Unbilled	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
Undisputed							
- Considered good	18.66	340.18	2.31	0.67	0.15	-	361.97
- Which have significant increase in credit risk	-	0.24	0.12	0.04	0.03	0.04	0.47
- Credit impaired	-	-	-	-	-	-	-
Disputed							
- Considered good	-	1.21	0.28	-	-	-	1.49
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Total	**18.66**	**341.63**	**2.71**	**0.71**	**0.18**	**0.04**	**363.93**

(All amounts in rupees millions, unless otherwise stated)

Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022

As at March 31, 2023

Particulars	Outstanding for following periods from transaction date						
	Unbilled	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
Undisputed							
- Considered good	-	441.05	0.92	2.09	1.19	-	445.25
- Which have significant increase in credit risk		0.77	0.10	0.20	0.24	-	1.31
- Credit impaired	-	-	-	-	-	-	-
Disputed							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Total	**-**	**441.82**	**1.02**	**2.29**	**1.43**	**-**	**446.56**

As at March 31, 2022

Particulars	Outstanding for following periods from transaction date						
	Unbilled	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
Undisputed							
- Considered good	-	492.16	5.17	3.98	-	-	501.31
- Which have significant increase in credit risk	-	1.58	0.54	0.31	-	-	2.42
- Credit impaired	-	-	-	-	-	-	-
Disputed							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Total	**-**	**493.74**	**5.71**	**4.28**	**-**	**-**	**503.73**

12 Cash and Cash Equivalents

Particulars	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
(As certified by the management)				
Cash on Hand	2.35	11.44	7.55	6.01
Balance with Banks				
- In Current Accounts	297.32	7.34	57.98	32.38
	299.67	**18.78**	**65.53**	**38.39**

13 Other Bank Balances

Particulars	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Deposits with remaining maturity of less than twelve months	70.59	2.97	6.81	3.06
Deposits with remaining maturity of more than twelve months	-	0.25	-	-
Deposits held as Margin Money with remaining maturity of less than twelve months	-	7.36	3.18	1.44
Deposits held as Margin Money with remaining maturity of more than twelve months	239.58	236.72	112.65	67.28
	310.17	**247.30**	**122.64**	**71.78**
Less:- Shown Under "Other Financial Assets"(More than 12 months)	239.58	236.97	112.65	67.28
	70.59	**10.33**	**9.99**	**4.50**

The Holding Company is in the process of transferring following bank accounts and fixed deposits in its own name from the companies that were amalgamated with the Holding Company in FY 2020-21.

(All amounts in rupees millions, unless otherwise stated)

Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
Balances with Scheduled banks:				
In current accounts	2.94	2.94	1.76	3.41
Earmarked Balances				
Fixed deposits with Banks	16.13	15.74	17.02	18.06

14 Other Financial Assets

Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
(Unsecured, Considered Good Unless Stated Otherwise)				
Security Deposits				
- With Related Parties#	-	-	-	56.48
Accrued Interest	38.92	3.89	0.17	0.70
Advance against Investments	-	60.00	-	-
Other Receivables^	38.47	25.95	1.08	2.16
Government subsidy receivable*	333.05	244.08	79.66	57.53
	410.44	**333.92**	**80.91**	**116.87**

Refer note no. 42.

*Includes ₹ Nil (March 31, 2024 ₹ Nil, March 31, 2023 ₹ Nil and March 31, 2022 ₹ 7.50 million) recoverable under the Industrial Incentive Policy, 2011 ["IIP"] issued by the Government of Bihar for the period January 2019 to March 2019 to the Subsidiary Company [Kanodia Infratech Limited (KIL)]. The Government of Bihar has amended its IIP with retrospective effect from 01.07.2017 and based on the amendment the claim has been rejected. The Subsidiary Company has previously filed a writ petition with Hon'ble High Court of Patna, challenging the amendment with retrospective effect. However, during the year ended March 31, 2023, the Subsidiary Company has written off Rs. 7.50 million as on abundant caution but the Subsidiary Company continued to pursue the matter. The Subsidiary Company is in the process of withdrawing the writ petition with Hon'ble High Court of Patna.

^ including Rs. 16.76 millions that the Group has incurred expenses towards proposed Initial Public Offering (IPO) of equity shares of the Parent Company, which shall be reimbursed by the Selling Shareholders.

15 Current Tax Assets (net)

Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
Advance Income Tax / Tax Deducted at Source (net of provision for income tax)	51.14	40.38	26.47	214.41
	51.14	**40.38**	**26.47**	**214.41**

16 Other Current Assets

Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
(Unsecured, Considered Good Unless Stated Otherwise)				
Prepaid Expenses	13.90	4.61	2.44	2.17
Advance to Employees	0.66	0.18	-	-
Prepaid Corporate Guarantee expense	-	0.05	1.75	2.55
Surplus In Gratuity Fund	-	-	0.82	1.08
Vendor Advances #	59.71	108.26	248.64	256.35
Indirect Tax Recoverable/adjustable	7.72	8.76	163.91	0.55
Other Receivables	-	-	0.51	0.19
	81.99	**121.86**	**418.07**	**262.89**

a. Hypothecated against borrowings. Refer Note 24.
b. # For detail of advances to related parties, Refer note no. 42.

17 Equity Share Capital

Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
Authorised				
Number of equity shares	8,49,66,610	8,49,66,610	8,49,66,610	8,49,66,610
Face Value (in ₹)	10	10	10	10
Authorised Equity share capital	849.67	849.67	849.67	849.67
Issued, Subscribed and Fully Paid up				
Number of equity shares	7,45,69,650	7,45,69,650	7,45,69,650	7,45,69,650
Face Value (in ₹)	10	10	10	10
Equity share capital	745.70	745.70	745.70	745.70

(All amounts in rupees millions, unless otherwise stated)

Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022

a. Rights, preferences and restrictions attached with Equity Shares

The Parent Company has only one class of equity shares having par value of ₹ 10 per share . Each holder of equity shares is entitled to one vote per share. The dividend except interim dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. Reconciliation of number of shares outstanding at the beginning and end of the nine months/year:

	For the nine months/year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Number of shares at the beginning of the nine months/year	7,45,69,650	7,45,69,650	7,45,69,650	74,56,965
Increase in shares due to split of shares [face value ₹ 100 to ₹ 10]*	-	-	-	6,71,12,685
Number of shares at the end of the nine months/year	**7,45,69,650**	**7,45,69,650**	**7,45,69,650**	**7,45,69,650**

* Pursuant to the special resolution passed in the extra-ordinary general meeting held on March 12, 2022, the face value of equity shares of the Parent Company has been split from ₹100 to ₹10 per share with effect from March 12, 2022.

c. Shareholdings of Promoters

As at the end of December 31, 2024

S.No.	Promoter Name	Numbers of Shares	% of Holding	% change during the nine months
i)	Nupoor Kanodia Beneficiary Trust	3,09,30,200	41.48%	-
ii)	Trish Kanodia Beneficiary trust	2,99,60,200	40.18%	-
iii)	Vishal Kanodia	46,14,540	6.19%	-

As at the end of March 31, 2024

S.No.	Promoter Name	Numbers of Shares	% of Holding	% change during the year
i)	Nupoor Kanodia Beneficiary Trust	3,09,30,200	41.48%	-
ii)	Trish Kanodia Beneficiary trust	2,99,60,200	40.18%	-
iii)	Vishal Kanodia	46,14,540	6.19%	-

As at the end of March 31, 2023

S.No.	Promoter Name	Numbers of Shares	% of Holding	% change during the year
i)	Nupoor Kanodia Beneficiary Trust	3,09,30,200	41.48%	-
ii)	Trish Kanodia Beneficiary trust	2,99,60,200	40.18%	-
iii)	Vishal Kanodia	46,14,540	6.19%	-

As at March 31, 2022

S.No.	Promoter Name	Numbers of Shares	% of Holding
i)	Nupoor Kanodia Beneficiary Trust	3,09,30,200	41.48%
ii)	Trish Kanodia Beneficiary trust	2,99,60,200	40.18%
iii)	Vishal Kanodia	46,14,540	6.19%

(All amounts in rupees millions, unless otherwise stated)

Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022

d. List of shareholders holding more than 5% of the Equity Share Capital of the Holding Company (In numbers) (as per shareholders' register maintained by the Holding Company)

As at the end of December 31, 2024

S. No	Shareholder Name	Numbers of Shares	% of Holding	% change during the nine months
i)	Nupoor Kanodia Beneficiary Trust	3,09,30,200	41.48%	-
ii)	Trish Kanodia Beneficiary trust	2,99,60,200	40.18%	-
iii)	Vishal Kanodia	46,14,540	6.19%	-
iv)	Gautam Kanodia	44,77,370	6.00%	-

As at the end of March 31, 2024

S. No	Shareholder Name	Numbers of Shares	% of Holding	% change during the year
i)	Nupoor Kanodia Beneficiary Trust	3,09,30,200	41.48%	-
ii)	Trish Kanodia Beneficiary trust	2,99,60,200	40.18%	-
iii)	Vishal Kanodia	46,14,540	6.19%	-
iv)	Gautam Kanodia	44,77,370	6.00%	-

As at the end of March 31, 2023

S. No	Shareholder Name	Numbers of Shares	% of Holding	% change during the year
i)	Nupoor Kanodia Beneficiary Trust	3,09,30,200	41.48%	-
ii)	Trish Kanodia Beneficiary trust	2,99,60,200	40.18%	-
iii)	Vishal Kanodia	46,14,540	6.19%	-
iv)	Gautam Kanodia	44,77,370	6.00%	-

As at March 31, 2022

S. No	Shareholder Name	Numbers of Shares	% of Holding
i)	Nupoor Kanodia Beneficiary Trust	3,09,30,200	41.48%
ii)	Trish Kanodia Beneficiary trust	2,99,60,200	40.18%
iii)	Vishal Kanodia	46,14,540	6.19%
iv)	Gautam Kanodia	44,77,370	6.00%

e. Bonus, buy back, cancellation and issue of shares

In preceding five (5) years, there was no issue of bonus, buy back, cancellation and issue of shares for other than cash consideration other than following :

Particulars	FY 2021-22	FY 2020-21
(i) **Aggregate number and class of shares allotted as fully paid up**		
- Pursuant to Scheme of Arrangement without payment being received in cash [equity shares having face value of ₹ 100 each]	NIL	64,26,565
(ii) Aggregate number and class of shares allotted as fully paid up by way of Split of Shares.	6,71,12,685	NIL
- Equity shares having face value of ₹ 10 each		

18 Other Equity

Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
Security Premium	1,205.13	1,205.13	1,205.13	1,205.13
Retained Earnings	3,033.03	2,051.18	912.53	358.08
Capital Reserve	(42.22)	(42.22)	(42.22)	(47.35)
	4,195.94	**3,214.09**	**2,075.44**	**1,515.86**

(All amounts in rupees millions, unless otherwise stated)

Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
Security Premium				
Balance at the beginning of the nine months/year	1,205.13	1,205.13	1,205.13	1,205.13
Addition/ (Transfer) during the nine months/year	-	-	-	-
Closing balance	**1,205.13**	**1,205.13**	**1,205.13**	**1,205.13**
Retained earnings				
Balance at the beginning of the nine months/year	2,051.18	912.53	358.08	(320.46)
Ind AS Impact	-	-	-	(23.66)
Profit for the nine months/year	981.85	1,138.65	554.45	402.08
Additions pursuant to acquisition of subsidiaries	-	-	-	300.12
Restatement Adjustment	-	-	-	-
Closing balance	**3,033.03**	**2,051.18**	**912.53**	**358.08**
Capital Reserve				
Balance at the beginning of the nine months/year	(42.22)	(42.22)	(47.35)	-
Additions pursuant to acquisition of subsidiaries	-	-	-	(47.35)
Addition on account of changes in proportion held by Non Controlling Interests	-	-	5.13	-
Ind AS Impact	-	-	-	
Closing Balance	**(42.22)**	**(42.22)**	**(42.22)**	**(47.35)**

19 **Borrowings**

Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
Secured				
Rupee Term Loans				
- from Government	297.99	137.95	65.77	48.24
Vehicle Loans				
- from Banks	22.00	-	-	10.24
Unsecured				
Rupee Term Loans				
- from Related Parties	-	11.45	706.91	1,013.40
	319.99	**149.40**	**772.68**	**1,071.88**
Less: Current Maturities of Non Current Borrowings				
Secured				
Rupee Term Loans				
- from Government	-	-	-	4.02
Vehicle Loans				
- from Banks	4.38	-	-	10.24
Unsecured				
Rupee Term Loans				
- from Related Parties	-	11.45	14.93	-
	4.38	**11.45**	**14.93**	**14.26**
	315.61	**137.95**	**757.75**	**1,057.62**

(All amounts in rupees millions, unless otherwise stated)

Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022

Notes

a.

Security	Name of Lender	Repayment Terms	Rate of interest	As at December 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Hypothecation in favour of HDFC bank limited against vehicle finance scheme.	HDFC Bank Limited	Truck Chassis and Body - starting from February 5, 2018 and October 20, 2018 - to be repaid in 47 equal monthly instalments. Other Vehicles - starting from April 2019 - to be repaid in 48 equal monthly instalments	8.71-9.75	-	-	-	10.24
Hypothecation in favour of Axis bank limited against vehicle finance scheme.	Axis Bank Limited	60 equated monthly installments, starting from May 01, 2024	8.70%	8.63	-	-	-
Hypothecation in favour of Axis bank limited against vehicle finance scheme.		60 equated monthly installments, starting from May 05, 2024	8.90%	6.35	-	-	-
Hypothecation in favour of Axis bank limited against vehicle finance scheme.		60 equated monthly installments, starting from May 01, 2024	8.75%	7.02	-	-	-

b.

Security	Name of Lender	Repayment Terms	Rate of interest	As at December 31, 2024 (Undiscouted)	As at March 31, 2024 (Undiscouted)	As at March 31, 2023 (Undiscouted)	As at March 31, 2022 (Undiscouted)
Secured by bank guarantee of equal amount of loan, second charge on Plot No. D-19, Industrial area Sikandrabad, District Bulandshahr and personal gaurantee of Mr. Vishal Kanodia (Managing Director of the Parent Company)	Uttar Pradesh Government under "Audyogik Nivesh Protsahan Yojana - 2012" through Uttar Pradesh Financial Corporation	on or before 11/11/27	Interest free loan	45.30	45.30	45.30	45.30
Secured by bank gurantee of equal amount of loan and personal guarantee of Mr. Vishal Kanodia, Mr. Manoj Kedia and Mr. Saurabh Lohia		on or before 28/09/27		12.54	12.54	12.54	12.54
Secured by bank gurantee of equal amount of loan and personal guarantee of Mr. Vishal Kanodia, Mr. Manoj Kedia and Mr. Saurabh Lohia		on or before 28/09/29		42.24	42.24	42.24	-
Secured by bank gurantee of equal amount of loan and personal guarantee of Mr. Vishal Kanodia, Mr. Manoj Kedia and Mr. Saurabh Lohia		on or before 18/08/30		24.98	24.98	-	-
Secured by bank gurantee of equal amount of loan and personal guarantee of Mr.		on or before 18/08/30		87.84	87.84	-	-
Secured by bank gurantee of equal amount of loan and personal guarantee of Mr. Vishal Kanodia, Mr. Manoj Kedia and Mr. Saurabh Lohia		on or before 02/04/23		-	-	-	7.62
Secured by bank gurantee of equal amount of loan and personal guarantee of Mr. Vishal Kanodia, Mr. Manoj Kedia and Mr. Saurabh Lohia		on or before 09/06/22		-	-	-	4.07
Secured by bank gurantee of equal amount of loan and personal guarantee of Mr. Vishal Kanodia, Mr. Manoj Kedia and Mr. Saurabh Lohia		on or before 05/11/31		164.40	-	-	-
Secured by bank gurantee of equal amount of loan and personal guarantee of Mr. Vishal Kanodia, Mr. Manoj Kedia and Mr. Saurabh Lohia		on or before 31/07/31		95.95	-	-	-

c. Details of Unsecured Term Loans are as follows:

Name of Lender	Repayment Terms	Rate of interest	As at December 31, 2024	As at March 31, 2024	March 31	As at March 31, 2022
Trends Advisory Private Limited (Undiscounted)	on or before 31/03/2024	Interest free loan	-	-	16.11	16.11
Hygiene Plus Limited (Formerly known as Hygiene Plus Private Limited)	on or before 19/03/2028	8.25%	-	-	132.26	-
Kanodia Team Private Limited (formerly known as NEO HBM Private Limited)	on or before 01/03/2027	8.25%	-	-	13.60	-
Midpoint Commodeal Private Limited	on or before 31/03/2028	Interest free loan	-	11.45	546.12	-
Amuly Suppliers Private Limited (Amalgamated with Midpoint Commodeal Private Limited effected w.e.f. November 11, 2022)	on or before 31/03/2026	Interest free loan	-	-	-	408.11
Leoline Developers Private Limited	on or before 31/03/2026	Interest free loan	-	-	-	227.00

(All amounts in rupees millions, unless otherwise stated)

	Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
d.	**Movement of Government Loan (Interest free): -**				
	Opening Balance	137.95	65.77	48.24	69.53
	Loan received during the year	260.35	112.82	42.24	-
	Fair Value adjustment	(111.92)	(49.37)	(17.99)	(21.29)
	Unwinding of Financial Liability	11.61	8.73	4.97	-
	Repayment of Loan	-	-	(11.69)	-
	Closing Balance	**297.99**	**137.95**	**65.77**	**48.24**
e.	**Movement of Unsecured Term Loan from Trends Advisory Private Limited: -**				
	Opening Balance	-	14.93	13.79	6.83
	Loan received during the year	-	-	-	-
	Fair Value adjustment	-	-	-	12.22
	Unwinding of Financial Liability	-	1.18	1.14	2.13
	Repayment of Loan	-	(16.11)	-	(7.39)
	Closing Balance	**-**	**-**	**14.93**	**13.79**

f. Interest aggregating Nil (for the year ended March 31, 2024: ₹ 12.96 million, for the year ended March 31, 2023: ₹ 51.96 million and for the year ended March 31, 2022: ₹ 29.02 million) accrued on loans borrowed have been waived off by the lenders.

	Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
20	**Other Financial Liabilities**				
	Financial guarantee obligation	-	0.06	1.82	2.58
	Amount payable for share purchase	-	-	4.61	85.16
		-	**0.06**	**6.43**	**87.74**

a. The Holding Company has purchased equity shares of Subsidiaries from related parties for which was repayable within next 5 years from the date of transaction and same has been paid.

b. Movement of Amount Payable for share Purchase:-

	Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
	Opening Balance	**-**	**4.61**	**85.16**	**161.38**
	Fair Value adjustment	-	-	-	(29.01)
	Unwinding of Financial Liability	-	0.38	3.65	14.38
	Loss on Early Repayment of financial liability	-	-	10.60	-
	Repayment of Financial Liability	-	(4.99)	(94.80)	(61.59)
	Closing Balance	**-**	**-**	**4.61**	**85.16**
21	**Provisions (Non Current)**				
	Employees Benefits	4.06	2.27	1.56	2.53
		4.06	**2.27**	**1.56**	**2.53**
22	**Deferred Income**				
	Deferrred Income - Interest Free Governemt Loan	168.45	70.48	31.57	20.12
	Unearned Income derived from fair value of loan and other financial liability	-	-	1.72	15.98
		168.45	**70.48**	**33.29**	**36.10**

For details, refer note 19 and 20

(All amounts in rupees millions, unless otherwise stated)

23 Deferred Tax Liabilities (Net)

A. Movement in deferred tax balances

Particulars	As at March 31, 2024	Recognized in P&L	Recognized in OCI	As at December 31, 2024
Deferred Tax Assets				
MAT Credit Entitlement	-	-	-	-
Deferred Income	17.74	24.66	-	42.40
Provision for Expected Credit Losses	0.13	0.29	-	0.42
Lease liabilities	0.08	(0.01)	-	0.07
Financial guarantee obligation	0.02	(0.02)	-	-
Expenses to be claimed in subsequent years	-	-	-	-
Expenses deductible on payment basis	2.68	(0.51)	0.19	2.36
Tax losses/ Unabsorbed depreciation	-	-	-	-
Sub- Total (a)	**20.65**	**24.41**	**0.19**	**45.25**
Deferred Tax Liabilities				
Property, plant and equipment, Intangible assets & Right of use Assets	247.71	17.53	-	265.24
Fair Valuation of Borrowings	19.70	25.13	-	44.83
Reversal of deferred tax liability related to previous year income offered for tax in current year	-	-	-	-
Capital Contribution to subsidiary	-	-	-	-
Interest free Financial liabilities	-	-	-	-
Prepaid Corporate Guarantee expense	0.02	(0.02)	-	-
Fair Valuation of Investment in Equity Instruments	2.47	(1.13)	-	1.34
Sub- Total (b)	**269.90**	**41.51**	**-**	**311.41**
Net Deferred Tax Liability (b)-(a)	**249.25**	**17.10**	**(0.19)**	**266.16**

Particulars	As at March 31, 2023	Recognized in P&L	Recognized in OCI	As at March 31, 2024
Deferred Tax Assets				
Deferred Income	9.66	8.08	-	17.74
Provision for Expected Credit Losses	0.39	(0.26)	-	0.13
Lease liabilities	0.09	(0.01)	-	0.08
Financial guarantee obligation	0.54	(0.52)	-	0.02
Expenses to be claimed in subsequent years	2.73	(2.73)	-	-
Expenses deductible on payment basis	1.10	1.67	(0.09)	2.68
Tax losses/ Unabsorbed depreciation	6.79	(6.79)	-	-
Sub- Total (a)	**21.30**	**(0.56)**	**(0.09)**	**20.65**
Deferred Tax Liabilities				
Property, plant and equipment, Intangible assets & Right of use Assets	224.67	23.04	-	247.71
Fair Valuation of Borrowings	10.74	8.96	-	19.70
Reversal of deferred tax liability related to previous year income offered for tax in current year	20.05	(20.05)	-	-
Interest free Financial liabilities	0.11	(0.11)	-	-
Prepaid Corporate Guarantee expense	0.52	(0.50)	-	0.02
Fair Valuation of Investment in Equity Instruments	-	2.47	-	2.47
Others	-	-	-	-
Sub- Total (b)	**256.09**	**13.81**	**-**	**269.90**
Net Deferred Tax Liability (b)-(a)	**234.79**	**14.37**	**0.09**	**249.25**

(All amounts in rupees millions, unless otherwise stated)

Particulars	As at March 31, 2022	Recognized in P&L	Recognized in OCI	As at March 31, 2023
Deferred Tax Assets				
MAT Credit Entitlement	14.36	(14.36)	-	-
Deferred Income	10.45	(0.79)	-	9.66
Provision for Expected Credit Losses	0.71	(0.32)	-	0.39
Lease liabilities	0.08	0.01	-	0.09
Financial guarantee obligation	0.76	(0.22)	-	0.54
Expenses to be claimed in subsequent years	-	2.73	-	2.73
Expenses deductible on payment basis	1.39	(0.03)	(0.26)	1.10
Tax losses/ Unabsorbed depreciation	-	6.79	-	6.79
Sub- Total (a)	**27.75**	**(6.19)**	**(0.26)**	**21.30**
Deferred Tax Liabilities				
Property, plant and equipment, Intangible assets & Right of use Assets	174.09	50.58	-	224.67
Income to be provided for tax in subsequent years	-	20.05	-	20.05
Fair Valuation of Borrowings	7.05	3.69	-	10.74
Interest free Financial liabilities	4.27	(4.16)	-	0.11
Prepaid Corporate Guarantee expense	0.75	(0.23)	-	0.52
Fair Valuation of Investment in Equity Instruments	0.34	(0.34)	-	-
Other	-	-	-	-
Sub- Total (b)	**186.50**	**69.59**	**-**	**256.09**
Net Deferred Tax Liability (b)-(a)	**158.75**	**75.78**	**0.26**	**234.79**

Particulars	As at April 01, 2021	Additions pursuant to acquisition of subsidiaries	Recognized in P&L	Recognized in OCI	As at March 31, 2022
Deferred Tax Assets					
MAT Credit Entitlement	33.50	-	(19.14)	-	14.36
Deferred Income	7.35	0.60	2.50	-	10.45
Provision for Expected Credit Losses	1.77	-	(1.06)	-	0.71
Lease liabilities	0.08	-	-	-	0.08
Financial guarantee obligation	0.14	-	0.62	-	0.76
Expenses deductible on payment basis	0.05	-	1.53	(0.19)	1.39
Sub- Total (a)	**42.89**	**0.60**	**(15.55)**	**(0.19)**	**27.75**
Deferred Tax Liabilities					
Property, plant and	57.90	100.29	15.90	-	174.09
Borrowings	7.60	0.83	(1.38)	-	7.05
Interest free Financial liabilities	0.34	-	3.93	-	4.27
Prepaid Corporate Guarantee expense	0.14	-	0.61	-	0.75
Fair Valuation of Investment in Equity Instruments	0.38	-	(0.04)	-	0.34
Others	-	-	-	-	-
Sub- Total (b)	**66.36**	**101.12**	**19.02**	**-**	**186.50**
Net Deferred Tax Liability (b)-(a)	**23.47**	**100.52**	**34.57**	**0.19**	**158.75**

(All amounts in rupees millions, unless otherwise stated)

B. Amounts recognised in the Statement of Profit and Loss

Particulars	For the nine months ended December 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax expense				
Current year	285.44	313.51	129.25	120.68
Income tax for earlier year	0.46	1.29	0.92	0.90
	285.90	**314.80**	**130.17**	**121.58**
Deferred Tax Charge/(Credit)				
Origination and reversal of temporary differences	17.10	14.37	75.78	34.58
Origination and reversal of temporary differences for earlier years	-	-	-	-
	17.10	**14.37**	**75.78**	**34.58**
Total Tax Expense	**303.00**	**329.17**	**205.95**	**156.16**

C. Amount recognised in Other Comprehensive Income

Particulars	For the nine months ended December 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred Tax Charge/(Credit)				
Remeasurements of defined benefit obligation	(0.19)	0.09	0.26	0.19
	(0.19)	**0.09**	**0.26**	**0.19**

D. Reconciliation of effective tax expense

Particulars	For the nine months ended December 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Accounting profit before tax	**1,285.38**	**1,467.55**	**760.69**	**559.71**
Tax using the Group's domestic tax rate^	323.50	369.35	221.51	162.99
Tax effect of:				
Non-deductible expenses/ (Exempted income) (net)	2.01	8.25	(3.33)	6.65
MAT Credit written off	-	-	8.01	-
Rate Change Impact on Deferred Tax*	-	(9.38)	-	-
Changes in estimates related to prior years	0.46	1.29	0.92	0.90
Elimination due to Consolidation	-	-	(1.34)	(2.29)
Differential tax rate on capital gain	(1.71)	-	-	-
Income Taxable at Lower Rate	(21.59)	(40.60)	(31.40)	(12.19)
Others	0.33	0.27	11.56	0.12
	303.00	**329.17**	**205.95**	**156.16**

^ The Group domestic tax rate for the nine months ended is 25.168% (For the year ended March 31,2024: 25.168%; for the year ended March 31, 2023: 29.12%; for the year ended March 31, 2022: 29.12%)

*In pursuance of Section 115BAA of the Income Tax Act, 1961 notified by Government of India through Taxation Laws (Amendment) Act 2019, the Parent Company has opted for lower income tax rate during the year ended March 31, 2024.

(All amounts in rupees millions, unless otherwise stated)

Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
24 Borrowings				
Secured Loans				
Working Capital Facilities from a Bank				
-Working Capital Demand Loan*	-	-	-	88.64
Current Maturities of Non-Current Borrowings (Refer note no. 19)				
Secured				
Rupee Term Loans				
- from Government	-	-	-	4.02
Vehicle Loans				
- from Banks	4.38	-	-	10.24
Unsecured				
Rupee Term Loans				
- from related parties (companies)	-	11.45	14.93	-
	4.38	**11.45**	**14.93**	**102.90**

a. ***Working Capital Facilities from a Bank are secured by:**
Exclusive charge in favour of the Bank by way of hypothecation of inventories and other moveables including trade and other receivables, both present and future, in a form and manner satisfactory to the bank and also secured by personal guarantees of two directors. The loan is further secured by collateral by way of mortgage on the properties located at A 21, Sector 16, Noida, Uttar Pradesh (India). During the year ended March 31, 2023, the Parent Company has closed working capital limit from a bank and accordingly filed satisfaction of its charge.

Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
25 Trade Payables				
Outstanding dues of Micro Enterprises and Small Enterprises	25.33	11.64	3.11	0.77
Outstanding dues other than Micro Enterprises and Small Enterprises	324.84	602.93	522.77	353.51
	350.17	**614.57**	**525.88**	**354.28**

a. For details of payables to related parties, Refer note no. 42.
b. Trade Payables ageing.

As at December 31 2024

Particulars	Outstanding for following periods from transaction date						
	Unbilled	Not Due	Less than 1 year	1- 2 year	2- 3 year	More than 3 years	Total
Micro and small enterprises	0.35	-	24.98	-	-	-	25.33
Other than micro and small enterprises	152.69	-	171.90	0.25	-	-	324.84
Disputed Dues- Micro and small enterprises	-	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-	-
Total	**153.04**	**-**	**196.88**	**0.25**	**-**	**-**	**350.17**

As at March 31, 2024

Particulars	Outstanding for following periods from transaction date						
	Unbilled	Not Due	Less than 1 year	1- 2 year	2- 3 year	More than 3 years	Total
Micro and small enterprises	0.07	-	11.56	-	-	-	11.64
Other than micro and small enterprises	115.15	-	484.74	2.21	0.81	0.03	602.93
Disputed Dues- Micro and small enterprises	-	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-	-
Total	**115.22**	**-**	**496.30**	**2.21**	**0.81**	**0.03**	**614.57**

(All amounts in rupees millions, unless otherwise stated)

Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022

As at March 31, 2023

Particulars	Outstanding for following periods from transaction date						
	Unbilled	Not Due	Less than 1 year	1- 2 year	2- 3 year	More than 3 years	Total
Micro and small enterprises	-	-	3.09	0.01	-	-	3.11
Other than micro and small enterprises	73.38	-	437.31	6.00	2.27	3.81	522.77
Disputed Dues- Micro and small enterprises	-	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-	-
Total	**73.38**	**-**	**440.41**	**6.01**	**2.27**	**3.81**	**525.88**

As at March 31, 2022

Particulars	Outstanding for following periods from transaction date						
	Unbilled	Not Due	Less than 1 year	1- 2 year	2- 3 year	More than 3 years	Total
Micro and small enterprises	-	-	0.44	0.03	0.01	0.29	0.77
Other than micro and small enterprises	61.80	-	260.54	27.13	0.68	3.36	353.51
Disputed Dues- Micro and small enterprises	-	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-	-
Total	**61.80**	**-**	**260.98**	**27.16**	**0.69**	**3.65**	**354.28**

Note	Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
26	**Other Financial Liabilities**				
	Security deposit from customers*	67.48	67.42	54.61	70.62
	Accruals related to employees	14.05	11.60	9.10	5.15
	Creditors for Capital Goods	1.10	23.98	32.29	198.41
	Others	-	-	-	0.02
		82.62	**103.00**	**96.00**	**274.20**

* Security deposits received from customers are unsecured and refundable at the time of termination of contract with agents.

Note	Particulars	As At December 31, 2024	As At March 31, 2024	As At March 31, 2023	As At March 31, 2022
27	**Other Current Liabilities**				
	Statutory Dues	125.94	144.74	45.77	72.42
	Liability under Suit (Refer note no.39)	455.99	455.99	455.99	455.99
	Advance from Customers	2.20	28.77	6.20	17.34
	Interest paybale on Delay Payment of MSME Dues	1.13	0.78	0.11	-
	Provision for VAT payable under dispute	5.91	-	-	-
	CSR Expenses Payable	4.71	-	-	-
	Other Liabilities	4.21	-	-	-
		600.09	**630.28**	**508.07**	**545.75**
28	**Provisions (Current)**				
	Employee Benefits	0.71	0.08	0.12	1.21
		0.71	**0.08**	**0.12**	**1.21**
29	**Current Tax Liabilities (Net)**				
	Income Tax (Net of Advance tax, TDS and TCS)	39.70	38.24	0.32	94.15
		39.70	**38.24**	**0.32**	**94.15**

(All amounts in rupees millions, unless otherwise stated)

	Particulars	For the nine months ended December 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
30	**Revenue from Operations**				
	Sales of Goods				
	Cement	6,841.67	8,229.92	5,992.59	4,413.96
	Cement Trading	-	3.85	-	-
	Clinker	-	224.90	435.27	283.98
	Fly Ash & Others	-	26.60	37.62	41.43
	Other operating revenue				
	Goverenment Subsidy Income (Refer note (f) below)	353.95	393.80	187.29	145.17
	Services income from transportation	-	-	0.01	-
		7,195.62	**8,879.07**	**6,652.78**	**4,884.54**

a. For details of transactions with related parties, Refer note no. 42.

b. **Reconciliation of contract price vis a vis revenue recognised in the Statement of Profit and Loss is as follows:**

Particulars	For the period ended December 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Contract Price				
(i) Sales of goods	6,889.67	8,553.76	6,522.07	4,818.80
(ii) other operating revenue	353.95	393.80	187.30	145.17
Adjustments:				
Discount/rebate/ Sales incentives	(48.00)	(68.49)	(56.59)	(79.43)
Revenue recognised in the Statement of Profit and Loss	**7,195.62**	**8,879.07**	**6,652.78**	**4,884.54**

c. The above revenues have been recongnised at point of time.

d. Payment terms with customers generally ranges between 0 to 30 days from the completion of performance obligation. Considering the same, the group elects to use practical expedient as given in IND AS 115 "Revenue from contracts with customers", hence there are no significant financing component in any transaction with the customers.

e. For contract assets and balances Refer note no. 11, 26 & 27

f. Accrued for the GST Refund claim under incentive scheme of the respective State Governments.

	Particulars	For the nine months ended December 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
31	**Other Income**				
	Interest Income				
	- on financial assets	58.22	28.29	7.00	7.30
	- Income tax refund	-	0.18	-	-
	- waiver of Interest on loan given to others accounted under Ind AS	-	-	20.36	29.02
	Less: waiver of interest income by the Group	-	-	(20.36)	(29.02)
	Dividend Income	-	-	0.03	0.02
	Profit on Sale of Investments measured at FVTPL	18.37	15.78	1.41	0.54
	Net Gain on Fair Value of Investments measured at FVTPL	6.02	9.80	-	0.31
	Insurance claim received	-	-	0.99	0.27
	Sundry balances written back	4.47	10.23	0.92	-
	Provision no longer required written back	-	-	0.85	12.93
	Amortisation of Deferred Income on UPFC Interest Free Loan	13.95	10.45	6.54	4.22
	Income derived from fair value of loans and financial liability	-	1.72	4.88	5.92
	Income derived from fair value of loans and financial liability (Early repayment of financial liability)	-	-	9.38	10.42
	Bad Debts Recovered	6.00	43.05	-	-
	Commission Income on Corporate Guarantee	0.06	1.90	0.94	0.33
	Recovery of Initial Public Offering Expenses	12.54	-	-	-
	Scrap Sales	2.62	-	-	-
	Miscellaneous Income	0.05	0.69	5.19	3.72
		122.30	**122.09**	**38.13**	**45.98**

For related party transactions, Refer note no. 42.

	Particulars	For the nine months ended December 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
32	**Cost of Materials Consumed**				
	Raw Materials Consumed	5,095.27	6,011.28	4,288.85	3,053.57
		5,095.27	**6,011.28**	**4,288.85**	**3,053.57**
33	**Change in Inventories of Work-in-progress**				
	Opening Inventory				
	Work-in-Progress	15.64	55.09	10.82	1.40
		15.64	**55.09**	**10.82**	**1.40**
	Less: Closing Inventory				
	Work-in-Progress	41.85	15.64	55.09	10.82
		41.85	**15.64**	**55.09**	**10.82**
	(Increase)/ Decrease in Inventories of Work-in-Progress	**(26.21)**	**39.45**	**(44.27)**	**(9.42)**

(All amounts in rupees millions, unless otherwise stated)

	Particulars	For the nine months ended December 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
34	**Employee Benefits Expense**				
	Salary, Wages, Bonus etc.	149.53	150.28	115.42	63.36
	Contribution towards Provident Fund and other funds	2.97	1.88	2.17	2.45
	Gratuity expense	1.05	0.95	0.88	2.29
	Staff Welfare Expense	1.06	0.02	0.10	0.22
		154.61	**153.13**	**118.57**	**68.32**
35	**Finance Costs**				
	Interest expense				
	- on borrowings	1.69	-	8.25	6.96
	- on borrowings and subsequently waived off	-	55.65	51.96	48.78
	Less: Waiver of interest expense by the lenders	-	(55.65)	(51.96)	(48.78)
	Interest expense on Government Loans	11.63	8.73	4.97	3.68
	Unwinding of financial liability	-	1.56	4.79	6.43
	Unwinding of Corporate Guarantee obligation	-	0.13	0.19	0.09
	Loss on Early Repayment of financial liability	-	-	10.60	10.08
	Interest expense on lease liabilities	0.02	0.03	0.03	0.02
	Interest on statutory dues	3.18	9.63	4.73	10.43
	Other Borrowing Costs	2.10	5.16	0.27	0.32
		18.62	**25.24**	**33.83**	**38.01**
36	**Depreciation and Amortization Expenses**				
	Depreciation on Property, Plant and Equipment (Refer Note 3)	119.62	157.18	159.69	100.33
	Amortization on Intangible Assets (Refer Note 3)	0.04	0.02	0.01	0.14
	Depreciation on Right of Use Assets (Refer Note 4)	0.35	0.46	0.46	3.96
		120.01	**157.66**	**160.16**	**104.43**
37	**Other Expenses**				
	Stores and Spare Parts Consumed	91.04	140.88	89.37	89.94
	Power & Fuel	392.97	450.65	352.18	308.29
	Repairs and Maintenance:				
	Plant & Machinery	5.76	9.76	24.02	27.91
	Building	0.07	1.02	0.39	-
	Others	6.26	1.03	0.06	4.63
	Sales Commission	6.65	9.55	11.82	16.46
	Provison for Impairment in Investment	-	-	2.51	-
	Rent	4.58	4.30	15.89	15.89
	Rates & Taxes	14.16	17.09	2.57	1.61
	Insurance	0.55	1.91	3.12	2.84
	Fair Value reversal on Step acquistion of Subsidiary	-	-	-	0.44
	Legal and professional	29.69	55.36	61.87	39.33
	Freight Outward and Handling Charges	78.52	124.56	88.14	105.80
	Advertisement and Sales Promotion	9.72	9.28	95.80	12.56
	CSR Expenses	4.71	26.00	7.09	3.00
	Packing and loading	-	-	-	4.03
	Cash Robbery	-	-	-	2.00
	Provision for Expected Credit Losses/doubtful advances	1.14	(0.84)	(1.11)	(3.64)
	Advances written off	0.06	4.67	-	-
	Bad Debts	-	0.34	43.96	57.73
	Corporate Guarantee expense	0.05	1.70	0.80	0.26
	Printing and stationary	0.18	0.58	0.91	-
	Subsidy Written off	-	-	9.48	-
	Net loss on Sales of Property, Plant and Equipment	-	-	10.12	-
	Other Expenses	24.13	20.38	31.27	23.07
		670.24	**878.22**	**850.26**	**712.15**

38 Earning per share

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the nine months/year.

The following reflects the income and share data used in the basic EPS computations:

Particulars	For the nine months ended December 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit/(Loss) attributable to equity holders of the Parent Company	**982.38**	**1,138.38**	**553.71**	**401.53**
Weighted average number of equity shares outstanding at the beginning of the nine months/year	7,45,69,650	7,45,69,650	7,45,69,650	7,45,69,650
Shares issued during the nine months/year	-	-	-	-
Weighted average number of equity shares outstanding at the end of the nine months/year	**7,45,69,650**	**7,45,69,650**	**7,45,69,650**	**7,45,69,650**
EPS - Basic and Diluted (Per share in Rs.) (not annualized for the nine months period ended December 31, 2024)	13.17	15.27	7.43	5.38

(All amounts in rupees millions, unless otherwise stated)

	Particulars	As at December 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
39	**Contingent liabilities, contingent assets and commitments as identified by the Group**				
A.	**Contingent liabilities (not provided for) in respect of:**				
a.	Indirect tax demand disputed by the Group which excludes penalty, if any, as same can not be measured at this stage	15.80	129.56	-	-
b.	Income tax demand disputed by the Group which excludes penalty, if any, as same can not be measured at this stage	145.84	98.47	136.37	125.05
c.	Dispute regarding excise cenvat credit	0.69	0.69	13.78	13.78
d.	Claim by a customer disputed by the company				
	- Principle amount	11.80	11.80	11.80	11.80
	- interest thereon	970.81	819.92	642.84	488.30

A customer has filed a case against the subsidiary Company for alleged breach of contractual terms which has been disputed by the Company before the Hon'ble High Court of Delhi. Based on the Hon'ble High Court of Delhi's instruction matter was referred for arbitration. Arbitration award was passed on 09.03.2021 and the Company was held liable to pay principal sum of ₹ 498.39 million and interest thereon @ 18% p.a. The Company has challenged the aforesaid award before the Single Judge bench of the Hon'ble High Court of Delhi, which has been decided partly in the favour of the Company by set aside the award of ₹ 40 million on 08.11.2021. The Company has further challenged aforesaid arbitration award before the Double bench of Hon'ble High Court of Delhi. The Double bench of Hon'ble High Court has granted stay on the operation of the Award till the matter is finally disposed off by the Court.
Based on the opinion received by the Company, there are high probabilities of favourable decision. However, as an abandunt caution, the Company has accounted for liability for principle amount aggregating ₹ 455.99 million (including ₹ 9.4 million arbitration costs) in earlier years. However, principle amount ₹ 11.80 million and interest ₹ 970.81 million till December 31, 2024 will be accounted, if required, at the time of final order by the Hon'ble High Court of Delhi.

Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments/ decisions pending with various forums/ authorities. However, the Group has reviewed all its pending litigation and proceeding and has adequately provided for where provision required and disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceeding to have a materially adverse effect on its financial position. The Group does not expects any payment in respect of the above contingent liabilities.

B. **Others**

In light of judgment of Honorable Supreme Court dated February 28, 2019 on the definition of "Basic Wages" under the Employees Provident Funds & Misc. Provisions Act, 1952 and based on Group's evaluation, there are significant uncertainties and numerous interpretative issues relating to the judgement and hence, it is unclear as to whether the clarified definition of Basic Wages would be applicable prospectively or retrospectively. The amount of the obligation therefore cannot be measured with sufficient reliability for past periods and hence has currently been considered to be a contingent liability.

C. In earlier years, the Vevant Cement Works Private Limited, now amalgamated with the Parent Company, has given corporate guarantee to a bank for loan to the extent of ₹ 50 million obtained by a relative of director against which the balance outstanding as on December 31, 2024 is Nil (as at March 31, 2024 Nil, as at March 31, 2023 Nil and as at March 31, 2022 is ₹ 41.14 million).

In earlier years, the Holding Company, the Parent Company has given corporate guarantee to a bank for credit facility of ₹ 320 million availed by a related party namely M/s Hygiene Plus Limited (Formerly Known as M/s Hygiene Plus Private Limited) against which the balance outstanding as on December 31, 2024 was Nil (as at March 31, 2024 was ₹ 4.75 million, as at March 31, 2023 ₹ 155.19 million and as at March 31, 2022 is ₹ 188.59 million).

		As at December 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
D.	**Commitments**				
	(i) Estimated amount of Contracts remaining to be executed on Capital Account not provided for [Net of Advances]	196.73	34.62	-	439.33

(All amounts in rupees millions, unless otherwise stated)

40 Details of Investment made, Loan and Guarantee given covered under section 186(4) of the Companies Act, 2013 and Loans and Advances pursuant to Regulation 34(3) and 53(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

a) Loan Given / Security Provided for business purposes

Name	Terms of repayments	Maximum Amount Outstanding during the				For the year ended				Outstanding as at			
		December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Hygiene Plus Limited (Formely Known as Hygiene Plus Private Limited)##	Repayable 5 years from date of disbursement.	123.55	-	317.93	436.40	192.06	-	335.41	514.31	-	-	-	114.12
M/s Kanodia Reality Pvt. Ltd. (Formerly known as Sapnasudhansh Infosystem Pvt. Ltd.)#	Repayable 5 years from date of disbursement.	59.86	-	-	-	129.36	-	-	-	59.86	-	-	-
Kanodia Hi-Tech Pvt Ltd#	Repayable 5 years from date of disbursement.	303.70	-	-	-	521.70	-	-	-	-	-	-	-
Midpoint Commodeal Pvt Ltd#	Repayable 5 years from date of disbursement.	557.97	-	-	-	636.42	-	-	-	-	-	-	-
Sunup Build Private Limited#	Repayable 5 years from date of disbursement.	555.50	-	-	-	555.50	-	-	-	505.50	-	-	-
Sunup Infra Reality Pvt Ltd#	Repayable 5 years from date of disbursement.	10.00	-	-	-	10.00	-	-	-	10.00	-	-	-
Building Paradise Private Limited*	Repayable 2 years from date of disbursement.	2.75				18.84							
Fair Hygiene Private Limited*	Repayable 5 years from date of disbursement.	-	-	-	3.08	-	-	-	0.12	-	-	-	3.08
Blossom realcon Pvt. Ltd.*	Repayable 5 years from date of disbursement.	-	-	-	24.86	-	-	-	1.35	-	-	-	24.86
Anadi Infotainment Private Limited*	Repayable 5 years from date of disbursement.	-	-	-	2.01	-	-	-	2.01	-	-	-	-
Kanodia Team Pvt. Limited (Formerly Known as Neo HBM Private Limited)*	Repayable 5 years from date of disbursement.	29.74	23.54	24.59		30.20	-	73.01		-	-	-	-
Kanodia Cement Industries Private Limited (Stuck off w.e.f. September 05,2023) *	Repayable 5 years from date of disbursement.	-	-	-	0.11		-	-	-	-		-	
Kanodia Business Private Limited (Amalgamated with Midpoint Commodeal Private Limited effected w.e.f. November 11, 2022)*	Repayable 5 years from date of disbursement.	-	-	-	15.76	-	-	-	28.81	-	-	-	-
Sunup Homes LLP#	Repayable 5 years from date of disbursement.	50.02	-	-	-	50.02	-	-	-	-	-	-	-

(All amounts in rupees millions, unless otherwise stated)

The above unsecured loans carries interest rate 8.25% - 11% per annum accrued and receivable at the year end.

* The above unsecured loans carries interest rate of 8.25% per annum accrued and receivable at the year end.

The above unsecured loans carries interest rate of 11% per annum accrued and receivable at the year end, except for Sunup Build Private Limited where interest shall accrue on annual basis and shall be received after 3 years from the disbursement of first tranche and thereafter on or before 30th April every year.

b)

Name	**0.01% Compulsorily Convertible Preference Shares of Stark Enterprises Private Limited**	**Preference Shares of Edubite Technologies Private Limited***	**Kanodia Infratech Limited****
Investments as at April 01, 2021	-	-	22.05
Investments made during the year	-	2.51	-
Investment sold during the year	-	-	-
Investments as at March 31, 2022	2.50	2.51	-
Investments made during the year	-	-	-
Investment sold during the year	2.50	-	-
Investments as at March 31, 2023	-	2.51	-
Investments made during the year	-	-	-
Investment sold during the year	-	-	-
Investments as at March 31, 2024	-	2.51	-
Investments made during the nine months	-	-	-
Investment sold during the nine months	-	-	-
Investments as at December 31, 2024	-	-	-

* In financial year 2022-23, the Parent Company has provided for impairment of Rs. 2.51 millions.In November'24, the company has been strucked off.
** During the financial year 2021-22, Kanodia Infratech Limited has become subsidiary of the Parent Company.

41 Employee benefits

The Group contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The Group makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

Particulars	**For the nine months/year ended**			
	December 31, 2024	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Contribution towards Provident Fund and other funds	2.97	1.88	2.17	2.45

(ii) Defined Benefit Plan:

The Group made provision for gratuity as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, upto a maximum limit of ₹ 2 million.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2024. The present value of the defined benefit obligations and the related current service cost and past service cost, was measured using the Projected Unit Credit Method.

(All amounts in rupees millions, unless otherwise stated)

A. Movement in net defined benefit (asset)/liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset)/liability and its components:

Particulars	**December 31, 2024**			**March 31, 2024**			**March 31, 2023**			**March 31, 2022**		
	Defined benefit obligation	**Fair value of plan assets**	**Net defined benefit (asset)/ liability**	**Defined benefit obligation**	**Fair value of plan assets**	**Net defined benefit (asset)/ liability**	**Defined benefit obligation**	**Fair value of plan assets**	**Net defined benefit (asset)/ liability**	**Defined benefit obligation**	**Fair value of plan assets**	**Net defined benefit (asset)/ liability**
Opening Balance	2.09	-	2.09	1.43	1.42	0.01	1.54	1.41	0.14			
Included in profit & loss												
Current service cost	0.94	-	0.94	0.84	-	0.84	0.87	-	0.87	2.19	-	2.19
Interest cost / (income)	0.11	-	0.11	0.11	-	0.11	0.03	-	0.03	0.10	-	0.10
Other Adjustment	-	-	-	-	-	-	-	0.02	(0.02)			
Past Service Cost including curtailment Gains/(Losses)	-	-	-	-	-	-	-	-	-			
	1.05	**-**	**1.05**	**0.95**	**-**	**0.95**	**0.89**	**0.02**	**0.88**	**2.29**	**-**	**2.29**
Included in OCI												
Remeasurements loss / (gain)												
Actuarial loss / (gain) arising from:												
- demographic assumptions	-	-	-	-	-	-	-	-	-			
- financial assumptions	0.09	-	0.09	0.07	-	0.07	(0.02)	-	(0.02)	(0.10)		(0.10)
- experience adjustment	0.63	-	0.63	(0.43)	-	(0.43)	(0.98)	-	(0.98)	(0.65)		(0.65)
- on plan assets	-	-	-	-	-	-	-	-	-	-		
	0.72	**-**	**0.72**	**(0.36)**	**-**	**(0.36)**	**(1.00)**	**-**	**(1.00)**	**(0.75)**	**-**	**(0.75)**
Other												
Contributions paid by the employer	-	-	-	-	-	-	-	-	-	-	0.23	(0.23)
Benefits paid	(0.19)	-	(0.19)	(0.01)	-	(0.01)	-	-	-	-	-	-
Actual Return on Plan Assets	-	-	-	-	-	-	-	-	-	-	-	-
Asset Transfer In/ (Out)	-	-	-	-	(0.25)	0.25	-	-	-	-	-	-
	(0.19)	**-**	**(0.19)**	**(0.01)**	**(0.25)**	**0.23**	**-**	**-**	**-**	**-**	**0.23**	**(0.23)**
Closing Balance	**3.67**	**-**	**3.67**	**2.01**	**1.18**	**0.83**	**1.43**	**1.42**	**0.01**	**1.54**	**0.23**	**1.31**

B. Plan assets

Particulars	**December 31, 2024**	**March 31,2024**	**March 31,2023**	**March 31,2022**
Fund managed by insurer	-	-	0% - 100%	0% - 100%

In the absence of detailed information regarding plan assets which is funded with Insurance Company, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

(All amounts in rupees millions, unless otherwise stated)

C. Actuarial assumptions

The Principal actuarial assumptions considered in the valuation were :

Economic Assumptions : The discount rate and salary increase rate are the key financial assumptions and should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

Discount Rate : The discounting rate is based on the gross redemption yield on medium to long term risk free investments. The term of the risk free investments has to be consistent with the estimated term of benefit obligations.

Salary Escalation Rate : The salary escalation rate usually consists of at least three components, viz. regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again, a long-term view as to the trend in salary escalation rates has to be taken rather than guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

Attrition Rate / Withdrawal Rate : Past experience indicates the current level of attrition. The assumption may incorporate the company's policy towards retention of employees, historical data & industry outlook.

Mortality Rate : Mortality Table (IALM) 2012-2014, as issued by Institute of Actuaries of India, for the valuation.

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	December 31, 2024	March 31,2024	March 31,2023	March 31,2022
Discount rate	6.99% p.a.-7.00% p.a.	7.21% p.a.	7.48% - 7.51 p.a.	7.29%
Expected rate of future salary increase	8.00% p.a.	8.00% p.a.	8.00% p.a.	8.00% p.a.
Expected rates of return on any plan assets	N.A.	N.A.	7.29% p.a.	7.29% p.a.
Average remaining working life of the employees(years)	21.34 - 24.03 years	20.90 - 24.55 years	21.37 - 24.44 years	24.12 years
Mortality	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM (2012 - 14)

Assumptions regarding future mortality have been based on published statistics and mortality tables.

The estimates of the future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

D. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	December 31, 2024		March 31,2024		March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Decrease	Increase
Discount rate (0.5% movement)	(0.20)	0.21	(0.13)	0.14	(0.09)	0.10	(0.10)	0.05
Expected rate of future salary increase (1% movement)	0.44	(0.38)	0.28	(0.24)	0.21	(0.18)	0.22	(0.08)
Expected rate of withdrawal	(0.34)	0.50	(0.23)	0.33	(0.19)	0.25	(0.23)	0.16

Sensitivities due to mortality and withdrawals are insignificant, hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

E. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follow -

A) Salary Increases- Higher than expected increase in salary will increase the defined benefit obligation.

B) Investment Risk – Assets / liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability / Assets.

C) Discount Rate - Reduction in discount rate in subsequent valuations can increase the plan’s liability.

(All amounts in rupees millions, unless otherwise stated)

D) Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that includes mortality, withdrawals, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the employee benefit of a short career employee typically costs less per year as compared to a long service employee.

F. Maturity of Defined Benefit Obligation

Particulars	**As at December 31, 2024**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Year 1	0.37	0.04	0.02	0.01
Year 2	0.09	0.05	0.04	0.01
Year 3	0.13	0.06	0.04	0.05
Year 4	0.15	0.10	0.06	0.07
Year 5	0.18	0.12	0.09	0.09
After Year 5	8.75	5.92	4.66	2.71

42 Related parties disclosures in accordance with Ind AS 24 "Related party disclosures"

A. Related parties and their relationships as per Ind AS 24

i Promoters

Nupoor Kanodia Beneficiary Trust
Trish Kanodia Beneficiary trust
Mr. Vishal Kanodia

ii Key Managerial Personnels

Name	**Relationship / Designation**
Mr. Vishal Kanodia	Managing Director
Mr. Manoj Kedia	Director (till September 10, 2024)
Mr. Saurabh Lohia	Director
Mr. Sanjay Banthia	Independent Director
Ms. Anju Kumari	Independent Director (w.e.f., March 12, 2022, till July 29, 2023)
Mr. Santosh Ramanuj Tiwari	Independent Director (w.e.f., June 30, 2023)
Ms. Sonia Mendiratta	Independent Director (w.e.f., September 30, 2023, till May 25, 2024)
Mr. Sandeep Kumar Khemka	Independent Director (till March 04, 2022)
Mr. Santosh Kumar	Independent Director (till March 04, 2022)
Ms. Preeti	Independent Director
Mr. Anup Kumar Singh	Chief Financial Officer (w.e.f., August 12, 2019, till April 10, 2023)
Mr. Satya Prakash Sharma	Chief Financial Officer (w.e.f., September 30, 2023, till June 28, 2024)
Mr. Roop Narain Maloo	Chief Financial Officer and Executive Director (w.e.f., June 28, 2024)
Mr. Abhishek Saxena	Company Secretary (Till June 30,2022)
Mrs. Shikha Mehra Chawla	Company Secretary (w.e.f. June 30,2022)

iii Relatives of Key Managerial Personnels (where transactions took place)

Mrs. Manju Kanodia	Mother of Mr. Vishal Kanodia
Mrs. Khushboo Kanodia	Wife of Mr. Vishal Kanodia
Mr. Gautam Kanodia	Brother of Mr. Vishal Kanodia
Vishal Kanodia HUF	Mr. Vishal Kanodia is Karta of HUF
Gautam Kanodia HUF	Mr. Gautam Kanodia is Karta of HUF
Mrs. Somia Lohia	Wife of Mr. Saurabh Lohia
Mrs. Pooja Poddar	Sister of Mr. Vishal Kanodia
Mrs. Shivani Kedia	Wife of Mr. Manoj Kedia

(All amounts in rupees millions, unless otherwise stated)

iv Enterprises where KMP or relative of KMP holding directorship or proprietorship or shareholders having significant influence (where transactions took place)

Kanodia Business Private Limited (amalgamated with Midpoint Commodeal Private Limited w.e.f. appointed date April 01, 2021 and effected from November 11, 2022)
Hygiene Plus Limited (formerly known as Hygiene Plus Private Limited)
Blossom Realcon Private Limited
Fair Hygiene Private Limited
Kanodia Reality Private Limited (formerly known as Sapna Sudhansh Infosystem Private Limited)
Shree Shyam Services (a proprietorship firm) (Ceased to exist w.e.f. Feburary 18, 2023)
Trends Advisory Private Limited
Kanodia Team Private Limited (formerly known as NEO HBM Private Limited)
Midpoint Commodeal Private Limited
Kanodia Cement Industries Private Limited (struck off with effect from September 05, 2023)
Anadi Infotainment Private Limited
Building Paradise Private Limited
Amaestro Media Private Limited
Real Value Agrotech Projects Private Limited
Amuly Suppliers Private Limited (amalgamated with Midpoint Commodeal Private Limited w.e.f. appointed date April 01, 2021 and effected from November 11, 2022)
Leoline Developers Private Limited
Sunup Build Private Limited
Kanodia Hi-Tech Private Limited
Easy Cargo Solutions Private Limited
Sunup Infra Reality Private Limited

B. Transactions with related parties

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
i Mr. Vishal Kanodia				
Purchases of equity shares of subsidiary companies	-	-	0.79	38.61
Purchases of Fixed asset	-	-	0.13	
Purchases of Intangible asset	-	-	0.20	
Loan borrowed	-	25.50	-	
Loan repaid	-	25.50	-	0.68
Other Payable	-	-	2.01	
Remuneration expense	6.73	1.90	1.80	1.80
Royalty Expense against trademarks	0.13			
Repayment of Other Payable	-	2.01	-	
Amount received against outstanding balances in amalgamating companies^	-	-	-	12.37

^ Since the following Companies were amalgamated with the Company therefore during the year ended March 31, 2022, ₹ 12.37 millions out of outstanding amounts aggregating ₹ 33.45 millions which were outstanding as on January 13, 2021 (effective date of amalgamation), received back by the Company. Balance amount of ₹ 20.40 millions and ₹ 0.68 million were adjusted against payable for purchase of equity shares of subsidiary companies and loan payable respectively.
- Sargam Dealer Pvt Ltd- ₹ 17.51 millions (Receivable)
- Maharaj Retailer Pvt Ltd. - ₹ 15.94 millions (Receivable)

Guarantee given for loan availed by the Company, refer Note no. 24.

(All amounts in rupees millions, unless otherwise stated)

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Payable against purchases of equity shares of subsidiary companies	-	-	4.99	14.41
Other Payable	-	-	2.01	-
Remuneration Payable	0.75	0.15	-	-

Guarantee given for loan availed by the Company, refer Note no. 24.

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
ii Mr. Manoj Kedia				
Remuneration expense	0.56	0.90	0.80	0.52
Remuneration paid in advance	-	-	-	0.19
Refund received against old outstanding	-	-	-	0.13

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	April 01, 2022
Outstanding at the year-end:				
Advance salary paid	-	-	-	0.19
Salary payable	0.08			

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
iii Mr. Saurabh Lohia				
Purchases of equity shares of a subsidiary company		-	0.00	0.02
Remuneration expense	1.20	0.90	0.90	0.90
Other advances		0.23	-	
Advances Given & Received back		2.00	-	

Guarantee given for loan availed by the Company, refer Note no. 24.

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Remuneration Payable	0.15	-	-	0.13

Guarantee given for loan availed by the Company, refer Note no. 24.

(All amounts in rupees millions, unless otherwise stated)

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
iv Mrs. Manju Kanodia				
Purchases of equity shares of a subsidiary company	-	-	0.77	16.13
Remuneration expense	0.30	1.20	0.42	0.90
Advance against purchases of property, plant and equipments refunded	-	-	-	13.60

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Payable against purchases of equity shares of a subsidiary company	-	-	-	16.13
Salary Payable	-	0.03	-	0.07

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
v Mrs. Khushboo Kanodia				
Remuneration expense	0.60	-	0.42	0.90

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Other Payable	-	0.22	0.22	0.07
Remuneration Payable	0.10	-	-	-

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
vi Mr. Gautam Kanodia				
Sale of Equity share of Kanodia Hi-Tech Private Limited	-	1.49	-	-
Purchases of equity shares of a subsidiary company ^	-	-	-	29.29

^ Since the following Companies were amalgamated with the Company therefore Net outstanding amounts aggregating ₹ 34.55 millions (net of receivables ₹ 1.50 millions) which were outstanding as on January 13, 2021 (effective date of amalgamation), ₹ 24.63 millions received back by the Company in FY 21-22 and balance ₹ 9.92 millions were adjusted against purchase of equity shares of a subsidiary company in FY 22-23.
- Sargam Dealer Pvt Ltd- ₹ 15.11 millions (Receivable)
- Maharaj Retailer Pvt Ltd. - ₹ 15.94 millions (Receivable)
- Rinam Trading Pvt Ltd. - ₹ 5.00 millions (Receivable)

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Payable against purchases of equity shares of a subsidiary company	-	-	-	10.55

(All amounts in rupees millions, unless otherwise stated)

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
vii Vishal Kanodia HUF				
Purchases of equity shares of a subsidiary company	-	-	0.78	36.94
Amount refunded ^				2.51

^ Since the following Companies were amalagamated with the Company therefore during the financial year 2020-21 Net outstanding amounts aggregating ₹ 5 million which were outstanding as on January 13, 2021 (effective date of merger) refunded back by the Company.
- Rinam Trading Pvt Ltd. - ₹ 5 million (Receivable)

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Payable against purchases of equity shares of a subsidiary company	-	-	-	36.94

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
viii Gautam Kanodia HUF				
Advance received against sale of land	-	-	-	2.64
Refund of advance received against sale of land	-	-	-	1.06

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Payable against advance received for sale of land	-	-	-	2.64

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
ix Mrs. Somia Lohia				
Purchases of equity shares of a subsidiary company	-	-	0.00	-

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
x Mrs. Pooja Poddar				
Remuneration expense	0.08	0.90	0.60	-

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xi Mrs. Shivani Kedia				
Remuneration expense	-	-	-	0.10

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xii Ms. Sonia Mendiratta				
Director Sitting Fees	-	0.04	-	-

(All amounts in rupees millions, unless otherwise stated)

		For the period / year ended		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xiii Kanodia Business Private Limited				
Loan borrowed	-	-	30.61	-
Loan repaid	-	-	30.61	-
Loan given	-	-	-	28.81
Loan received back	-	-	-	47.25

During the nine months period, interest payable of Nil (for the year ended March 31,2024: Nil ; for the year ended March 31, 2023: 1.13 million and for the year ended March 31,2022: Nil) has been waived off by the company.

During the nine months period, interest accrued on loan given of Rs. Nil (for the year ended March 31, 2024: Nil ; for the year ended March 31, 2023: Nil for the year ended March 31, 2022: 0.10 million) has been waived off by the Group.

		For the period / year ended		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xiv Hygiene Plus Limited (Formerly known as Hygiene Plus Pvt Ltd)				
Amount paid on behalf of the related party	-	0.58	-	-
Loan borrowed	-	235.04	170.25	-
Loan repaid	-	367.31	37.99	-
Loan given	192.06	-	335.41	514.31
Loan received back	192.06	-	449.53	747.49
Reimbursement of expense incurred by Related Party	-	1.90	-	-
Sale of Goods	-	0.19	-	-
Corporate guarantee given	-	-	-	320.00
Interest received on loan	1.75	-	-	-

		As at		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Loan payable	-	-	132.26	-
Loan receivable	-	-	-	114.12
Trade Payable	-	1.38	0.06	-
Amount Payable agianst corporate guarantee given [without charging guarantee commission]	-	4.75	155.19	188.59

During the nine months period, interest payable of Nil (for the year ended March 31,2024: Rs. 12.32 million ; for the year ended March 31, 2023: 0.41 millions and for the year ended March 31,2022: Nil) has been waived off by the company.

During the nine months period, interest accrued on loan given of Nil (for the year ended March 31, 2024: Nil ; for the year ended March 31, 2023: 17.71 million ; for the year ended March 31, 2022: 26.62 millions) has been waived off by the Group.

		For the period / year ended		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xv Blossom Realcon Private Limited				
Loan received back	-	-	24.86	0.20
Loan Given	-	-	-	1.35

During the nine months period, interest accrued on loan given of Rs. Nil (for the year ended March 31, 2024: Nil ; for the year ended March 31, 2023: Rs. 1.99 million ; for the year ended March 31, 2022: 2.01 million) has been waived off by the Group.

(All amounts in rupees millions, unless otherwise stated)

		As at		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Loan receivable	-	-	-	24.86

		For the period / year ended		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xvi Fair Hygiene Private Limited				
Loan received back	-	-	3.08	-
Loan given	-	-	-	0.12

During the nine months period, interest accrued on loan given of Rs. Nil (for the year ended March 31, 2024: Nil ; for the year ended March 31, 2023: Rs. 0.20 million ; for the year ended March 31, 2022: 0.25 million) has been waived off by the Group.

		As at		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Loan receivable	-	-	-	3.08

		For the period / year ended		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xvii Kanodia Reality Private Limited (formerly known as Sapna Sudhansh Infosystem Private Limited)				
Expenses Paid	0.31	0.28	-	-
Sale of Goods and Services	-	1.38	-	-
Electricity charges	0.35	1.11	-	-
Rent expense	3.28	4.25	3.60	3.60
Security deposit given	-	-	-	18.02
Security refunded received	-	-	37.17	14.41
Services given	2.36	-	-	-
Loan given	129.36	-	-	-
Loan received back	69.50	-	-	-
Interest Income on loans	0.71	-	-	-

		As at		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Trade Payable	-	2.99	4.29	0.30
Loan receivable	59.86	-	-	37.17
Interest Receivable	0.55	-	-	

(All amounts in rupees millions, unless otherwise stated)

		For the period / year ended		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xviii Shree Shyam Services (a proprietorship firm)				
Rent expense	-	-	10.00	12.00
Purchases of equity shares of a subsidiary company	-	-	0.77	21.42
Security Deposits refunded back	-	-	19.32	0.60

		As at		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Payable against purchases of equity shares of a subsidiary company^	-	-	-	1.30
Security deposits receivable	-	-	-	19.32
Trade payable (Shree Shyam Services)	-	-	-	6.39
Amount payable against corporate guarantee given (without charging guarantee commission)	-	-	-	41.14

^ Since the following Companies were amalgamated with the Company therefore during the year Net outstanding amounts aggregating ₹ 6.87 million which were outstanding as on January 13, 2021 (effective date of amalgamation), adjusted against purchase of equity shares of a subsidiary company.
- Sargam Dealer Pvt Ltd- ₹ 1.87 millions (Receivable)
- Rinam Trading Pvt Ltd. - ₹ 0.50 million (Receivable)

		For the period / year ended		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xix Trends Advisory Private Limited				
Loan repaid	-	16.11	-	7.39

		As at		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Loan payable (undiscounted)	-	-	16.11	16.11

		For the period / year ended		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xx Kanodia Team Private Limited (formerly known as NEO HBM Private Limited)				
Loan borrowed	30.20	95.10	62.73	-
Loan given	30.20	-	73.01	-
Loan received back	-	-	73.01	-
Loan repaid	-	108.69	49.13	-
Purchase of Goods	-	-	0.73	-
Sale of goods	-	20.82	88.80	-
Service Received	16.80	17.51	86.83	-
Supply of Service	15.04	0.00	0.01	-
Interest Received on term loan	0.31	-	-	

During the nine months period, interest accrued on loan given of Rs. Nil (for the year ended March 31, 2024: Nil for the year ended March 31, 2023: Rs. 0.46 million ; for the year ended March 31, 2022: Nil) has been waived off by the Group.

During the nine months period, interest payable of Nil (for the year ended March 31,2024: Rs. 0.64 million ; for the year ended March 31, 2023: 0.32 millions and for the year ended March 31,2022: Nil) has been waived off by the company.

(All amounts in rupees millions, unless otherwise stated)

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Loan payable	-	-	13.60	-
Other receivable	-	11.69	-	-
Trade Payable	-	15.12	-	-
Other Payables	0.98	-	-	-

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxi Midpoint Commodeal Private Limited				
Loan borrowed	69.61	10.00	581.71	-
Loan repaid	81.06	544.67	35.59	-
Loan given	636.42	-	-	-
Loan received back	636.42	-	-	-
Interest Income on loans	7.19	-	-	-
Interest Paid	18.10	-	-	-

During the nine months period, interest payable of Nil (for the year ended March 31,2024: Rs. 42.69 million ; for the year ended March 31, 2023: 10.55 millions and for the year ended March 31,2022: 3.54 million) has been waived off by the company.

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Loan payable	-	11.45	546.12	-

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxii Building Paradise Private Limited				
Purchase of Goods	0.07	0.31	-	-
Sale of goods	50.22	0.59	-	-
Service Received	0.09	0.23	-	-
Interest Income	0.18	5.81	-	-
Loan Given	18.84	160.15	-	-
Loan received back	18.84	160.15	-	-

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Advance from Customer	-	1.37	-	-
Advance to supplier	-	-	0.19	-
Interest Receivable	0.05	-	-	-

(All amounts in rupees millions, unless otherwise stated)

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxiii Amaestro Media Private Limited				
Purchases of goods	-	-	0.16	-
Service Received	-	-	1.50	-

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxiv Real Value Agrotech Project Private Limited				
Loan Given	-	305.65	-	-
Loan received back	-	305.65	-	-
Loan repaid	-	-	364.50	-

During the nine months period, interest payable of Nil (for the year ended March 31,2024: Nil for the year ended March 31, 2023: 24.02 millions and for the year ended March 31,2022: 24.69 million) has been waived off by the company.

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Loan payable	-	-	-	364.50

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxv Amuly Suppliers Private Limited				
Loan repaid	-	-	408.11	31.485
Loan Taken	-	-	-	439.59

During the nine months period, interest payable of Nil (for the year ended March 31,2024: Nil for the year ended March 31, 2023: 0.17 millions and for the year ended March 31,2022: 4.93 million) has been waived off by the company.

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Loan payable	-	-	-	408.11

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxvi Leoline Developers Private Limited				
Loan repaid	-	-	227.00	2.50
Loan Taken	-	-	-	8.50

During the nine months period, interest payable of Nil (for the year ended March 31,2024: Nil for the year ended March 31, 2023: 15.36 millions and for the year ended March 31,2022: 15.61 million) has been waived off by the company.

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Loan payable	-	-	-	227.00

(All amounts in rupees millions, unless otherwise stated)

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxvii Sunup Build Private Limited				
Loan given	555.50	-	-	-
Loan received back	50.00			
Interest Income on loans	21.52	-	-	-

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Loan Receivable	505.50	-	-	-
Interest Receivable	20.80	-	-	-

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxviii Kanodia Hi-Tech Private Limited				
Subscription of shares	-	1.50	-	-
Payment made on behalf of Kanodia Hi-tech	4.79	-	-	-
Received back against above	4.79	-	-	-
Loan Given	521.70	354.50	-	-
Loan Received Back	521.70	354.50	-	-
Interest Income on Loan	7.70	1.12	-	-

xxix Anadi Infotainment Private Limited	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Loan given	-	-	-	2.01
Loan received back	-	-	-	2.01

During the nine months period, interest accrued on loan given of Rs. Nil (for the year ended March 31, 2024: Nil ; for the year ended March 31, 2023: Nil ; for the year ended March 31, 2022: 0.03 million) has been waived off by the Group.

xxx Kanodia Cement Industries Private Limited	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Purchase of land	-	-	-	20.93
Loan received back	-	-	-	0.11

During the nine months period, interest accrued on loan given of Rs. Nil (for the year ended March 31, 2024: Nil ; for the year ended March 31, 2023: Nil ; for the year ended March 31, 2022: 0.01 million) has been waived off by the Group.

	For the period / year ended			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxxi Sunup Infra Reality Private Limited				
Loan given	10.00	-	-	-
Interest Income on loans	0.04	-	-	-

(All amounts in rupees millions, unless otherwise stated)

		As at		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Loan Receivable	10.00	-	-	-
Interest Receivable	0.04	-	-	-

		For the period / year ended			
		December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxxii	**Easy Cargo Solutions Private Limited**				
	Service Received	8.30	-	-	-

		As at		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Trade Payable	0.36	-	-	-

		For the period / year ended			
		December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxxiii	**Mr. Roop Narain Maloo**				
	Remuneration Paid	6.10	-	-	-

		As at		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Remuneration Payable	0.68	-	-	-

		For the period / year ended			
		December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxxiv	**Mrs. Shikha Mehra Chawla**				
	Remuneration Paid	0.97	0.45	0.66	-

		As at		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Remuneration Payable	0.11	0.08	-	-

		For the year ended			
		December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxxv	**Mr. Satya Prakash sharma**				
	Remuneration Paid	0.22	0.37	-	-

		As at		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Remuneration Payable	-	0.07	-	-

(All amounts in rupees millions, unless otherwise stated)

		For the year ended			
		December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxxvi	**Mr. Anup Kumar Singh**				
	Remuneration Paid	-	0.01	0.24	0.04

		For the year ended			
		December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxxvii	**Mr. Santosh Ramanuj Tiwari**				
	Director Sitting Fees	0.21	0.14	0.12	-

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Sitting Fees Payable	0.07	0.03	0.04	-

		For the year ended			
		December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxxviii	**Mr. Sanjay Banthia**				
	Director Sitting Fees	0.14	0.15	0.05	-

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Sitting Fees Payable	-	0.03	0.01	-

		For the year ended			
		December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xxxix	**Mr. Abhishek Saxena**				
	Remuneration paid	-	-	0.19	0.99

		For the year ended			
		December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xl	**Ms. Anju Kumari**				
	Director Sitting Fees	-	0.02	0.06	-

	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Outstanding at the year-end:				
Sitting Fees Payable	-	-	0.02	-

(All amounts in rupees millions, unless otherwise stated)

		For the year ended		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
xli Ms. Preeti				
Director Sitting Fees	0.04	-	-	-

(i) **Summarized details of remuneration to Key Managerial Personnel are as under:**

		For the year ended		
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Short term benefits	17.12	6.98	6.26	6.15

The above remuneration to the key managerial personnel does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for the Group as a whole.

(ii) All transactions with related parties are made on terms equivalent to those that prevail in arm’s length transactions except the transactions related to waiver of interest by the group in case of lending and by the lenders in case of borrowings.

Outstanding balances for trade receivable, trade payable and other payables are unsecured, interest free and settlement occurs in cash.

For terms and conditions related to loans, Refer note no. 40.

(All amounts in rupees millions, unless otherwise stated)

Details of transactions and balances in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

The following are the details of the transactions eliminated on consolidation during the year:

	Particulars	As at December 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
A	**In the books of Kanodia Cement Limited**				
i	**with Kanodia Infratech Limited**				
	Supply of goods	1.26	-	0.44	0.10
	Services rendered	1.38	1.29	62.41	38.81
	Purchases of goods	-	-	0.08	2.87
	Reimbursement of Expenses	0.67			
	Interest expense on unsecured loan	66.71	43.21	-	1.43
	Loan given	-	-	-	457.22
	Loan received back	-	-	-	491.43
	Loan borrowed	1,701.11	3,061.08	1,968.21	820.90
	Loan repaid	2,334.91	2,103.86	1,669.89	817.20
	Common shared service	12.34			
	Outstanding Amount:				
	Trade receivable	-	-	-	6.63
	Loan payable	626.70	1,260.50	303.30	4.99
	Interest Payable	66.71	38.89	-	-
	Other Receivable	12.341	-	-	-
ii	**with Kanodia Cem Private Limited**				
	Supply of services	-	-	13.32	2.00
	Sale of goods	0.88	0.37	4.52	1.37
	Sale of land	-	-	-	17.13
	Interest Income	108.75	83.48	-	-
	Sale of Fixed Asset	-	-	0.12	-
	Purchases of goods	0.05	-	0.82	-
	Reimbursement of expenses (paid)	0.21	-	-	0.22
	Loan given	1,527.73	1,360.90	1,343.44	736.56
	Loan received back	2,181.45	1,159.60	757.20	119.45
	Loan borrowed	-	-	-	324.41
	Loan repaid	-	-	-	324.41
	Issue of Equity Shares through Right Issue*	1,000.01	-	-	-

* During the nine month ended December 31, 2024, Kanodia Cem Pvt Ltd had Issued 75,00,000 Bonus Shares and thereafter, KCPL had issued 61,20,000 shares at Rs. 1,634 per share (Rs 10 face value and Premium of Rs.1,624) amounting to Rs.1000.01 million by way of right issue.

	Particulars	As at December 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	Outstanding Amount:				
	Loan receivable	788.91	1,442.63	1,241.33	655.09
	Trade receivable	-	0.10	-	15.03
	Trade Payables	-	-	0.32	-
	Interest Receivable	108.75	75.14	-	-
B	**In the books of Kanodia Infratech Limited**				
i	**with Kanodia Cement Limited**				
	Sale of goods	-	-	0.08	2.87
	Purchases of goods	1.26	-	0.44	0.10
	Reimbursement of Expenses	0.67	-	-	-
	Services Received	1.38	1.29	62.41	38.81
	Loan given	1,701.11	3,061.08	1,968.21	820.90
	Loan returned back	2,334.91	2,103.86	1,669.89	817.20
	Interest Income on loans	66.71	43.21	-	1.43
	Loan received during the year	-	-	-	457.22

(All amounts in rupees millions, unless otherwise stated)

	Loan refunded back	-	-	-	491.43
	Common shared service	12.34			
	Outstanding at the year-end:				
	Loan Receivable	626.70	1,260.50	303.30	4.99
	Interest Receivable	66.71	38.89	-	-
	Trade Payable	12.34	-	-	6.63
ii	**with Kanodia Cem Private Limited**				
	Sale of goods	0.96	0.19	0.50	0.51
	Purchases of goods	0.23	0.17	1.59	-
	Loan given	-	0.80	0.04	169.30
	Loan received back	-	168.33	1.82	-
	Interest Income on loans	-	13.86	-	-
	Outstanding at the year-end:				
	Loan Receivable	-	-	167.53	169.30
	Interest Receivable	-	-	-	-
C	**In the books of Kanodia Cem Private Limited**				
i	**with Kanodia Cement Limited**				
	Purchase of Goods	0.88	0.37	4.52	1.37
	Purchase of Fixed Assets	-	-	0.12	-
	Purchase of Services	-	-	13.32	2.00
	Sale of Goods	0.05	-	0.82	-
	Purchase of Land	-	-	-	17.13
	Reimbursement of expenses	0.21	-	-	0.22
	Interest expense	108.75	83.48	-	-
	Loan Taken	1,527.73	1,360.90	1,343.44	736.56
	Loan Repaid	2,181.45	1,159.60	757.20	119.45
	Loan Given	-	-	-	324.41
	Loan received back	-	-	-	324.41
	Issue of Equity Shares through Right Issue	1,000.01	-	-	-
	Outstanding at the year-end:				
	Loan Payable	788.91	1,442.63	1,241.33	655.09
	Trade Payable	-	0.10	-	-
	Transportation Charges Receivable	-	-	0.32	-
	Capital Creditors	-	-	-	15.03
	Interest Payable	108.75	75.14	-	-
ii	**with Kanodia Infratech Limited**				
	Purchase of Goods	0.96	0.19	0.50	0.51
	Sale of Goods	0.23	0.17	1.59	-
	Interest paid	-	13.86	-	-
	Loan Taken	-	0.80	0.04	169.30
	Loan Repaid	-	168.33	1.82	-
	Interest Expense	-	13.86	-	-
	Outstanding at the year-end:				
	Loan Payable	-	-	167.53	169.30

(All amounts in rupees millions, unless otherwise stated)

43 Financial instruments – Fair values and risk management

I. Fair value measurements

A. Financial instruments by category

	As at December 31,		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	FVTPL	**Amortised Cost**	**FVTPL**	**Amortised Cost**	**FVTPL**	**Amortised Cost**	**FVTPL**	**Amortised Cost**
Financial assets								
Investments								
Non Current	-	-	-	-	-	-	8.12	-
Current	397.77	-	806.77	-	-	-	-	-
Loans		-						
Non Current	-	575.35	-	-	-	-	-	142.05
Trade receivables	-	369.70	-	363.46	-	445.25	-	501.31
Cash and cash equivalents	-	299.67	-	18.78	-	65.53	-	38.39
Bank balances other than above	-	70.59	-	10.33	-	9.99	-	4.50
Other Financial Assets	-							
Non Current	-	305.77	-	305.58	-	184.97	-	132.43
Current	-	410.44	-	333.92	-	80.91	-	116.87
	397.77	**2,031.52**	**806.77**	**1,032.07**	**-**	**786.65**	**8.12**	**935.55**
Financial liabilities								
Borrowings								
Non Current	-	315.61	-	137.95	-	757.75	-	1,057.62
Current	-	4.38	-	11.45	-	14.93	-	102.90
Lease Liabilities								
Non Current	-	0.32	-	0.35	-	0.32	-	0.29
Current	-	0.01	-	0.01	-	0.01	-	0.01
Other financial liabilities								
Non Current	-	-	-	0.06	-	6.43	-	87.74
Current	-	82.62	-	103.00	-	96.00	-	274.20
Trade payables	-	350.17	-	614.57	-	525.88	-	354.28
	-	**753.11**	**-**	**867.39**	**-**	**1,401.32**	**-**	**1,877.04**

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:
(a) recognised and measured at fair value and
(b) measured at amortised cost.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	As at December 31, 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial Investments at FVTPL				
Investments				
Non Current	-	-	-	-
Current	-	397.77	-	**397.77**
Total financial assets	**-**	**397.77**	**-**	**397.77**

Particulars	As at March 31, 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial Investments at FVTPL				
Investments				
Non Current	-	-	-	-
Current	-	806.77	-	**806.77**
Total financial assets	**-**	**806.77**	**-**	**806.77**

(All amounts in rupees millions, unless otherwise stated)

Particulars	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVTPL				
Investments				
Non Current	-	-	-	-
Current	-	-	-	-
Total financial assets	-	-	-	-

Particulars	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVTPL				
Investments				
Non Current	3.11	-	5.01	**8.12**
Current	-	-	-	-
Total financial assets	**3.11**	-	**5.01**	**8.12**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example- mutual funds, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3 and the fair value determined using discounted cash flow basis. Similarly, unquoted instruments where most recent information to measure fair value is insufficient or if there is a wide range of possible fair value measurements, cost has been considered as best estimate of fair value.

There are no transfers between level 1 and level 2 during the period.

C. Financial assets and liabilities measured at amortised cost

Particulars	Level	As at December 31, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets									
Loans									
Non Current	3	575.35	575.35	-	-	-	-	142.05	142.05
Current	3	-	-	-	-	-	-	-	-
Trade receivables - current	3	369.70	369.70	363.46	363.46	445.25	445.25	501.31	501.31
Cash and cash equivalents	3	299.67	299.67	18.78	18.78	65.53	65.53	38.39	38.39
Bank balances other than above	3	70.59	70.59	10.33	10.33	9.99	9.99	4.50	4.50
Others									
Non Current	3	305.77	305.77	305.58	305.58	184.97	184.97	132.43	132.43
Current	3	410.44	410.44	333.92	333.92	80.91	80.91	116.87	116.87
		2,031.52	**2,031.52**	**1,032.07**	**1,032.07**	**786.65**	**786.65**	**935.55**	**935.55**
Financial liabilities									
Borrowings									
Non Current	3	315.61	315.61	137.95	137.95	757.75	757.75	1,057.62	1,057.62
Current	3	4.38	4.38	11.45	11.45	14.93	14.93	102.90	102.90
Lease Liability									
Non current	3	0.32	0.32	0.35	0.35	0.32	0.32	0.29	0.29
Current	3	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Other Financial Liability									
Non Current	3	-	-	0.06	0.06	6.43	6.43	87.74	87.74
Current	3	82.62	82.62	103.00	103.00	96.00	96.00	274.20	274.20
Trade payables - current	3	350.17	350.17	614.57	614.57	525.88	525.88	354.28	354.28
		753.11	**753.11**	**867.39**	**867.39**	**1,401.32**	**1,401.32**	**1,877.04**	**1,877.04**

(All amounts in rupees millions, unless otherwise stated)

The fair value of current financial assets and liabilities carried at amortised cost is considered equal to the carrying amounts of these items due to their short-term nature. The fair value of items that are Non-current in nature, has been determined using discounted cash flow basis.

II. Financial risk management

The Group has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

The Parent Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the processes to control risks through defined framework.

The Group's risk management policy is established to identify and analyse the risks faced by the Group, to set appropriate controls. Risk management policy is reviewed by the board annually to reflect changes in market conditions and the Group's activities.

The Parent Company's Audit Committee oversees compliance with the Group's risk management policy, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

ii. Credit risk

Financial loss to the Group, arising, if a customer or counterparty to a financial instrument fails to meet its contractual obligations principally from the Group's receivables from customers and investments in debt securities.

The carrying amount of financial assets represents the maximum credit exposure. The Group monitor credit risk closely both in domestic.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Group Management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. Sales credit limit are set up for each customer and reviewed periodically. The Group's review includes market check, industry feedback, past financials and external ratings, if they are available, and in some cases bank reference checks are also done.

The Group creates allowances for impairment that represents its expected credit losses in respect of trade receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

Particulars	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
As at December 31, 2024							
Gross Carrying amount	-	366.25	1.67	3.16	0.12	0.11	371.31
Specific Provision	-	-	-	-	-	-	-
Expected loss rate	-	0.08%	21.56%	26.27%	16.67%	100.00%	0.43%
Expected credit losses	-	0.29	0.36	0.83	0.02	0.11	1.61
Carrying amount	-	365.96	1.31	2.33	0.10	-	369.70

Particulars	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
As at March 31, 2024							
Gross Carrying amount	18.66	341.63	2.71	0.71	0.18	0.04	363.93
Specific Provision	-	-	-	-	-	-	-
Expected loss rate	-	0.07%	4.42%	5.63%	16.67%	100.00%	0.13%
Expected credit losses	-	0.24	0.12	0.04	0.03	0.04	0.47
Carrying amount	18.66	341.39	2.59	0.67	0.15	-	363.46

Particulars	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
As at March 31, 2023							
Gross Carrying amount	-	441.82	1.02	2.29	1.43	-	446.56
Specific Provision	-	-	-	-	-	-	-
Expected loss rate	-	0.17%	9.80%	8.73%	16.78%	-	0.29%
Expected credit losses	-	0.77	0.10	0.20	0.24	-	1.31
Carrying amount	-	441.05	0.92	2.09	1.19	-	445.25

(All amounts in rupees millions, unless otherwise stated)

Particulars	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
As at March 31, 2022							
Gross Carrying amount	-	493.74	5.71	4.28	-	-	503.73
Specific Provision	-	-	-	-	-	-	-
Expected loss rate	-	0.32%	9.37%	7.14%	0.00%	-	0.48%
Expected credit losses	-	1.58	0.54	0.31	-	-	2.42
Carrying amount	-	492.16	5.17	3.98	-	-	501.31

Reconciliation of loss allowance provision – Trade receivables

Particulars	For the period/year ended			
	December	March 31,	March 31,	March 31,
Opening balance	0.47	1.31	2.42	6.06
Changes in Provision for Expected Credit Losses	1.14	(0.84)	(1.11)	(3.64)
Closing balance	**1.61**	**0.47**	**1.31**	**2.42**

Other financial assets

Credit Risk on cash and cash equivalent, deposits with the banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by international and domestic rating agencies.

The exposure to the group arising out of incentives receivables from State Governments do not pose any material credit risk. Such exposure is also reviewed and approved by the management of the Company on time to time basis. There are no adverse findings/observations which indicates which have negative impacts on their realization.

The Group has loan receivables outstanding from its related parties amounting to Rs.575.35 million (March 31, 2024 : Nil, March 31, 2023 : Nil and March 31, 2022: Rs. 142.05 million). The Group's maximum exposure to credit risk as at March 31, 2024, March 31, 2023 and April 01, 2022 is the carrying value of each class of financial assets.

Investments

Group invests in Bonds, Debentures, Liquid Mutual Funds, Equity instruments etc., in accordance with the Group's Investment Policy that includes parameters of safety, liquidity and post tax returns. Group avoids the concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position as well as held to maturity policy. The Group's exposure and credit ratings of its counterparties are monitored on an ongoing basis. Based on historical experience and credit profiles of counterparties, the Group does not expect any significant risk of default other than as disclosed.

iii. Liquidity risk

Liquidity risk is the risk that the Group may face difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to manage liquidity is to ensure, as far as possible, sufficient liquidity to meet its obligations, under both normal and stressed conditions.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected future cash flows.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and the impact of netting agreements.

Particulars	Carrying Amount December 31, 2024	Contractual cash flows			
		On demand	Less than 1 Year	1–5 years	More than 5 years
Financial liabilities					
Non-Current Borrowings*	319.99	-	6.14	120.55	373.17
Lease Liability	0.33	-	0.03	0.09	2.99
Other non-current financial liabilities	-	-	-	-	-
Current borrowings	-	-	-	-	-
Trade payables	350.17	-	350.17	-	-
Other current financial liabilities	82.62	67.48	15.14	-	-
Total financial liabilities	**753.11**	**67.48**	**371.48**	**120.63**	**376.16**

(All amounts in rupees millions, unless otherwise stated)

Particulars	Carrying Amount March 31, 2024	On demand	Contractual cash flows Less than 1 Year	1–5 years	More than 5 years
Financial liabilities					
Non-Current Borrowings*	149.40	-	11.45	57.84	155.06
Lease Liability	0.36	-	0.01	0.09	3.01
Other non-current financial liabilities	0.06	-	-	0.06	-
Current borrowings	-	-	-	-	-
Trade payables	614.57	-	614.57	-	-
Other current financial liabilities	103.00	67.42	35.58	-	-
Total financial liabilities	**867.39**	**67.42**	**661.61**	**57.98**	**158.06**

Particulars	Carrying Amount March 31, 2023	On demand	Contractual cash flows Less than 1 Year	1–5 years	More than 5 years
Financial liabilities					
Non Current borrowings*	772.68	-	5,622.32	2,036.94	422.42
Lease Liability	0.33	-	0.13	0.86	30.06
Other non-current financial liabilities	6.43	-	-	68.17	-
Current borrowings	-	-	-	-	-
Trade payables	525.88	-	525.88	-	-
Other current financial liabilities	96.00	-	96.00	-	-
Total financial liabilities	**1,401.32**	**-**	**6,244.33**	**2,105.97**	**452.48**

Particulars	Carrying Amount March 31,	On demand	Contractual cash flows Less than 1 Year	1–5 years	More than 5 years
Financial liabilities					
Non Current borrowings*	1,071.88	-	10,156.95	231.17	578.37
Lease Liability	0.30	-	0.13	0.86	30.19
Other non-current financial liabilities	87.74	-	-	1,023.72	-
Current borrowings	88.64	88.64	-	-	-
Trade payables	354.28	-	354.28	-	-
Other current financial liabilities	274.20	-	274.20	-	-
Total financial liabilities	**1,877.04**	**88.64**	**10,785.56**	**1,255.75**	**608.56**

* includes current maturity of Non Current Borrowings

iv. Interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During the nine months period ended December 31, 2024, the Group's borrowings at variable rate were denominated in Indian Rupees.

Currently the Group's borrowings are within acceptable risk levels, as determined by the management, hence the Group has not taken any swaps to hedge the interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Parent Company is as follows.

	December 31, 2024	Nominal Amount March 31, 2024	March 31, 2023	March 31, 2022
Fixed-rate instruments				
Borrowings	22.00	-	-	-
	22.00	-	-	-
Variable-rate instruments				
Borrowings	-	-	-	98.88
	-	-	-	98.88

(All amounts in rupees millions, unless otherwise stated)

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or (loss)		Equity, net of tax	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
December 31, 2024				
Variable-rate instruments				
Borrowings	-	-	-	-
Cash flow sensitivity	**-**	**-**	**-**	**-**
March 31, 2024				
Variable-rate instruments				
Borrowings	-	-	-	-
Cash flow sensitivity	**-**	**-**	**-**	**-**
March 31, 2023				
Variable-rate instruments				
Borrowings	-	-	-	-
Cash flow sensitivity	**-**	**-**	**-**	**-**
March 31, 2022				
Variable-rate instruments				
Borrowings	(0.49)	0.49	(0.35)	0.35
Cash flow sensitivity	**(0.49)**	**0.49**	**(0.35)**	**0.35**

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

44 Segment Reporting

The Group's activities falls with a single primary business segment viz "Cement". The business activity of the Group falls within one geographical segment which is within the country. Hence, the disclosure requirement of 'Segment Reporting' is not considered applicable.

45 Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The following table summarises the capital of the Group.

Particulars	**December 31,2024**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Equity Share Capital	745.70	745.70	745.70	745.70
Other Equity	4,195.94	3,214.09	2,075.44	1,515.86
Total Equity (A)	**4,941.64**	**3,959.79**	**2,821.14**	**2,261.56**
Non-Current Borrowings	315.61	137.95	757.75	1,057.62
Current maturities of Non-Current Borrowings	4.38	11.45	14.93	14.26
Current Borrowings	-	-	-	88.64
Total Debts	**319.99**	**149.40**	**772.68**	**1,160.52**
Less: Cash and Cash Equivalents	299.67	18.78	65.53	38.39
Net Debts (B)	**20.32**	**130.62**	**707.15**	**1,122.13**
Total Equity and Net Debt (C = A + B)	**4,961.96**	**4,090.41**	**3,528.29**	**3,383.69**
Gearing Ratio (D = B/C)	**0.00**	**0.03**	**0.20**	**0.33**

(All amounts in rupees millions, unless otherwise stated)

46 Changes in Liabilities from Financing Activities are as under:

Particulars	Current Borrowings	Lease Liabilities	Non Current borrowings*	Interest accrued but not due	Total
As at April 01, 2024	**-**	**0.36**	**149.40**	**-**	**149.76**
Cash movements:					
Proceeds from Non Current Borrowings	-	-	353.69	-	353.69
Repayment of Non Current Borrowings	-	-	(82.91)	-	(82.91)
Interest Paid	-	-	-	(9.88)	(9.88)
Payment of Lease Liabilities	-	(0.05)	-	-	(0.05)
Non Cash movements:					
Interest Accrued	-	-	-	18.61	18.61
Initial Recognition of Government loan	-	-	(111.92)	-	(111.92)
Interest payable under Section 234C of the Income Tax Act, 1961	-	-	-	(1.04)	(1.04)
Interest expense on Government Loans	-	-	11.63	(11.63)	-
Unwinding of Financial Liability	-	-	-	-	-
Unwinding of Corporate Guarantee obligation	-	-	-	-	-
Interest Expense on borrowings and subsequently waived off	-	-	-	-	-
Loss on Early Repayment of financial liability	-	-	-	-	-
Interest expense on lease liabilities	-	0.02	-	(0.02)	-
Amortisation of processing fees paid on Government loans	-	-	-	4.56	4.56
Interest payable on Delay Payment of MSME Dues	-	-	-	(0.35)	(0.35)
Interest accrued included in Borrowings	-	-	-	-	-
Others	-	-	0.10	(0.26)	(0.16)
As at December 31, 2024	**-**	**0.33**	**319.99**	**-**	**320.32**

Particulars	Current borrowings	Lease Liabilities	Non Current borrowings*	Interest accrued but not due	Total
As at April 01, 2023	**-**	**0.33**	**772.68**	**-**	**773.01**
Cash movements:					
Proceeds from Non Current Borrowings	-	-	452.96	-	452.96
Repayment of Non Current Borrowings	-	-	(1,036.78)	-	(1,036.78)
Interest Paid	-	-	-	(20.10)	(20.10)
Non Cash movements:					
Interest Accrued	-	-	-	80.89	80.89
Initial Recognition of Government loan	-	-	(49.37)	-	(49.37)
Interest expense on Government Loans	-	-	8.73	(8.73)	-
Unwinding of Financial Liability	-	-	1.18	(1.56)	(0.38)
Unwinding of Corporate Guarantee obligation	-	-	-	(0.13)	(0.13)
Interest Expense on borrowings and subsequently waived off	-	-	-	(55.65)	(55.65)
Loss on Early Repayment of financial liability	-	-	-	-	-
Interest expense on lease liabilities	-	0.03	-	(0.03)	-
Amortisation of processing fees paid on Government loans	-	-	-	1.77	1.77
Interest payable on Delay Payment of MSME Dues	-	-	-	(0.62)	(0.62)
Interest accrued included in Borrowings	-	-	-	-	-
Others	-	-	-	4.16	4.16
As at March 31, 2024	**-**	**0.36**	**149.40**	**-**	**149.76**

(All amounts in rupees millions, unless otherwise stated)

Particulars	Current borrowings	Lease Liabilities	Non Current borrowings*	Interest accrued but not due	Total
As at April 01, 2022	**88.64**	**0.30**	**1,071.88**	**-**	**1,160.82**
Cash movements:					
Proceeds from non-current/current borrowings	-	-	887.54	-	887.54
Repayment of non-current/current borrowings	(88.64)	-	(1,174.86)	-	(1,174.86)
Interest Paid	-	-	-	(12.98)	(12.98)
Non Cash movements:					
Interest Accrued	-	-	-	85.79	85.79
Initial Recognition of Government loan	-	-	(17.99)	-	(17.99)
Interest expense on Government Loans	-	-	4.97	(4.97)	-
Unwinding of Financial Liability	-	-	1.14	(4.79)	(3.65)
Unwinding of Corporate Guarantee obligation	-	-	-	(0.19)	(0.19)
Interest Expense on borrowings and subsequently waived off	-	-	-	(51.96)	(51.96)
Loss on Early Repayment of financial liability	-	-	-	(10.60)	(10.60)
Interest expense on lease liabilities	-	0.03	-	(0.03)	-
Amortisation of processing fees paid on Government loans	-	-	-	(0.27)	(0.27)
Others	-	-	-	(0.01)	(0.01)
As at March 31, 2023	**-**	**0.33**	**772.68**	**-**	**861.64**

Particulars	Current borrowings	Lease Liabilities	Non Current borrowings*	Interest acccrued but not due	Total
As at April 01, 2021	-	0.29	253.09	-	**253.38**
Cash movements:					
Proceeds from non-current/current borrowings	88.64	-	469.61	-	558.25
Repayment from non-current/current borrowings	-	-	(365.05)	-	(365.05)
Payment of Lease liabilities	-	(0.01)	-	-	(0.01)
Interest paid	-	-	-	(18.95)	(18.95)
Non Cash movements:					
Interest accrued	-	-	-	38.02	38.02
Interest expense on Government Loans	-	-	3.68	(3.68)	-
Unwinding of Corporate Guarantee obligation	-	-	-	(0.09)	(0.09)
Unwinding of financial liability	-	-	2.13	(6.43)	(4.30)
Loss on Early Repayment of financial liability	-	-	-	(10.08)	(10.08)
Amortisation of Processing fees paid on Government Loan	-	-	-	(0.20)	(0.20)
Interest accrued on lease liabiltites	-	0.02	-	(0.02)	-
Additions pursuant to acquisition of subsidiaries	-	-	709.70	-	709.70
Others	-	-	(1.28)	1.43	0.15
As at March 31, 2022	**88.64**	**0.30**	**1,071.88**	**-**	**1,160.82**

* Including current maturity of non current borrowings.

47 Group Infromation

Information about subsidiaries

The Consolidated financial statements of the Group includes subsidiaries listed in the table below:

Name	Country of Incorporation	Percentage of holding as at December 31, 2024	Percentage of holding as at March 31, 2024	Percentage of holding as at March 31, 2023	Percentage of holding as at March 31, 2022
Kanodia Cem Private Limited	India	100.00%	100.00%	100.00%	99.00%
Kanodia Infratech Limited	India	100.00%	100.00%	100.00%	99.01%

(All amounts in rupees millions, unless otherwise stated)

48 The Parent Company has given Advance of Rs. 11.00 million to a vendor against purchase of property in earlier years, which has been written off during the year ended March 31, 2022.

49 **Additional regulatory information required by Schedule III to be disclosed in the consolidated financial statements:**

a. During the nine months and previous years, the Group does not have any transactions with the companies struck off under section 248 of Companies Act, 2013. However, the Parent Company has an investment of Rs. 2.51 million in preference shares of Edubite Technologies Pvt. Limited (Investee) which was fully impaired in the year ended 31 March 2023 and the Investee Company has been struck off (refer note no.5).

b. **Other disclosures required under Schedule III amendments**

i) During the nine months and previous years, no proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii) During the nine months and previous years, the Group has not been declared as wilful defaulter by any bank or financial institution or other Lender or government or any government authority.

iii) During the nine months and previous years, the Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

iv) During the nine months and previous years, the Group does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.

v) The Group has not traded or invested in crypto currency or virtual currency during the nine months and previous years.

vi) The Parent Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and the Group has no CIC as part of the Group.

vii) During the period, The subsidiary company has been sanctioned working capital limit from a bank on the basis of security of fixed deposits and there is no stipulation to submit any quarterly returns/ statements with the bank.

viii) Utilisation of borrowed funds and share premium:-

Other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable:

a) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity (“Intermediaries”) during the nine months and previous years, with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

50 **Compliance with approved Scheme(s) of Arrangements**

There was no scheme of arrangement filed during the nine months and previous years covered in the financial statements.

51 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprise consolidated as Subsidiary:

As at December 31, 2024

Particulars	**Net Assets**		**Profit / (Loss)**		**Total Comprehensive Income**	
	Amount	**% of Total**	**Amount**	**% of Total**	**Amount**	**% of Total**
Parent Company	2,314.87	46.84%	269.98	27.48%	269.36	27.44%
Subsidiary: Kanodia Infratech Limited	2,060.62	41.70%	489.25	49.80%	489.37	49.84%
Subsidiary: Kanodia Cem Private Limited	1,802.92	36.48%	223.15	22.72%	223.12	22.72%
Non-controlling interest	-	-	-	-	-	-
Consolidation adjustment	(1,236.77)	(25.02)%	-	-	-	-
Total	**4,941.64**	**100.00%**	**982.38**	**100.00%**	**981.85**	**100.00%**

As at March 31, 2024

Particulars	**Net Assets**		**Profit / (Loss)**		**Total Comprehensive Income**	
	Amount	**% of Total**	**Amount**	**% of Total**	**Amount**	**% of Total**
Parent Company	2,045.50	51.66%	167.56	14.72%	167.71	14.73%
Subsidiary: Kanodia Infratech Limited	1,571.26	39.68%	555.97	48.84%	556.05	48.83%
Subsidiary: Kanodia Cem Private Limited	579.79	14.64%	417.34	36.66%	417.37	36.65%
Non-controlling interest	-	-	-	-	-	-
Consolidation adjustment	(236.76)	(5.98)%	(2.49)	(0.22)%	(2.48)	(0.22)%
Total	**3,959.79**	**100.00%**	**1,138.38**	**100.00%**	**1,138.65**	**100.00%**

(All amounts in rupees millions, unless otherwise stated)

As at March 31, 2023

Particulars	Net Assets		Profit / (Loss)		Total Comprehensive Income	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Parent Company	1,877.79	66.56%	147.47	26.58%	147.53	26.56%
Subsidiary: Kanodia Infratech Limited	1,015.20	35.99%	315.10	56.80%	315.78	56.85%
Subsidiary: Kanodia Cem Private Limited	162.42	5.76%	98.48	17.75%	98.48	17.73%
Non-controlling interest	-	-	1.03	0.19%	1.03	0.19%
Consolidation adjustment	(234.27)	(8.30)%	(7.34)	(1.32)%	(7.34)	(1.32)%
Total	**2,821.14**	**100.00%**	**554.74**	**100.00%**	**555.48**	**100.00%**

As at March 31, 2022

Particulars	Net Assets		Profit / (Loss)		Total Comprehensive Income	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Parent Company	1,743.84	76.86%	137.09	33.97%	137.14	33.94%
Subsidiary: Kanodia Infratech Limited	724.09	31.92%	282.27	69.95%	282.78	69.98%
Subsidiary: Kanodia Cem Private Limited	0.89	0.04%	(19.84)	(4.92)%	(19.85)	(4.91)%
Non-controlling interest	7.21	0.32%	2.02	0.50%	2.03	0.50%
Consolidation adjustment	(207.26)	(9.14)%	2.01	0.50%	2.01	0.50%
Total	**2,268.77**	**100.00%**	**403.55**	**100.00%**	**404.11**	**100.00%**

As per our report of even date attached
For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

Bimal Kumar Sipani
Partner
M. No. 088926

Place: Noida
Date: March 22, 2025

For and on behalf of Board of Directors

Vishal Kanodia
Managing Director
DIN: 00946204

Saurabh Lohia
Director
DIN: 03087080

Shikha Mehra Chawla
Company Secretary

R.N. Maloo
ED and Group CFO
DIN : 03495830

OTHER FINANCIAL INFORMATION

In accordance with the SEBI ICDR Regulations, the Audited Standalone Financial Statements of our Company and its Material Subsidiaries, as identified in accordance with the SEBI ICDR Regulations, for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 together with all the annexures, schedules and notes thereto ("**Audited Standalone Financial Statements**") are available on our website at https://kanodiacement.co.in/financial-reports. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations.

The Audited Standalone Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Standalone Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, its Subsidiaries or any entity in which it or its shareholders may have significant influence and should not be relied upon or used as a basis for any investment decision. Neither the Company, its Subsidiaries or any of its advisors, nor any of the Book Running Lead Managers or the Selling Shareholders, 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 Standalone Financial Statements, or the opinions expressed therein. The details of accounting ratios derived from Restated Consolidated Financial Statements and other non-GAAP information required to be disclosed under the SEBI ICDR Regulations are set forth below:

(in ₹ million other than share data)

Particulars	Nine months ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Share Capital	745.70	745.70	745.70	745.70
Net Worth	4,983.86	4,002.01	2,863.36	2,308.91
Return on Net Worth	21.86%	33.16%	21.45%	20.61%
Basic EPS (in ₹)	13.17	15.27	7.43	5.38
Diluted EPS (in ₹)	13.17	15.27	7.43	5.38
Net Asset Value per Equity Share	66.27	53.10	37.83	30.33
Operating EBITDA (excluding non-operating income) (in ₹ million)	1,301.71	1,528.36	916.55	667.17

Certain non-GAAP financial measures, such as Revenue from Operations Growth, Operating EBITDA (Excluding Non-Operating Income), Operating EBITDA (Excluding Non- Operating Income) Margin, PBT Margin, PAT Margin, Net Debt, Net Asset Value per Share, Return on Equity ("ROE"), Return on Capital Employed ("ROCE"), Net Debt to Operating EBITDA, Net Debt to Total Equity, Fixed Asset Turnover Ratio, Cement realization per tonne, cost of sales per tonne, and Operating EBITDA per tonne, presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with Ind AS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the year/period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. In addition, these Non-GAAP Measures are not a standardized term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because they are widely used measures to evaluate a company's operating performance.

See *"Risk Factors – Certain Non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. If investors make investment decisions based on non-GAAP financial measures and other statistical information disclosed by us that are inaccurate, we may also face potential lawsuits or disputes with investors or regulators, which could adversely affect our business, reputation, results of operations and financial condition"* on page 67.

Summary of Related Party Transactions

For details of the related party transactions in accordance with Ind AS 24, see *"Restated Consolidated Financial Information – Note 42"* on page 339.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. Prospective investors should read "Forward-Looking Statements" beginning on page 28 for a discussion of the risks and uncertainties related to those statements along with "Risk Factors", "Industry Overview", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 30, 131, 279 and 366, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months period ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, included herein is based on or derived from our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Information" beginning on page 279. Please also refer to "Definitions and Abbreviations" on page 1 for certain terms used in this section. The Restated Consolidated Financial Information is based on our audited financial statements and is restated in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations. Our audited financial statements are prepared in accordance with Indian Accounting Standards, which differs in certain material respects with IFRS and U.S. GAAP. For details, see "Risk Factors – Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as US GAAP and IFRS which may affect investors' assessments of our Company's financial condition" on page 72.

Unless the context otherwise requires, in this section, references to "we", "us", "our" "our Company" or "the Company" refers to Kanodia Cement Limited and its Subsidiaries on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Market Review of Indian Cement Sector" dated May 22, 2025 (the "**CRISIL Report**", and the date of the **CRISIL Report**, the "**Report Date**") which is exclusively prepared for the purpose of the Offer and issued by CRISIL Market Intelligence & Analytics ("**CRISIL**") and is exclusively commissioned for an agreed fee and paid for by the Company in connection with the Offer. CRISIL was appointed pursuant to an engagement letter entered into with our Company dated August 2, 2024. CRISIL is not related to our Company. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Further, the CRISIL Report was prepared on the basis of information as of specific dates and opinions in the CRISIL Report may be based on estimates, projections, forecasts and assumptions that may be as of such dates. CRISIL has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and has further advised that it has taken due care and caution in preparing the CRISIL Report based on the information obtained by it from sources which it considers reliable. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the CRISIL Report is available on the website of our Company at https://www.kanodiacement.co.in/ipo until the Bid/ Offer Closing Date. Further, the CRISIL Report is not a recommendation to invest or disinvest in any company covered in the report. Prospective investors are advised not to unduly rely on the CRISIL Report. The views expressed in the CRISIL Report are that of CRISIL. For more information and risks in relation to commissioned reports, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which has been commissioned and paid for by us and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 65. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data" on page 25.*

OVERVIEW

We are a cement manufacturing company operating through satellite grinding units ("**SGUs**") in the states of Uttar Pradesh and Bihar, specializing in the production of blended cement such as Portland Pozzolana Cement and Composite Cement. We operate through a unique combination of (i) business-to-business contract manufacturing for cement brands ("**Contract Manufacturing Model**"); and (ii) production and marketing of our own consumer brands ("**Business-to-Consumer Model**"). As per the CRISIL Report, we are one of the pioneers in the contract manufacturing of cement in India. As on December 31, 2024, we operate five satellite grinding units ("**SGUs**") with an aggregate cement manufacturing capacity of 3.54 MTPA. Our installed cement grinding capacity grew at a CAGR of 22.12%, compared to the industry average of 7.31% and a peer average of 9.64%, from Fiscal 2014 to Fiscal 2024, making us one of the fastest growing cement manufacturers in India in terms of increase in installed cement grinding capacity during the period. (*Source: CRISIL Report*) We are also one of the fastest growing cement manufacturing companies in terms of increase in sales volume from Fiscal 2022 to Fiscal 2024, growing at a CAGR of 36.14%, compared to the industry average of 11.10% and peer average of 8.80%. (*Source: CRISIL Report*) Further, we are also one of the fastest growing cement manufacturing companies in terms of growth in revenue from operations for the period Fiscal

2022 to Fiscal 2024, growing at a CAGR of 34.83%, compared to the industry average of 13.61% and peer average of 12.04%. (*Source: CRISIL Report*)

Under our Contract Manufacturing Model, we have entered into and are currently operating through cement sale and purchase agreements with established cement brands in India. In addition to the Contract Manufacturing Model, we also market cement through the Business-to-Consumer Model through our KCL Sikandrabad location and KCPL –Amethi location, under our own brands, "***Concrete Gold***", "***BigCem Premium Plus***", "***BigCem Cement***", "***HBM Gold "Ghar Ka Expert"***", "***HBM (Ghar Ka Expert)***", and "***Bluestar Cement***" through a network of sales promoters, dealers and retailers/point of sales ("**POS**") in western Uttar Pradesh, Uttarakhand, National Capital Region and eastern Uttar Pradesh. As of December 31, 2024, our distribution network comprised of 28 sales promoters, 118 dealers and 519 retailers/POS.

Our Company was incorporated in 2009 and commenced operations in 2011 with our first SGU in Sikandrabad (*western Uttar Pradesh*) with a cement grinding capacity of 0.30 MTPA. As on December 31, 2024, we operate five SGUs across Sikandrabad (*western Uttar Pradesh*), Amethi *(eastern Uttar Pradesh*) and Bhabua (*Bihar*) with an aggregate cement manufacturing capacity of 3.54 MTPA. As of December 31, 2024, despite being fragmented markets, our installed cement grinding capacity represented 5.85% of the total installed cement grinding capacity in Uttar Pradesh and 9.23% of the total installed cement grinding capacity in Bihar, respectively. (*Source: CRISIL Report*)

Our capacity utilization on a consolidated level for the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 was 60.23%, 49.23%, 37.13% and 46.10% respectively.

The following table provides details of our SGUs for the periods indicated below:

SGU	Commencement of commercial production	For the nine-months ended December 31, 2024			For the year ended March 31, 2024			For the year ended March 31, 2023			For the year ended March 31, 2022		
		Installed capacity (MT)	**Actual Production (MT)**	**Capacity utilisation (%)**	**Installed capacity (MT)**	**Actual Production (MT)**	**Capacity utilisation (%)**	**Installed capacity (MT)**	**Actual Production (MT)**	**Capacity utilisation (%)**	**Installed capacity (MT)**	**Actual Production**	**Capacity utilisation (%)**
KCL Sikandrabad – Units 1, 2 and 3	Unit 1 – 2011 Unit 2 – 2013 Unit 3 - 2016	630,000.00*	699,657.85	111.06**	840,000.00	664,912.75	79.16	840,000.00	535,992.70	63.81	840,000.00	593,551.95	70.66
KIL Bhabua Unit	2016	900,000.00^	464,961.60	51.66%	1,200,000.00	561,553.00	46.80%	1,200,000.00	396,525.90	33.04%	1,200,000.00	346,925.00	28.91%
KCPL Unit 1 Amethi	2022	1,125,000.00#	434,423.15	38.62%	1,500,000.00	516,370.65	34.42%	1,125,000.00$	242,721.60	21.58%	-	-	-
Aggregate utilisation		**2,655,000.00**	**1,599,042.60**	**60.23%**	**3,540,000.00**	**1,742,836.40**	**49.23%**	**3,165,000.00**	**1,175,240.20**	**37.13%**	**2,040,000.00**	**940,476.95**	**46.10%**

Source: Certificate from the Independent Chartered Engineer, Adroit Technical Services Private Limited dated May 22, 2025.

* *Effective capacity available for the nine-month period ended December 31,2024 prorated based on annual capacity. The aggregate annualized installed grinding capacity for the three above-mentioned units is 840,000 MT.*

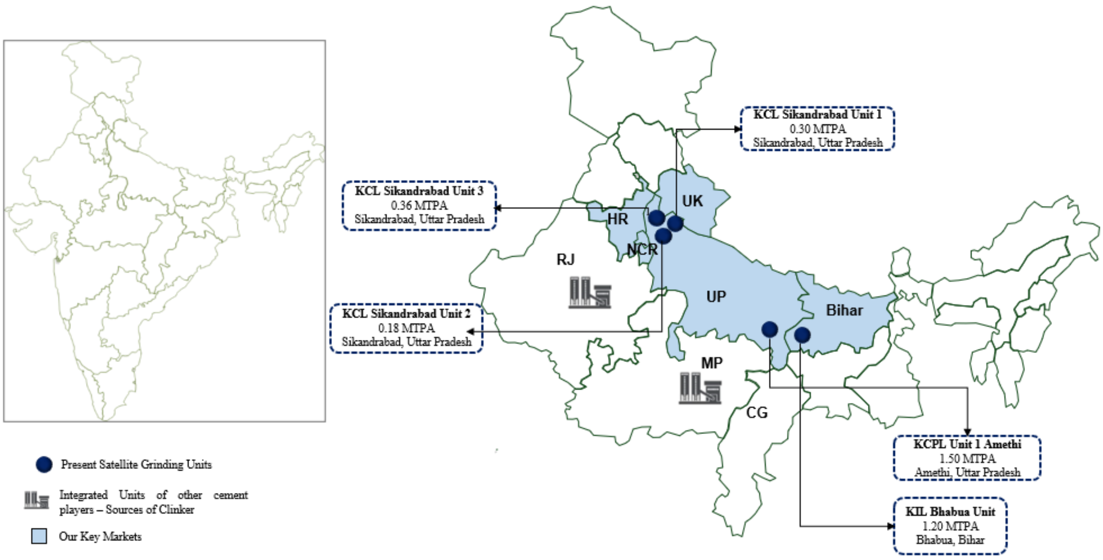
** *The consent to operate granted to Company for its Unit-1, Unit-2 and Unit-3 dated January 11, 2024 are valid till December 31, 2028. These approvals were granted for operating the facilities for 300 working days in a year. However, the Company has exceeded the number of working days on which Unit 1, Unit 2 and Unit 3 were operated i.e. 360 working days. Accordingly, the Company has submitted an application dated May 20, 2025to the Uttar Pradesh Pollution Control Board, seeking an approval for additional installed capacity pursuant to increase in the number of operational days from 300 to 360 working days per year.*

^ *Effective capacity available for the nine-month period ended December 31,2024 prorated based on annual capacity. The annualized installed grinding capacity for the KIL Bhabua Unit is 1,200,000 MT.*

\# *Effective capacity available for the nine-month period ended December 31,2024 prorated based on annual capacity. The annualized installed grinding capacity for the KCPL Unit 1 Amethi is 1,500,000 MT.*

$ *Effective capacity available for the year ended March 31, 2023, prorated based on unit commencing operations on July 1, 2022*

The map below provides details of our SGUs, key consumption markets and sources of clinker:



We carry out operations under our Contract Manufacturing Model through all our locations while operations under our Business-to-Consumer Model are only carried out through KCL Sikandrabad (*western Uttar Pradesh*). In December, 2024, we also started our Business-to-Consumer operations through KCPL Unit 1 Amethi (*eastern Uttar Pradesh*). We produce Portland Pozzolana Cement, manufactured by grinding clinker with fly ash and gypsum ("**PPC**") and composite cement, manufactured by grinding clinker with granulated slag, fly ash and gypsum ("**Composite Cement**"). Clinker is a crucial raw material for the production of blended cement and limestone forms a key component in the production of clinker.

In Fiscal 2024, Uttar Pradesh accounted for ~10% of the total cement demand in India at 46-47 MMT, compared to ~6% of India's total cement grinding capacity at 37.5-38.5 MTPA and Bihar accounted for ~5% of the total cement demand in India at 24-25 MMT, compared to ~2% of India's total cement grinding capacity at 12.5-13.5 MTPA in Fiscal 2024. (*Source: CRISIL Report*) As demand is higher than supply, Uttar Pradesh and Bihar are net importers of cement with inflow of cement from surrounding states, making them cement deficit states (**"Cement Deficit Regions"**). (*Source: CRISIL Report*) Further, Uttar Pradesh and Bihar lack limestone clusters (*Source: CRISIL Report*), hence establishment of clinker manufacturing units in these regions is not feasible. Importing cement from other states to meet the demand in Cement Deficit Regions is not economically feasible as cement is relatively inexpensive compared to other commodities, and hence freight costs are proportionately higher. (*Source: CRISIL Report*) Cement is transported in high-density polyethylene (HDPE) and paper bags which increases the possibility of damages due to issues pertaining to handling in transportation which in turn deteriorates the quality of cement and increases the overall freight costs. Transporting clinker is more efficient compared to transporting cement as it does not have to be packed and does not require multiple loading/unloading efforts. A combination of the above makes transportation of clinker, followed by blending & grinding at SGUs the preferred method of cement manufacturing in the Cement Deficit Regions. (*Source: CRISIL Report*)

In addition to the advantage of transporting clinker, the SGUs offer many other benefits such as reduced primary freight costs between the SGUs and the consumption centres, secondary freight costs between the wholesalers and the consumption centres, inward freight costs of raw materials such as fly ash and slag, lower power requirements, efficient supply chain by eliminating need for warehouses, lower capital expenditure requirements and related risks, micro-marketing and location flexibility, which helps in lowering marketing spends and supplying fresh cement to the markets. (*Source: CRISIL Report*) Over the years, we have gained expertise in establishing and operating SGUs in Cement Deficit Regions and are strategically located in close proximity to key consumption centres with an average lead distance up to 150-200 kms. By operating multiple SGUs, we aim to efficiently serve customer demand in Cement Deficit Regions by primarily keeping freight costs under control and reduce the time from the SGUs to the consumption centres. Furthermore, the state governments of Uttar Pradesh and Bihar (where our SGUs are located), through the post-COVID-19 Accelerated Investment Promotion Policy for Economically Backward Regions of the State-2020 in Uttar Pradesh and the Bihar Industrial Incentive Policy, 2011, respectively, offer incentives to manufacturing projects operating in these regions, which further incentivizes us to operate in the Cement Deficit Regions. For further details, please see, "*Management's Discussion and Analysis of Financial Conditions and Operations – Significant Factors Affecting our Results of Operation*" on page 371. Our presence in the growing markets of Uttar Pradesh and Bihar enables us to benefit from the increasing demands. Further, since we only operate SGUs, our production facilities provide us with the flexibility to alter our product mix in response to market demand.

Our SGUs are ISO 9001:2015 certified for quality, ISO 14001:2015 certified for environmental management systems and ISO 45001:2018 certified for occupational health and safety management systems. We place significant emphasis on product quality and manpower safety at all stages of the production process. All our products comply with the quality standards specified by the Bureau of Indian Standards ("**BIS**"). Further, we have been awarded as the "*Times Business Awards North 2023*" by Optimal Media Solutions, a division of Times Internet Limited, "*Fastest Growing Company of the Year in Cement Industry*" by the 3rd Asian African Leadership Forum and "*National Award for Excellency in Manufacturing Sector – Cement Industry*" by the National Awards for Excellency in Manufacturing Sector – Cement Industry. Further, our Promoter, Vishal Kanodia has received an Honorary Doctorate in Entrepreneurship from the National American University. For further details, see "***History and Certain Corporate Matters –Key awards and accreditations***" and "***Our Management – Brief biographies of our Directors***" on pages 246 and 255.

The table below provides details of our revenue from operations through the Contract Manufacturing Model and the Business-to-Consumer Model for the periods indicated below:

Particulars	**Nine-months ended December 31, 2024, 2024** (*₹ in million*)	**Fiscal year ended March 31, 2024** (*₹ in million*)	**Fiscal year ended March 31, 2023** (*₹ in million*)	**Fiscal year ended March 31, 2022** (*₹ in million*)	**CAGR (2022-24)** *(in %)*
Revenue from sale of cement -					
Contract Manufacturing Model	6,108.30	7,069.93	5,036.69	3,296.17	46.45%
Business-to-Consumer Model	733.37	1,159.99	955.90	1,117.79	1.87%
Revenue from sale of cement	**6,841.67**	**8,229.92**	**5,992.59**	**4,413.96**	**36.55%**
Subsidy income	353.95	393.80	187.29	145.17	64.70%
Trading sales	-	255.35	472.89	325.41	NA
Service income from transportation	-	-	0.01	-	NA
Revenue from Operations	**7,195.62**	**8,879.07**	**6,652.78**	**4,884.54**	**34.83%**

Our revenue from operations has increased from ₹ 4,884.54 million in Fiscal 2022 to ₹ 8,879.07 million in Fiscal 2024 with a 34.83% CAGR growth. Our RoE for Fiscal 2024 was 33.58% and our RoCE for Fiscal 2024 was 36.47%, which was higher than the industry average of 9.67% and 12.10% respectively for the same period. (*CRISIL Report*)

Key Financial and Operational Metrics

The table below sets out some of our financial performance measures as at the dates and for the periods indicated below:

Particulars	**For the period ended**	**For the Financial Year ended**		
	December 31, 2024	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
	(₹ in million, unless otherwise specified)			
Revenue from Operations (1)	7,195.62	8,879.07	6,652.78	4,884.54
Revenue from Operations Growth (2)	NA	33.46%	36.20%	NA
Cement Realisation per tonne (3)	4,278.60	4,722.14	5,099.14	4,694.23
Operating EBITDA (4) (*Excluding non-operating income*)	1,301.71	1,528.36	916.55	667.17
Operating EBITDA per tonne (*Excluding non-operating income*)(5)	814.06	876.94	779.90	709.53
Operating EBITDA Margin (*Excluding non-operating income*) (6)	18.09%	17.21%	13.78%	13.66%
PBT *(before Exceptional Items)* (7)	1,285.38	1,467.55	760.69	570.71
PBT Margin (8)	17.86%	16.53%	11.43%	11.68%
PAT (9)	982.38	1,138.38	554.74	403.55
PAT Margin (10)	13.65%	12.82%	8.34%	8.26%
Total Equity (12)	4,941.64	3,959.79	2,821.14	2,268.77
Net Debt (11)	(687.62)	(923.45)	584.51	1,050.35
Net Debt to Operating EBITDA *(Excluding non-operating Income)* (13)	(0.53x)	(0.60x)	0.64x	1.57x
Net Debt to Total Equity (14)	(0.14x)	(0.23x)	0.21x	0.46x
Return on Equity (ROE)(15)**	29.43%	33.58%	21.80%	20.83%
Return on Capital Employed (ROCE)(16)**	35.18%	36.47%	21.43%	22.25%
Basic EPS*(17)	13.17	15.27	7.43	5.38
Net Asset Value per Share (18)	66.27	53.10	37.83	30.33
Fixed Asset Turnover Ratio (19)	2.75	2.58	2.55	3.80
Cost of Sales per tonne (20)	3,685.90	4,217.67	4,881.00	4,485.16

** *On an annualised basis.*

* *Not on an annualised basis.*

(1) *Revenue from Operations is computed as the sum of revenue from sale of cement and other operating income namely subsidy income, trading income and service income from transportation.*

*(2) Revenue from Operations Growth is computed by dividing increase in revenue from operations in the current period with revenue from operations for the previous period *100.*
(3) Cement Realisation per tonne is computed as a sum of revenue from sale of cement divided by total cement sales.
(4) Operating EBITDA (Excluding non-operating income) is calculated as restated profit/(loss) before share of profit/loss of joint ventures & associates, exceptional items and tax minus other income plus finance costs and depreciation & amortization expense.
(5) Operating EBITDA (Excluding non-operating income) per tonne is computed by dividing operating EBITDA (Excluding non-operating income) by total cement sales.
*(6) Operating EBITDA (Excluding non-operating income) Margin is computed by dividing operating EBITDA (Excluding non-operating income) with revenue from operations * 100.*
(7) PBT (before exceptional items) is the restated profit/ (loss) before share of profit / (loss) of joint ventures & associates, exceptional items and tax as per the restated consolidated financial information.
*(8) PBT Margin is calculated as restated profit / (loss) before share of profit / (loss) of joint ventures & associates, exceptional items and tax divided by revenue from operations *100.*
(9) PAT is the restated profit for the period/year as per the restated financial statements.
*(10) PAT Margin is the restated profit for the period/year divided by revenue from operations * 100.*
(11) Net Debt is computed as long-term borrowing plus short-term borrowings minus cash and cash equivalents, other bank balances, current investments and other non-current financial assets (bank deposits with remaining maturity of more than 12 months).
(12) Total Equity is total equity including non-controlling interests as per the restated consolidated financial information.
(13) Net Debt to Operating EBITDA (Excluding non-operating income) is calculated as net debt divided by operating EBITDA (Excluding non-operating income).
(14) Net Debt to Total Equity is calculated as the net debt divided by the total equity.
*(15) Return on Equity is computed by dividing PAT by the average total equity * 100. Average total equity is calculated as the average of the opening and closing balances of the total equity.*
(16) Return on Capital Employed is computed as EBIT as a % of average capital employed. EBIT is calculated by adding finance cost to the restated profit/ (loss) before exceptional items and tax (but after share of profit/ (loss) of joint ventures & associates). Average capital employed is calculated by averaging the opening and closing balance of capital employed. Capital employed is calculated by adding total equity, long term borrowings (including current maturities of long term borrowings), short term borrowings and deferred tax liabilities minus intangible assets.
(17) Basic EPS is computed as restated profit for the year attributable to equity holders of the company divided by the weighted average number of Equity shares outstanding.
(18) Net Asset Value per Share is computed as equity attributable to owners of the company divided by the weighted average number of shares considered for computing EPS.
(19) Fixed Asset Turnover Ratio is computed by dividing total sales by average total fixed assets (including right of use assets). Average total fixed assets is calculated by adding the opening total fixed assets and the closing fixed total assets and dividing them by two. Fixed asset includes property, plant and equipment and right-of-use assets.
(20) Cost of sales per tonne is computed as Revenue from operations minus operating EBITDA (Excluding non-operating income) divided by total cement sales.

Operational Metrics

(*in MMT, unless otherwise specified*)

Particulars	For the period ended	For the Financial Year		
	December 31, 2024	2024	2023	2022
Cement Sales - Contract Manufacturing Model	1.45	1.52	1.00	0.72
Cement Sales - Business to Consumer Model	0.15	0.23	0.17	0.22
Total Cement Sales (1)	**1.60**	**1.74**	**1.18**	**0.94**
Installed Grinding Capacity (2)	2.66	3.54	3.17	2.04
Capacity Utilisation (3)	60.23%	49.23%	37.13%	46.10%

(1) Total Cement Sales is computed as sum of cement sales - business to consumer model and cement sales - contract manufacturing model.
(2) Installed Grinding Capacity is computed as effective grinding capacity available during the year/ period which is prorated based on commissioning/operating time during the period.
(3) Capacity Utilisation is computed as total cement production divided by the installed grinding capacity available during the year/ period, which is prorated based on the date of commissioning/operating time during the period.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATION

The results of our operations and our financial conditions are affected by numerous factors and uncertainties, many of which may be beyond our control, including as discussed in "*Our Business*" and "*Risk Factors",* beginning on pages 210 and 30. Set forth below is a discussion of certain factors that we believe may be expected to have a significant effect on our financial condition and results of operations:

Dependence on customers under the Contract Manufacturing Model

We are dependent on four customers under the Contract Manufacturing Model for our continued operations. We derived 84.55%, 79.61%, 75.71% and 67.48% of our total revenue from operations in the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively from our four customers under the Contract Manufacturing Model. The table below sets forth the revenue contribution and revenue contribution with our four customers as a percentage of our total revenue from operations of our largest customer and our four customers, for the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	Nine months period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)
Customer 1*	2,696.77	37.48	3,475.23	39.14	3,629.94	54.56	3,134.95	64.18
Customer 2*	1,440.26	20.02	914.47	10.30	2.14	0.03	Nil	Nil
Prism Johnson#	1,253.32	17.42	295.82	3.33	-	-	-	-
JK Lakshmi^	693.70	9.64	2,382.84	26.84	1,404.61	21.11	161.22	3.30

^ *last order from JK Lakshmi Cement was received on October 21, 2024.*

\# *First dispatch to Prism Johnson Limited was made on January 15, 2024.*

* *While more than 50% of our revenue from operations originates from our top 4 customers, names of the customers have not been included in the above table as consents for disclosure of certain customer names were not available.*

We typically enter into long-term agreements with our customers. However, for our largest customer, we have entered into a short-term cement sale and supply agreement in connection with our SGU located at KCL Sikandrabad. The table below sets out details of the average duration of our relationship with our top customers:

Particulars	Period of association
JK Lakshmi*	2012 - 2024
Customer 1^	2018 - present
Customer 2^	2018 - present
Prism Johnson#	2024 - present

* *Last order by JK Lakshmi was placed on October 21, 2024.*

\# *First dispatch to Prism Johnson Limited was made on January 15, 2024.*

^ *Names of the customers have not been included in the above table as consents for disclosure of certain customers names were not available.*

The concentration of revenue from our top customers indicates the critical role they play in our business operations. While these customers have contributed positively to our growth, our dependency on them also presents challenges. Any adverse changes in the relationship with these customers, such as a reduction in orders, failure to renew contracts, or shifts to alternative suppliers, could result in a significant reduction in our revenue. Any failure to retain these customers and/or negotiate and execute contracts with such customers on terms that are commercially viable, could adversely affect our business, financial condition and results of operations.

Government incentives and subsidies

Our SGUs located in Uttar Pradesh and Bihar are entitled to certain incentives and subsidies under the Post-COVID-19 Accelerated Investment Promotion Policy for Economically Backward Regions of the State - 2020 and the Bihar Industrial Incentive Policy, 2011. Under the post-COVID-19 Accelerated Investment Promotion Policy for Economically Backward Regions of the State - 2020 in Uttar Pradesh, our Company is eligible to claim up to 300% of the eligible capital investment ("**ECI**") incurred at KCPL Unit 1 – Amethi (*Eastern Uttar Pradesh*), over a 15-year period. This incentive is provided as an SGST refund, allowing us to claim up to 70% of the net SGST deposited with the government of Uttar Pradesh annually, subject to an annual ceiling of 20% of the ECI. Additionally, at our SGU in KCL Sikandrabad Units 1, 2 and 3, instead of SGST subsidy, we are eligible for interest-free loans from the Uttar Pradesh Finance Corporation. Further, under the Bihar Industrial Incentive Policy, 2011 our Company is eligible to claim up to 300% of the ECI incurred in the set-up of the KIL Bhabua Unit in Bihar, over a 10-year period. This incentive is also provided as an SGST refund, allowing us to claim up to 80% of the net SGST deposited with the government of Bihar annually, without any annual ceiling on the ECI.

The government incentives and subsidies provided under the Post-COVID-19 Accelerated Investment Promotion Policy for Economically Backward Regions of the State - 2020, and the Bihar Industrial Incentive Policy, 2011, are crucial for the financial viability and competitiveness of our operations. These incentives significantly reduce the capital expenditure required for establishing and maintaining our SGUs in Uttar Pradesh and Bihar. For instance, SGST refunds, subsidies on ECI and interest free loans offer immediate financial relief, allowing us to allocate resources more efficiently to expand and enhance our manufacturing capabilities. These incentives also support our long-term growth strategy by reducing operational costs and improving cash flows, which in turn contribute to enhanced profitability.

Availability and cost of raw materials

Our ability to produce blended cement is heavily reliant on the timely and sufficient procurement of key raw materials required to produce blended cement, primarily clinker, fly ash, gypsum, and slag. The table below provides details of our cost of procuring raw material for manufacturing blended cement:

(₹ in million)

Particulars	Nine-months ended December 31, 2024			Fiscal 2024			Fiscal 2023			Fiscal 2022		
	Amount	% of revenue from operations	% of total expenses	Amount	% of revenue from operations	% of total expenses	Amount	% of revenue from operations	% of total expenses	Amount	% of revenue from operations	% of total expenses
Cost of raw materials consumed	5,095.27	70.81	84.46	6,011.28	67.70	79.79	4,288.85	64.47	72.32	3,053.57	62.51	70.04

Clinker is the most critical raw material in our manufacturing process of blended cement and any interruption or delay in the procurement of clinker could adversely affect our production capabilities, leading to a reduction in our output or delays in fulfilling customer orders. For our operations under the Contract Manufacturing Model, we are dependent on our key customers for the supply of clinker as per the terms of procurement which are incorporated within the cement sale and supply agreements which insulates us from the risk of procurement of clinker under the Contract Manufacturing Model. For our operations under the Business-to-Consumer Model, we procure clinker from open market suppliers. Therefore, any fluctuations in supply or cost, or disruptions in the availability of clinker in the open market, could have an adverse effect on our ability to maintain smooth operations and deliver products on time.

Fly ash, a by-product of coal based thermal power plants, is the second most consumed raw material in the production of blended cement and constitutes 15-35% of blended cement. (*Source: CRISIL report*) We have long term arrangements and tenders with prominent suppliers including public sector undertakings and participate in tenders floated by coal-based power plants and private companies generating fly ash which need to dispose the fly ash as part of their ESG obligations. Gypsum is available as a natural product primarily sourced from Rajasthan, and it is also derived from sea water and chemical plants. (*Source: CRISIL report*) Slag is a by-product of the steel-making process, produced during the separation of molten steel from impurities in steel furnaces. (*Source: CRISIL report*) We procure gypsum and slag from open market suppliers for both our business models.

Given the critical role these raw materials play in our business, securing reliable and cost-effective sources of supply is essential for maintaining stable operations and sustaining our competitive position in the market. Further, fluctuations in the price of these raw materials could adversely affect our cost structure and profitability. However, the risk regarding fluctuations in the price of these raw materials is negligible for the Contract Manufacturing Model as the cost of raw materials consumed gets charged back to the customers at market rate. We continuously monitor the supply chains and work to establish strong relationships with key suppliers to mitigate risks related to raw material availability and cost fluctuations. Any disruptions or delays in securing a consistent and reliable supply of clinker, gypsum, or fly ash could significantly impact our production capabilities and operational efficiency.

Dependence on our Subsidiaries for our operations

Our operations rely significantly on our Wholly-owned Subsidiaries. Our SGU in Amethi *(eastern Uttar Pradesh*) is operated through our Wholly-owned Subsidiary Kanodia Cem Private Limited ("**KCPL**") and our SGU in Bhabhua (*Bihar*) is operated through our Wholly-owned Subsidiary Kanodia Infratech Limited ("**KIL**"). Further, our Company is in the process of expanding our SGUs by setting up two SGUs in Pratapgarh (*Eastern Uttar Pradesh*) and Bulandshahar (*Western Uttar Pradesh*) through KCPL. These subsidiaries are integral to our manufacturing and operational capabilities, and the performance of our business is closely linked to the success and efficiency of their operations. The table below sets forth details of the revenue contribution from our Wholly-owned Subsidiaries:

Particulars	Nine months period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)
KCPL	2,076.46	28.86	2,795.56	31.48	1,320.53	19.85	Nil	Nil
KIL	2,111.84	29.35	2,786.99	31.39	2,244.44	33.74	1,822.34	37.31
Total	4,188.30	58.21	5,582.55	62.87	3,564.97	53.59	1,822.34	37.31

Our subsidiaries are directly involved in the execution of our strategic initiatives, including both existing operations and future expansions. KCPL and KIL are key to the geographical diversification and operational scalability of our business, allowing us to operate across different regions with operational autonomy. Furthermore, the subsidiaries allow us to streamline local management and address specific market demands more efficiently. Their ability to manage operations independently while aligning with our goals is vital to sustaining our business growth and enhancing operational flexibility. Additionally, while our subsidiaries offer operational efficiencies and help segment business risks, the dependence on them also requires close oversight and effective management of intra-group relationships. Financial or operational inefficiencies at the subsidiary level could potentially affect the financial health and liquidity on a consolidated, thereby influencing our overall business stability.

Dependence on and challenges associated with our SGUs

Our continued operations at our SGUs are critical and play a key role in the production and supply of cement. As on December 31, 2024, we operate five SGUs in Sikandrabad (*Western Uttar Pradesh*), Bhabhua (*Bihar*) and Amethi (*Eastern Uttar Pradesh*), with an aggregate cement manufacturing capacity of 3.54 MTPA. The following table provides details of our SGUs as on December 31, 2024:

SGU	Location of SGU	Commencement of commercial production	Installed Capacity (MT) as on December 31, 2024
KCL Sikandrabad – Unit 1, 2 and 3	Sikandrabad (*Western Uttar Pradesh*)	Unit 1 – 2011 Unit 2 – 2013 Unit 3 - 2016	840,000*
KIL Bhabua Unit	Bhabua (*Bihar*)	2016	1,200,000*
KCPL Unit 1 Amethi	Amethi (*Eastern Uttar Pradesh*)	2022	1,500,000*

* *On an annualized basis.*

Our SGUs are integral to our manufacturing and supply chain, directly impacting our ability to meet customer demand and maintaining operational efficiency. The performance and operational continuity of our SGUs are crucial for sustaining our revenue and profitability. Any disruption in the operations of these units, whether due to equipment failure, supply chain disruptions, or unforeseen regulatory changes, could result in significant delays or interruptions in cement production. This would, in turn, affect our ability to fulfil customer orders, leading to potential revenue losses. It is essential to maintain efficient operations at our SGUs, addressing capacity constraints, and mitigating risks associated with equipment reliability, supply chain management, and regulatory compliance to ensure the long-term sustainability of our operations and our ability to meet market demand. We continue to invest in enhancing the operational efficiency of our SGUs to minimize the impact of any disruptions and maximize production capacity.

Greenfield capacity expansions

We are in the process of expanding our production capacity through greenfield expansions by setting up two SGUs in Uttar Pradesh with a cement grinding capacity of 2.50 MTPA at each SGU. Each of these SGUs will incorporate railway sidings to further improve our competitiveness and reduce our freight & logistics costs. The table below sets forth details of our proposed expansion plans:

Proposed Plant Location	Region	Plant Type	Expansion Type	Installed Cement Grinding Capacity (MTPA)
KCPL Unit 2 - Pratapgarh	Eastern Uttar Pradesh	SGU with railway siding	Greenfield	2.50
KCPL Unit 3 – Sikandrabad, Bulandshahar	Western Uttar Pradesh	SGU with railway siding	Greenfield	2.50
Total Proposed Capacity Expansion				**5.00**
Current Cement Grinding Capacity				**3.54**
Total Post Expansion Capacity				**8.54**

Further, the table below sets forth details of steps taken towards the proposed expansion:

Proposed Plant Location	Region	Plant Type	Land Acquisition As on 31 December 2024	Land to be Acquired as on December 31, 2024	Environmental clearance	Consent to establish	Railway Siding Approvals	Expected Commissioning
KCPL Unit 2 - Pratapgarh	Eastern Uttar Pradesh	SGU	83.25 acres	20 - 25 acres	Granted	Granted	Granted	Fiscal 2027
KCPL Unit 3 – Sikandrabad, Bulandshahar	Western Uttar Pradesh	SGU	6.42 acres	15-25 acres	Applied	To be applied	To be applied	Fiscal 2028

The greenfield capacity expansions in Uttar Pradesh, with the addition of two SGUs, represent a significant strategic initiative to enhance our production capabilities. The integration of railway sidings will optimize our logistics operations, reducing freight costs and improving our overall competitiveness. We believe these expansions will play a crucial role in supporting long-term growth, enhancing operational flexibility, and meeting the increasing demand in key markets. For more details on our capacity expansion plans, see "*Our Business – Our Strategies*" on page 223.

Industry demands and trends

The demand for cement, an essential component in construction and infrastructure projects, plays a crucial role in determining the performance of both our Contract Manufacturing Model and our Business-to-Consumer Model. The Indian cement market is projected to grow at a CAGR of 6.5% - 7.5% annually, with demand expected to rise from 465-470 MMT in 2024-25 to 620-630 MMT in 2028-29. (*Source: CRISIL Report*) Under the Contract Manufacturing Model, our operations are influenced by the overall performance of the cement industry, as we produce cement on behalf of larger cement companies. The health of the cement sector marked by trends in production capacity, consumption rates, and overall market growth directly impacts our ability to secure long-term contracts and fulfil production quotas. An increase in demand in the cement industry typically results in an increased demand for manufacturing services, which in turn positively impacts our revenue generation and operational growth. Additionally, our operations under the Business-to-Consumer Model rely on the demand for our products from key sectors, including infrastructure, housing, and industrial/commercial sectors. As of Fiscal 2024, the end-user sector mix in cement demand share comprised housing (56-58%), infrastructure (29-31%), and industrial/commercial (13-15%). (*Source: CRISIL Report*) The housing sector, which comprises a significant share of demand, is influenced by trends in urbanization, government housing schemes, and the overall economic health of residential construction markets. Demand from the infrastructure sector is closely tied to government spending on infrastructure projects such as roads, bridges, and public facilities, which can fluctuate based on macroeconomic conditions and fiscal policies. Lastly, the industrial and commercial sectors, including the construction of industrial plants, commercial spaces, and warehouses, can be sensitive to business cycles and demand for industrial expansion. The overall health of the cement industry is closely linked to broader economic trends, including economic growth, investment in infrastructure development, and residential and commercial construction activity. Any slowdown in these key sectors, particularly housing or infrastructure, could lead to a reduction in cement demand, affecting our revenue and profitability. Conversely, a surge in construction activity driven by government stimulus, increased urbanization, or higher private investment in commercial and residential projects could result in higher demand for our cement products, leading to enhanced business prospects.

MATERIAL ACCOUNTING POLICIES

Set forth below is a summary of our most material accounting policies adopted in preparation of the Restated Consolidated Financial Information.

A. Operating cycle and current versus non-current classification

Based on the nature of goods manufactured and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, we have ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

We present assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

- A liability is classified as current when:
- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

We classify all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities respectively.

B. Property, plant, and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at April 1, 2021 measured as per the previous Generally Accepted Accounting Principles (GAAP). Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs and incidental expenses incurred during the period of construction are capitalised up to the date when the assets are ready for intended use.

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is derecognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item and is recognised in the consolidated statement of profit and loss.

C. Intangible assets

Intangible assets are stated at cost of acquisition or construction less accumulated amortisation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of intangible assets recognised as at April 1, 2021 measured as per the previous Generally Accepted Accounting Principles (GAAP). Intangible assets subsequently purchased are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

D. Capital work-in-progress

Capital work-in-progress representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

E. Depreciation and amortisation of property, plant and equipment and intangible assets

Depreciation is calculated on straight line method using the rates arrived at based on the estimated useful lives given in Schedule II of the Companies Act, 2013.

Depreciation on all assets commences from the dates the assets are available for their intended use and are spread over their estimated useful economic lives. The estimated useful lives of assets and residual values are reviewed at each reporting date and, when necessary, are revised.

Assets value up to ₹5,000 are fully depreciated in the year of acquisition.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use.

F. Borrowing and Borrowing Costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated statement of profit and loss over the period of the borrowings using the effective interest method. Borrowings are derecognised from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a borrowings that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated statement of profit and loss as other gains/(losses). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Ancillary costs incurred in connection with the arrangement of borrowings are adjusted with the proceeds of the borrowings.

G. Impairment of non-financial assets

We assess at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the consolidated statement of profit and loss.

For assets an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

H. Inventories

Inventories are valued as follows:

Raw materials and stores and spares - Lower of cost and net realisable value. Cost is determined on a FIFO basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition. Materials and other items held for use in the production of inventories are not written down below costs, if finished goods in which they will be incorporated are expected to be sold at or above cost.

Work-in-progress and finished goods - Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

Provision for obsolete/ old inventories is made, wherever required.

I. Revenue recognition

The Company recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customers. This is achieved when;

- effective control of goods along with significant risks and rewards of ownership has been transferred to customers;
- the amount of revenue can be measured reliably;

- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue represents net value of goods sold to customers after deducting for certain incentives including, but not limited to discounts, volume rebates, etc. For incentives offered to customers, the Company makes estimates related customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The actual amounts may differ from these estimates and are accounted for prospectively.

Revenue are net of Goods and Service Tax. No element of significant financing is present as the sales are made with a credit term, which is consistent with market practice.

Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

J. Foreign currencies

The Company’s financial statements are presented in Indian Rupees, which is also its functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rate of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

K. Income Taxes

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted in India, at the reporting date.

Current tax relating to items recognised outside the consolidated statement of profit and loss is recognised outside the consolidated statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax liabilities are generally recognised for all the taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the consolidated statement of profit and loss is recognised outside the consolidated statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

L. Employee benefit

Short-term benefits

Short-term employee benefits are expensed in the year in which the related services are provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Retirement benefit in the form of provident fund is defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Defined benefits plans

The Company operates a defined benefit gratuity plan in India. Gratuity is a defined benefit obligation.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method at each reporting date. In respect of post-retirement benefit re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the consolidated statement of profit and loss in subsequent periods.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

Other long-term benefits

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date. Actuarial gains/ losses on the compensated absences are immediately taken to the statement of profit and loss and are not deferred. The obligation is measured on the basis of independent actuarial valuation using project unit credit method at each reporting date.

M. Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognised because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in other notes to the Restated Consolidated Financial Information.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent assets are not recognised. However, when an inflow of economic benefits is probable, related assets are disclosed.

N. Earnings per share

Basic earnings per equity share is computed by dividing net profit or loss for the year attributable to the equity shareholders of KCL by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all periods presented is adjusted for events, such as bonus shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

O. Cash and cash equivalents

Cash and cash equivalent comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

P. Fair value measurement

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices /net asset value (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

Q. Government grant

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants related to income under State Investment Promotion Scheme linked with Goods & Services Tax (GST) payment, are recognised in the Consolidated Statement of Profit and Loss on the event they become receivable.

When loans are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Government grants that compensate the Company for expenses incurred are recognised in the statement of profit and loss, as income or deduction from the relevant expense, on a systematic basis in the periods in which the expense is recognised.

R. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting done to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of KCL in a single operating segment and geographical segment.

S. Company as a lessee

The Company assesses if a contract is or contains a lease at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the commencement date, except for short-term leases of twelve months or less and leases for which the underlying asset is of low value, which are expensed in the consolidated statement of profit and loss on a straight-line basis over the lease term.

T. Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instruments. Financial instruments (except trade receivables) are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 115 for pricing adjustments embedded in the contract.

Subsequent measurement

Subsequent measurement of financial assets and financial liabilities is described below:

Non-derivative financial assets

i. Financial assets carried at amortised cost

A financial asset is measured at the amortised cost, if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. Financial assets at fair value through Profit & Loss (FVTPL)

Financial assets, which does not meet the criteria for categorization as at amortized cost or as FVOCI, are classified as at FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit & Loss.

Impairment of financial assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.

The Company's trade receivables do not contain a significant financing component and as per simplified approach, loss allowances on trade receivables are measured using provision matrix at an amount equal to lifetime expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in the consolidated statement of profit and loss.

De-recognition of financial assets: A financial asset is primarily de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities

Subsequent measurement: Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities: A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

Offsetting of financial instruments: Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

U. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the nine months period ended December 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

KEY COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

Set forth below are the key components of our statement of profit and loss from our continuing operations:

Total Income

Our total income comprises (i) revenue from operations; and (ii) other income.

Revenue from Operations

Revenue from operations comprises of sale of cement, government subsidy income and trading income.

Other Income

Other income comprises (i) interest income on financial assets; (ii) income tax refund; (iii) waiver of interest on loan given to others accounted under IndAS; (iv) dividend income; (v) profit on sale of investments measured at FVTPL; (vi) Net gain on fair value of investments measured at FVTPL; (vii) insurance claim received; (viii) Sundry balances written back; (ix) Provision no longer required written back; (x) Amortisation of deferred income on UPFC interest-free loans; (xi) Income derived from fair value of loans and financial liability including early repayment of financial liability; (xii) Bad debts recovered; (xiii) Commission income on corporate guarantee; (xiv) recovery of initial public offering expenses; (xv) scrap sales and (xvi) miscellaneous income.

Expenses

Our expenses comprise (i) cost of materials consumed; (ii) purchases of stock-in-trade; (iii) changes in inventories of work-in-progress; (iii) employee benefit expenses; (iv) finance cost; (v) depreciation and amortisation expenses; and (vi) other expenses.

Cost of material consumed

Our cost of materials consumed primarily consists of the cost of raw materials and packing materials that we use to manufacture our products. This includes opening stock of raw materials at the beginning of the year and purchases, less closing stock of raw material at the end of the year.

Changes in inventories of work-in-progress

Changes in inventories of work-in-progress represents the difference between our opening and closing stock of inventory during the financial year.

Employee Benefit Expenses

Employee benefit expenses comprise (i) salaries, wages and bonus; (ii) contribution towards provident fund and other funds; (iii) gratuity expense and (iv) staff welfare expenses.

Finance Cost

Finance costs comprise (i) interest expense on borrowings; (ii) interest expense on borrowings and subsequently waived off; (iii) interest expense on government loans; (iv) Unwinding of financial liability; (v) Unwinding of corporate guarantee obligation; (vi) Loss on early repayment of financial liability (vii) interest expense on lease liabilities; (viii) Interest on statutory dues; and (ix) Other borrowing costs.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses primarily comprise (i) depreciation on property, plant and equipment; (ii) depreciation on right of use assets; and (iii) amortization on intangible assets.

Other Expense

Other expenses comprise of consumption of stores and spare parts consumed, power and fuel, repairs and maintenance – plant and machinery, building and others, sales commission, provision for impairment in investment, rent, rates and taxes, insurance, fair value reversal on step acquisition of subsidiary, legal and professional, directors sitting fees, freight outward and handling charges, advertisement and sales promotion, CSR expenses, donation, packing and loading, cash robbery, provision for expected credit losses/doubtful advances, advances written off, bad debts, corporate guarantee expense, printing and stationery, subsidy written off, net loss on sales of property, plant and equipment and other expenses.

Tax expense

Tax expense comprise of current tax, tax for earlier years and deferred tax charge/(credit).

RESULTS OF OPERATIONS

The following tables set forth our selected financial data from our restated consolidated statement of profit and loss for the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, the components of which are also expressed as a percentage of total income for such years:

Particulars	Nine months ended December 31, 2024		For the year ended March 31					
			2024		2023		2022	
	In ₹ million	As a percentage of total revenue from operations	In ₹ million	As a percentage of total revenue from operations	In ₹ million	As a percentage of total revenue from operations	In ₹ million	As a percentage of total revenue from operations
Income								
Revenue from operations	7,195.62	100.00	8,879.07	100.00	6,652.78	100.00	4,884.54	100.00
Other income	122.30	1.70	122.09	1.38	38.13	0.57	45.98	0.94
Total income	7,317.92	101.70	9,001.16	101.38	6,690.91	100.57	4,930.52	100.94
Expenses								

Particulars	Nine months ended December 31, 2024		For the year ended March 31					
			2024		2023		2022	
	In ₹ million	As a percentage of total revenue from operations	In ₹ million	As a percentage of total revenue from operations	In ₹ million	As a percentage of total revenue from operations	In ₹ million	As a percentage of total revenue from operations
Cost of materials consumed	5,095.27	70.81	6,011.28	67.70	4,288.85	64.47	3,053.57	62.51
Purchases of stock-in-trade	-	-	268.63	3.03	522.82	7.86	392.75	8.04
Changes in inventories of work-in-progress	(26.21)	(0.36)	39.45	0.44	(44.27)	(0.67)	(9.42)	(0.19)
Employee benefits expense	154.61	2.15	153.13	1.72	118.57	1.78	68.32	1.40
Finance costs	18.62	0.26	25.24	0.28	33.83	0.51	38.01	0.78
Depreciation and amortization expense	120.01	1.67	157.66	1.78	160.16	2.41	104.43	2.14
Other expense	670.24	9.31	878.22	9.89	850.26	12.78	712.15	14.58
Total expenses	**6,032.54**	**83.84**	**7,533.61**	**84.85**	**5,930.22**	**89.14**	**4,359.81**	**89.26**
III. Restated Profit Before Exceptional Items and Tax (I-II)	**1,285.38**	**17.86**	**1,467.55**	**16.53**	**760.69**	**11.43**	**570.71**	**11.68**
IV. Exceptional Item	-	-	-	-	-	-	11.00	0.23
V. Restated Profit before tax (III-IV)	**1,285.38**	**17.86**	**1,467.55**	**16.53**	**760.69**	**11.43**	**559.71**	**11.46**
VI. Tax expenses:								
Current tax								
-Current period/year	285.44	3.97	313.51	3.53	129.25	1.94	120.68	2.47
-For earlier years	0.46	0.01	1.29	0.01	0.92	0.01	0.90	0.02
Deferred tax	17.10	0.24	14.37	0.16	75.78	1.14	34.58	0.71
VII. Profit / (loss) for the period/ year (V-VI)	**982.38**	**13.65**	**1,138.38**	**12.82**	**554.74**	**8.34**	**403.55**	**8.26**
VIII. Restated Other Comprehensive Income (OCI)								
(1) Items that will not be reclassified to profit & loss	(0.72)	(0.01)	0.36	0.00	1.00	0.02	0.75	0.02
Income Tax relating to above	0.19	0.00	(0.09)	0.00	(0.26)	(0.00)	(0.19)	(0.00)
(2) Items that will be reclassified to profit & loss	-	-	-	-	-	-	-	-
IX. Restated Total Comprehensive Income for the	**981.85**	**13.65**	**1,138.65**	**12.82**	**555.48**	**8.35**	**404.11**	**8.27**

Particulars	Nine months ended December 31, 2024		For the year ended March 31					
			2024		2023		2022	
	In ₹ million	As a percentage of total revenue from operations	In ₹ million	As a percentage of total revenue from operations	In ₹ million	As a percentage of total revenue from operations	In ₹ million	As a percentage of total revenue from operations
period/year (VII+VIII)								

NINE MONTHS ENDED DECEMBER 31, 2024

Total Income

Total income for the nine months ended December 31, 2024 was ₹ 7,317.92 million due to the factors discussed below.

Revenue from operations

Revenue from operations for the nine months ended December 31, 2024 was ₹ 7,195.62 million primarily attributable to sales of cement and government subsidy income.

Other income

Other income for the nine months ended December 31, 2024 was ₹ 122.30 million primarily attributable to interest income on financial assets, profit on sale of investments measured at FVTPL, net gain on fair value of investments measured at FVTPL, sundry balances written back, amortisation of deferred income on UPFC interest free loan, bad debts recovered, recovery of initial public offering expenses and scrap sales.

Expenses

Total expenses for the nine months ended December 31, 2024 was ₹ 6,032.54 million due to the factors discussed below.

Cost of materials consumed

Cost of materials consumed for the nine months ended December 31, 2024 was ₹ 5,095.27 million.

Purchases of Stock-in-Trade

Purchases of Stock-in-Trade for the nine months ended December 31, 2024 was Nil.

Changes in inventories of work-in-progress

Increase in the inventories of work-in-progress for the nine months ended December 31, 2024 was ₹ 26.21 million.

Employee benefits expense

Employee benefits expenses for the nine months ended December 31, 2024 was ₹ 154.61 million primarily attributable to salary, wages, bonus, contribution towards provident fund and other funds, gratuity expense and staff welfare expense.

Finance costs

Finance costs for the nine months ended December 31, 2024 was ₹ 18.62 million primarily attributable to interest expense on borrowings, interest expense on government loans, interest expense on lease liabilities, interest on statutory dues and other borrowing costs.

Depreciation and amortisation expense

Depreciation and amortisation expenses for the nine months ended December 31, 2024 was ₹ 120.01 million primarily attributable to depreciation on property, plant and equipment, amortization on intangible assets and depreciation on right of use assets.

Other expenses

Other expenses for the nine months ended December 31, 2024 was ₹ 670.24 million primarily attributable to stores and spare parts consumed, power and fuel, repairs and maintenance, sales commission, rent, rates and taxes, insurance, legal and professional, freight outward and handling charges, advertisement and sales promotion, CSR expenses, provision for expected credit losses/doubtful advances, advances written off, corporate guarantee expenses, printing and stationery and other expenses.

Restated Profit before tax

Our restated profit before tax for the nine months ended December 31, 2024 was ₹ 1,285.38 million due to the reasons mentioned above.

Tax Expense

Total tax expense (current and deferred) for the nine months ended December 31, 2024 was ₹ 303.00 million due to the factors discussed below.

- Current tax expense for the nine months ended December 31, 2024 was ₹ 285.44 million;
- Current tax expense for earlier years was ₹ 0.46 million; and
- Deferred tax expense for the nine months ended December 31, 2024 was ₹ 17.10 million.

Restated Profit for the year/ period

Restated Profit for the nine months ended December 31, 2024 was ₹ 982.38 million due to the reasons mentioned above.

FISCAL 2024 COMPARED TO FISCAL 2023

Total Income

Total income increased by 34.53% from ₹ 6,690.91 million in Fiscal 2023 to ₹ 9,001.16 million in Fiscal 2024 primarily due to the factors discussed below.

Revenue from operations

Revenue from operations increased by 33.46% from ₹ 6,652.78 million in Fiscal 2023 to ₹ 8,879.07 million in Fiscal 2024 primarily due to increase in our sales volume and increase in our government subsidy income.

Our revenue from sale of cement increased by 37.33% from ₹5,992.59 million in Fiscal 2023 to ₹8,229.92 million in Fiscal 2024. This was due to our overall sales volume increasing by 47.46%, from 1.18 MMT in Fiscal 2023 to 1.74 MMT in Fiscal 2024, which resulted in an increase in our capacity utilization to 49.23% in Fiscal 2024 from 37.13% in Fiscal 2023. This growth in sales volume was supported by the full-year operations of the KCPL Amethi Unit 1 in Fiscal 2024, compared to only nine months of operations in Fiscal 2023. The sales volume from the KCPL Amethi Unit 1 increased by 116.67%, from 0.24 MMT in Fiscal 2023 to 0.52 MMT in Fiscal 2024.

Our government subsidy income increased by 110.26%, from ₹187.29 million in Fiscal 2023 to ₹393.80 million in Fiscal 2024. This growth was also on account of an increase in sales volume. Additionally, for the KCPL Amethi Unit 1, in Fiscal 2024, we deposited more State Goods and Services Tax (SGST) with the government than we claimed as input credit. As a result, we became eligible for government subsidy income, which we received as a reimbursement for the net SGST paid. In contrast, in Fiscal 2023, our output SGST was adjusted against input credit from eligible capital expenses.

Further, our trading income, primarily derived from trading clinker, decreased by 46.00%, from ₹472.89 million in Fiscal 2023 to ₹255.35 million in Fiscal 2024.

Other income

Other income increased by 220.19% from ₹ 38.13 million in Fiscal 2023 to ₹ 122.09 million in Fiscal 2024 primarily due to recovery of bad debts, sundry balances being written back, profit on sale of current investments, net gain on fair value of investments measured at FVTPL and increase in interest income on financial assets.

Interest income on financial assets increased by 304.14%, from ₹7.00 million in Fiscal 2023 to ₹28.29 million in Fiscal 2024, primarily due to an increase in bank deposits, security deposits, and loans and advances. Interest income from income tax refunds increased to ₹0.18 million in Fiscal 2024, compared to Nil in Fiscal 2023. Net gain on the fair value of investments measured at FVTPL increased to ₹9.80 million in Fiscal 2024, from Nil in Fiscal 2023, as current investments in Fiscal 2024 amounted to ₹806.77 million, compared to Nil in Fiscal 2023. Profit on sale of investments measured at FVTPL increased to ₹15.78 million in Fiscal 2024, from ₹1.41 million in Fiscal 2023.

Sundry balances written back increased by 1011.96%, from ₹0.92 million in Fiscal 2023 to ₹10.23 million in Fiscal 2024. Deferred income (amortization of government grant) increased by 59.79%, from ₹6.54 million in Fiscal 2023 to ₹10.45 million in Fiscal 2024. Bad debts recovered were ₹43.05 million in Fiscal 2024, compared to Nil in Fiscal 2023. Commission income on corporate guarantees increased by 102.13%, from ₹0.94 million in Fiscal 2023 to ₹1.90 million in Fiscal 2024.

These increases were offset by several factors: (i) dividend income decreased to Nil in Fiscal 2024 from ₹0.03 million in Fiscal 2023, (ii) insurance claims received decreased to Nil in Fiscal 2024 from ₹0.99 million in Fiscal 2023, (iii) provisions no longer required written back decreased to Nil in Fiscal 2024 from ₹0.85 million in Fiscal 2023, (iv) income derived from the fair value of loans and financial liabilities decreased by 64.75%, from ₹4.88 million in Fiscal 2023 to ₹1.72 million in Fiscal 2024, (v) income derived from the fair value of loans and financial liabilities (early repayment of financial liability) decreased to Nil in Fiscal 2024 from ₹9.38 million in Fiscal 2023, and (vi) miscellaneous income decreased by 86.71%, from ₹5.19 million in Fiscal 2023 to ₹0.69 million in Fiscal 2024.

Expenses

Total expenses increased by 27.04% from ₹ 5,930.22 million in Fiscal 2023 to ₹ 7,533.61 million in Fiscal 2024 primarily due to the factors discussed below.

Cost of materials consumed

Cost of materials consumed increased by 40.16% from ₹ 4,288.85. million in Fiscal 2023 to ₹ 6,011.28 million in Fiscal 2024 primarily due an increase in purchase of raw materials on account of corresponding increase in revenue from operations and also due to an increase in the prices of raw materials.

Purchases of stock-in-trade

Purchases of stock-in-trade decreased by 48.62%, from ₹522.82 million in Fiscal 2023 to ₹268.63 million in Fiscal 2024, primarily due to a corresponding decrease in trading income.

Change in inventories of work-in-progress

Change in inventories of work-in-progress increased from ₹ (44.27) million in Fiscal 2023 to ₹ 39.45 million in Fiscal 2024. The difference in change in inventories is due to work-in-progress which was ₹10.82 million at the beginning of Fiscal 2023 and ₹55.09 million at the end of Fiscal 2023, and ₹55.09 million at the beginning of Fiscal 2024 and ₹15.64 million at the end of Fiscal 2024.

Employee benefit expenses

Employee benefit expenses increased by 29.15% from ₹ 118.57 million in Fiscal 2023 to ₹ 153.13 million in Fiscal 2024 primarily due primarily due to higher salaries, wages, and bonuses, resulting from regular salary hikes provided to employees. Additionally, the average number of employees for the year ended March 31, 2024, increased to 328 from 233 employees for the year ended March 31, 2023. Salaries, wages, and bonuses increased by 30.20%, from ₹115.42 million in Fiscal 2023 to ₹150.28 million in Fiscal 2024. Gratuity expense increased by 7.95%, from ₹0.88 million in Fiscal 2023 to ₹0.95 million in Fiscal 2024. These increases were partially offset by: (i) 13.36% decrease in contributions to provident and other funds, which decreased to ₹1.88 million in Fiscal 2024 from ₹2.17 million in Fiscal 2023, and (ii) an 80.00% decrease in staff welfare expenses, which decreased to ₹0.02 million in Fiscal 2024 from ₹0.10 million in Fiscal 2023.

Finance costs

Finance costs decreased by 25.39% from ₹ 33.83 million in Fiscal 2023 to ₹ 25.24 million in Fiscal 2024 primarily due to decrease in total borrowings by 80.66%, from ₹772.68 million in Fiscal 2023 to ₹149.40 million in Fiscal 2024.

Interest expense on borrowings decreased to Nil in Fiscal 2024, from ₹8.25 million in Fiscal 2023, primarily due to a decrease in total borrowings, which reduced from ₹772.68 million in Fiscal 2023 to ₹149.40 million in Fiscal 2024. Additionally, the company incurred a loss on early repayment of financial liability of ₹10.60 million in Fiscal 2023, which was not applicable in Fiscal 2024. These decreases were partially offset by the following increases: i) interest expense on government loans increased by 75.65%, from ₹4.97 million in Fiscal 2023 to ₹8.73 million in Fiscal 2024, due to a corresponding increase in government loans, ii) interest on statutory dues increased by 103.59%, from ₹4.73 million in Fiscal 2023 to ₹9.63 million in Fiscal 2024, and iii) other borrowing costs increased to ₹5.16 million in Fiscal 2024, from ₹0.27 million in Fiscal 2023, primarily due to bank guarantee commissions paid for new UPFC loans availed in Fiscal 2024 and interest paid to third-party transport agencies on security deposits received from them. This interest expense was not incurred in previous years, as the company had its own fleet of vehicles to carry out transport activities.

Depreciation and amortisation expense

Depreciation and amortisation expenses decreased by 1.56% from ₹ 160.16 million in Fiscal 2023 to ₹ 157.66 million in Fiscal 2024 primarily due to no substantial additions during the year to property, plant and equipment.

Other expenses

Other expenses increased by 3.29% from ₹ 850.26 million in Fiscal 2023 to ₹ 878.22 million in Fiscal 2024 primarily due to an increase in the consumption of stores and spare parts, which increased to ₹140.88 million in Fiscal 2024 from ₹89.37 million in Fiscal 2023, in the ordinary course of business. Power and fuel expenses increased to ₹450.65 million in Fiscal 2024, compared to ₹352.18 million in Fiscal 2023, also due to regular business activities. Rates and taxes increased to ₹17.09 million in Fiscal 2024, from ₹2.57 million in Fiscal 2023, owing to the payment of an outstanding VAT & CST liability and BIS license fees in Fiscal 2024. Freight outward and handling charges increased to ₹124.56 million in Fiscal 2024, from ₹88.14 million in Fiscal 2023, in line with the operations of our Business-to-Consumer Model. Additionally, advances written off increased to ₹4.67 million in Fiscal 2024, compared to Nil in Fiscal 2023.

These increases were offset by: i) repairs and maintenance of plant and machinery, which decreased by 59.37%, from ₹24.02 million in Fiscal 2023 to ₹9.76 million in Fiscal 2024, as the majority of this cost in Fiscal 2023 was related to the maintenance of transport vehicles owned by the company, which were sold in Fiscal 2023, resulting in no such costs in Fiscal 2024; ii) sales commission, which decreased by 19.20%, from ₹11.82 million in Fiscal 2023 to ₹9.55 million in Fiscal 2024; iii) rent expense, which decreased by 72.94%, from ₹15.89 million in Fiscal 2023 to ₹4.30 million in Fiscal 2024, due to the relocation of one of our office premises, leading to lower rental expenses; iv) legal and professional expenses, which decreased by 10.52%, from ₹61.87 million in Fiscal 2023 to ₹55.36 million in Fiscal 2024; v) advertisement and sales promotion expenses, which decreased by 90.31%, from ₹95.80 million in Fiscal 2023 to ₹9.28 million in Fiscal 2024, as the significant expenses in Fiscal 2023 were incurred for the launch of new brands under our Business-to-Consumer Model, "HBM Cement" and "HBM Gold Cement" and the hiring of brand ambassadors; vi) bad debts, which decreased by 99.23%, from ₹43.96 million in Fiscal 2023 to ₹0.34 million in Fiscal 2024, as one of our vendors went insolvent in Fiscal 2023, to whom an advance had been paid for the supply of clinker; vii) subsidy written off, which decreased by 100%, from ₹9.48 million in Fiscal 2023 to Nil in Fiscal 2024, as the excess subsidy recognized in Fiscal 2023 was later disallowed by the government; viii) net loss on the sale of property, plant, and equipment, which decreased by 100%, from ₹10.12 million in Fiscal 2023 to Nil in Fiscal 2024, as the sale of transport vehicles occurred in Fiscal 2023; and ix) other expenses, which decreased by 34.83%, from ₹31.27 million in Fiscal 2023 to ₹20.38 million in Fiscal 2024, primarily due to the payment of entry tax liabilities pertaining to previous years in Fiscal 2023.

Restated Profit before tax

Our profit before tax increased by 92.92% from ₹ 760.69 million in Fiscal 2023 to ₹ 1,467.55 million in Fiscal 2024 primarily due to the factors discussed above.

Tax Expense

Total tax expense increased by 59.83% from ₹ 205.95 million in Fiscal 2023 to ₹ 329.17 million in Fiscal 2024 primarily due to increase in profit before tax from ₹760.69 million in Fiscal 2023 to ₹1,467.55 million in Fiscal 2024. The current tax expense for current period/year increased by 142.56% from ₹ 129.25 million in Fiscal 2023 to ₹ 313.51 million in Fiscal 2024 and the deferred tax (credit) decreased by 81.04% from ₹ 75.78 million in Fiscal 2023 to ₹ 14.37 million in Fiscal 2024.

Restated Profit for the year

As a result of the foregoing factors, our restated profit for the year increased by 105.21%, from ₹554.74 million in Fiscal 2023 to a profit of ₹1,138.38 million in Fiscal 2024.

FISCAL 2023 COMPARED TO FISCAL 2022

Total Income

Total income increased by 35.70% from ₹ 4,930.52 million in Fiscal 2022 to ₹ ₹6,690.91 million in Fiscal 2023 primarily on account of the factors discussed below.

Revenue from operations

Revenue from operations increased by 36.20% from ₹ 4,884.54 million in Fiscal 2022 to ₹ 6,652.78 million in Fiscal 2023 primarily due to increase in our sales volume and increase in our trading income.

Our revenue from the sale of cement increased by 35.76% to ₹5,992.59 million for Fiscal 2023 from ₹4,413.96 million for Fiscal 2022. This increase was due to a 25.53% increase in overall sales volume, which increased from 0.94 MMT in Fiscal 2022 to 1.18 MMT in Fiscal 2023. The increase in sales volume was due to the commencement and nine-month operations of the KCPL Amethi Unit 1 in Fiscal 2023, compared to no operations in Fiscal 2022. The sales volume from the KCPL Amethi Unit 1 in Fiscal 2023 was 0.24 MMT, whereas there were no sales from this unit in Fiscal 2022.

Our government subsidy income increased by 29.01%, from ₹145.17 million in 2022 to ₹187.29 million in 2023, driven by the increase in sales volume.

Our trading income, primarily from trading clinker, increased by 45.32%, from ₹325.41 million in 2022 to ₹472.89 million in 2023.

Other income

Other income decreased by 17.07%, from ₹45.98 million in 2022 to ₹38.13 million in 2023, primarily due to provisions no longer required being written back, income derived from the fair value of loans and financial liabilities, and income derived from the fair value of loans and financial liabilities (early repayment of financial liability).

Interest income on financial assets decreased by 4.11%, from ₹7.30 million in 2022 to ₹7.00 million in 2023. Net gain on the fair value of investments measured at FVTPL decreased from ₹0.31 million in 2022 to Nil in 2023. Provisions no longer required being written back decreased by 93.43%, from ₹12.93 million in 2022 to ₹0.85 million in 2023. Income derived from the fair value of loans and financial liabilities decreased by 17.57%, from ₹5.92 million in 2022 to ₹4.88 million in 2023. Income derived from the fair value of loans and financial liabilities (early repayment of financial liability) decreased by 9.98%, from ₹10.42 million in 2022 to ₹9.38 million in 2023.

These decreases were offset by (i) dividend income, which increased by 50.00%, from ₹0.02 million in 2022 to ₹0.03 million in 2023, (ii) profit on the sale of investments measured at FVTPL, which increased by 161.11%, from ₹0.54 million in 2022 to ₹1.41 million in 2023, (iii) insurance claim received, which increased by 266.67%, from ₹0.27 million in 2022 to ₹0.99 million in 2023, (iv) sundry balances written back, which increased to ₹0.92 million in 2023 from Nil in 2022, (v) Amortisation of Deferred Income on UPFC Interest Free Loan, which increased by 54.98%, from ₹4.22 million in 2022 to ₹6.54 million in 2023, (vi) commission income on corporate guarantee, which increased by 184.85%, from ₹0.33 million in 2023 to ₹ 0.94 million in 2022, and (vii) miscellaneous income, which increased by 39.52%, from ₹3.72 million in 2022 to ₹5.19 million in 2023.

Expenses

Total expenses increased by 36.02%, from ₹4,359.81 million in Fiscal 2022 to ₹5,930.22 million in Fiscal 2023, on account of the factors discussed below.

Cost of materials consumed

Cost of materials consumed increased by 40.45%, from ₹3,053.57 million in Fiscal 2022 to ₹4,288.85 million in Fiscal 2023, primarily due to an increase in the purchase of raw materials on account of the corresponding increase in revenue from operations and also due to an increase in the prices of our raw materials.

Purchases of stock-in-trade

Purchases of stock-in-trade increased by 33.12%, from ₹392.75 million in Fiscal 2022 to ₹522.82 million in Fiscal 2023, due to a corresponding increase in trading income.

Change in inventories of work-in-progress

Change in inventories of work-in-progress decreased to ₹ (44.27) million in Fiscal 2023 from ₹ (9.42) million in Fiscal 2022. The difference in the change in inventories is due to work-in-progress, which was ₹1.40 million at the beginning of Fiscal 2022 and ₹10.82 million at the end of Fiscal 2022, and ₹10.82 million at the beginning of Fiscal 2023 and ₹55.09 million at the end of Fiscal 2023.

Employee benefit expenses

Employee benefit expenses increased by 73.55%, from ₹68.32 million in Fiscal 2022 to ₹118.57 million in Fiscal 2023, primarily due to an increase in salaries, wages, and bonuses. This was driven by regular salary hikes given to employees. Additionally, the average number of employees for the year ended March 31, 2023, increased to 233 from 147 employees for the year ended March 31, 2022.

Salaries, wages, and bonuses increased by 82.17%, from ₹63.36 million in Fiscal 2022 to ₹115.42 million in Fiscal 2023. These increases were offset by (i) gratuity expense, which decreased by 61.57%, from ₹2.29 million in Fiscal 2022 to ₹0.88 million in Fiscal 2023, (ii) contribution towards provident and other funds, which decreased by 11.43%, from ₹2.45 million in Fiscal

2022 to ₹2.17 million in Fiscal 2023, and (iii) staff welfare expenses, which decreased by 54.55%, from ₹0.22 million in Fiscal 2022 to ₹0.10 million in Fiscal 2023.

Finance costs

Finance costs decreased by 11.00%, from ₹38.01 million in Fiscal 2022 to ₹33.83 million in Fiscal 2023, primarily due to a decrease in total borrowings, which decreased from ₹1,160.52 million in Fiscal 2022 to ₹772.68 million in Fiscal 2023.

Interest on statutory dues decreased by 54.65%, from ₹10.43 million in Fiscal 2022 to ₹4.73 million in Fiscal 2023, and other borrowing costs decreased from ₹0.32 million in Fiscal 2022 to ₹0.27 million in Fiscal 2023. Further, these decreases were partially offset by the following increases: (i) interest expense on borrowings, which increased from ₹6.96 million in Fiscal 2022 to ₹8.25 million in Fiscal 2023, (ii) interest expense on government loans, which increased by 35.05%, from ₹3.68 million in Fiscal 2022 to ₹4.97 million in Fiscal 2023, due to a corresponding increase in government loans, and (iii) our company incurred a loss on early repayment of financial liability of ₹10.08 million in Fiscal 2022 compared to ₹10.60 million in Fiscal 2023.

Depreciation and amortisation expense

Depreciation and amortisation expenses increased by 53.37%, from ₹104.43 million in Fiscal 2022 to ₹160.16 million in Fiscal 2023, due to the capitalization of capital work-in-progress during Fiscal 2023 amounting to ₹1,810.86 million.

Other expenses

Other expenses increased by 19.39%, from ₹712.15 million in Fiscal 2022 to ₹850.26 million in Fiscal 2023, primarily due to an increase in power and fuel expenses, which increased from ₹308.29 million in Fiscal 2022 to ₹352.18 million in Fiscal 2023 in the ordinary course of business. Legal and professional expenses increased from ₹39.33 million in Fiscal 2022 to ₹61.87 million in Fiscal 2023. Advertisement and sales promotion expenses increased from ₹12.56 million in Fiscal 2022 to ₹95.80 million in Fiscal 2023, due to the launch of a new brand under our Business-to-Consumer Model, "HBM Cement" and "HBM Gold Cement" in Fiscal 2023 and the hiring of brand ambassadors for the same. Subsidy written-off increased to ₹9.48 million in Fiscal 2023 from Nil in Fiscal 2022, as excess subsidy recognized in earlier years was later disallowed by the government in Fiscal 2023. Net loss on the sale of property, plant, and equipment increased to ₹10.12 million in Fiscal 2023 from Nil in Fiscal 2022, as we sold transport vehicles in Fiscal 2023. Other expenses increased from ₹23.07 million in Fiscal 2022 to ₹31.27 million in Fiscal 2023.

These increases were offset by (i) stores and spare parts consumed, which decreased from ₹89.94 million in Fiscal 2022 to ₹89.37 million in Fiscal 2023, (ii) sales commission, which decreased from ₹16.46 million in Fiscal 2022 to ₹11.82 million in Fiscal 2023 on account of a decrease in revenue from operations from the Business-to-Consumer Model, (iii) freight outward and handling charges, which decreased from ₹105.80 million in Fiscal 2022 to ₹88.14 million in Fiscal 2023, as these expenses are incurred for our Business-to-Consumer Model and the sales for the same reduced in Fiscal 2023 as compared to Fiscal 2022, and (iv) bad debts, which decreased from ₹57.73 million in Fiscal 2022 to ₹43.96 million in Fiscal 2023.

Restated Profit before tax

Our profit before tax increased by 33.29% from ₹ 570.71 million in Fiscal 2022 to ₹ 760.69 million in Fiscal 2023 primarily due to factors mentioned above.

Tax Expense

Total tax expense increased by 31.88%, from ₹156.16 million in Fiscal 2022 to ₹205.95 million in Fiscal 2023, primarily due to a decrease in deferred tax charge/(credit), which decreased from ₹75.78 million in Fiscal 2022 to ₹34.58 million in Fiscal 2023.

Exceptional Items

Exceptional items decreased to Nil in Fiscal 2023 from ₹11.00 million in Fiscal 2022, as in Fiscal 2022, an advance given to a vendor against the purchase of property in earlier years was written off.

Restated Profit for the year

Restated Profit for the year increased by 37.46%, from a profit of ₹403.55 million in Fiscal 2022 to ₹554.74 million in Fiscal 2023 primarily due to factors mentioned above.

LIQUIDITY AND CAPITAL RESOURCES

Capital Requirements

Our principal capital requirements are for operating activities. Our principal source of funding has been and is expected to continue to be cash generated from our operations, short-term and long-term borrowings. As of December 31, 2024, our net cash flow from operating activities was ₹ 593.36 million and cash and cash equivalents of ₹ 299.67 million.

Liquidity

Our liquidity requirements arise principally from our operating activities, repayment of borrowings and debt service obligations and lease liabilities. Historically, our principal sources of funding have included cash from operations long-term borrowings and cash and cash equivalents.

Cash

Our anticipated cash flows are dependent on various factors that are beyond our control. See "*Risk Factors*" beginning on page 30. The following table sets forth certain information relating to our cash flows in the nine months ended December 31, 2024 and Fiscal 2024, 2023 and 2022:

Particulars	**For the nine months ended December 31, 2024**	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
	(in ₹ million)			
Net cash from/ (used) in operating activities	593.36	1,650.99	704.46	330.97
Net cash flows from/ (used) in investing activities	(573.32)	(1,093.82)	(288.38)	(819.56)
Net cash flows from/ (used) in financing activities	260.85	(603.92)	(388.94)	174.25
Net increase/ (decrease) in cash and cash equivalents	280.89	(46.75)	27.14	(314.35)
Cash and cash equivalents at the end of the year/ period	**299.67**	**18.78**	**65.53**	**38.39**

Cash Flows from Operating Activities

Nine months ended December 31, 2024

We generated ₹ 593.36 million net cash from operating activities during the nine months ended December 31, 2024. Restated Profit before tax for the nine months ended December 31, 2024 was ₹ 1,285.38 million. Our operating cash flows before working capital changes was ₹1,324.17 million for this period. The movements in working capital for this period primarily consisted of (i) increase in trade and other receivables of ₹73.61 million, (ii) increase in inventories of ₹86.77 million, and (iii) decrease in trade and other payables of ₹273.92 million.

Fiscal 2024

We generated ₹ 1,650.99 million net cash from operating activities during Fiscal 2024. Restated Profit before tax for Fiscal 2024 was ₹ 1,467.55 million. Our operating cash flows before working capital changes were ₹1,577.97 million in Fiscal 2024. The movements in working capital for this period primarily consisted of (i) a decrease in trade and other receivables, from ₹107.94 million in Fiscal 2023 to ₹187.51 million in Fiscal 2024, (ii) an increase in inventories, from ₹167.27 million in Fiscal 2023 to ₹61.40 million in Fiscal 2024, and (iii) an increase in trade and other payables, from ₹20.55 million in Fiscal 2023 to ₹236.47 million in Fiscal 2024.

Fiscal 2023

We generated ₹ 704.46 million net cash from operating activities during Fiscal 2023. Restated Profit before tax for Fiscal 2023 was ₹ 760.69 million. The movements in working capital for this period primarily consisted of (i) a decrease in trade and other receivables of ₹107.94 million, (ii) an increase in inventories of ₹167.27 million, and (iii) an increase in trade and other payables of ₹20.55 million.

Fiscal 2022

We generated ₹ 330.97 million net cash from operating activities during Fiscal 2022. Restated Profit before tax for Fiscal 2022 was ₹ 559.71 million. The movements in working capital for this period primarily consisted of (i) an increase in trade and other receivables of ₹386.47 million, (ii) a decrease in inventories of ₹25.89 million, and (iii) a decrease in trade and other payables of ₹19.49 million.

Cash Flow used in Investing Activities

Nine months ended December 31, 2024

Net cash in investing activities was ₹ (573.32) million in the nine months ended December 31, 2024. This was primarily due to the purchase of property, plant, and equipment and intangible assets (including capital advances) of ₹450.67 million, payments for the purchase of current investments of ₹2,346.38 million, proceeds from the sale of current investments of ₹2,839.76 million, interest received of ₹23.19 million, loans given of ₹2,144.09 million, loans received back of ₹1,568.74 million, and net cash outflow in the case of movement of fixed deposits of ₹63.87 million.

Fiscal 2024

Net cash used in investing activities was ₹ (1,093.82) million in Fiscal 2024. This was primarily due to the purchase of property, plant, and equipment and intangible assets (including capital advances) of ₹150.81 million, payment made for the purchase of shares of subsidiaries of ₹4.99 million, payments for the purchase of current investments of ₹2,598.90 million, proceeds from the sale of current investments of ₹1,757.71 million, interest received of ₹27.84 million, loans given of ₹465.80 million, loans received back of ₹465.80 million, and net cash outflow in the case of movement of fixed deposits of ₹124.67 million.

Fiscal 2023

Net cash used in investing activities was ₹ (288.38) million in Fiscal 2023. This was primarily due to the purchase of property, plant, and equipment and intangible assets (including capital advances) of ₹410.17 million, proceeds from the sale of property, plant, and equipment of ₹19.92 million, payment made for the purchase of shares of subsidiaries of ₹3.11 million, proceeds from the sale of non-current investments of ₹7.01 million, dividend received of ₹0.03 million, interest received of ₹6.73 million, loans given of ₹408.41 million, loans received back of ₹550.47 million, and net cash outflow in the case of movement of fixed deposits of ₹50.85 million.

Fiscal 2022

Net cash used in investing activities was ₹ (819.56) million in Fiscal 2022. This was primarily due to the purchase of property, plant, and equipment and intangible assets (including capital advances) of ₹1,023.77 million, proceeds from the sale of property, plant, and equipment of ₹0.10 million, investment made in preference shares of ₹5.01 million, payment made for the purchase of shares of subsidiaries of ₹63.07 million, proceeds from the sale of non-current investments of ₹0.32 million, dividend received of ₹0.02 million, interest received of ₹6.75 million, loans given of ₹546.60 million, loans received back of ₹797.05 million, and net cash inflow in the case of movement of fixed deposits of ₹14.65 million.

Cash Flow from/used in Financing Activities

Nine months ended December 31, 2024

Net cash used in financing activities was ₹ 260.85 million in the nine months ended December 31, 2024, primarily used to proceeds from non-current borrowings of ₹353.69 million, repayment of non-current borrowings of ₹82.91 million, payment of lease liabilities of ₹0.05 million, and interest paid of ₹9.88 million.

Fiscal 2024

Net cash used in financing activities was ₹ (603.92) million in Fiscal 2024, primarily on account of proceeds from non-current borrowings of ₹452.96 million, repayment of non-current borrowings of ₹1,036.78 million, and interest paid of ₹20.10 million.

Fiscal 2023

Net cash used in financing activities was ₹ (388.94) million in Fiscal 2023, primarily due to proceeds from non-current borrowings of ₹887.54 million, repayment of non-current borrowings of ₹1,174.86 million, repayment of current borrowings (net) of ₹88.64 million, and interest paid of ₹12.98 million.

Fiscal 2022

Net cash from financing activities was ₹ 174.24 million in Fiscal 2022, primarily due to proceeds from non-current borrowings of ₹469.61 million, repayment of non-current borrowings of ₹365.05 million, proceeds of current borrowings (net) of ₹88.64 million, payment of lease liabilities of ₹0.01 million, and interest paid of ₹18.95 million.

FINANCIAL INDEBTEDNESS

As of March 31, 2025 we had total borrowings of ₹ 543.47 million. Our total borrowing to equity ratio was 0.06 as of December 31, 2024. For further information on our indebtedness, see "*Financial Indebtedness*" on page 398.

The following table sets forth certain information relating to our outstanding indebtedness as of March 31, 2025:

Category of borrowing	Sanctioned Amount (₹ *in million*) as of March 31, 2025	Outstanding amount (₹ *in million*) as of March 31, 2025
Interest Free Loan from Uttar Pradesh Government under "Audyogik Nivesh Protsahan Yojana -2012" through Uttar Pradesh Financial Corporation*	522.53	522.53
From Bank for Vehicles	24.78	20.94
Overdraft Facility from bank	60.30	Nil
Total	**607.61**	**543.47**

Notes:

* *The outstanding balances reflect the actual amount of loans outstanding as on March 31, 2025 and have been disclosed without considering the impact of Ind-AS 20 and Ind-AS 109.*

CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

As of December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 our contingent liabilities as per Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets, that have not been provided for, were as follows:

(*in ₹ million*)

Particulars	Nine months ended December 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Indirect tax demand disputed which excludes penalty, if any, as same can not be measured at this stage	15.80	129.56	-	-
Income tax demand disputed which excludes penalty, if any, as same can not be measured at this stage	145.84	98.47	136.37	125.05
Dispute regarding excise cenvat credit	0.69	0.69	13.78	13.78
Claim by a customer disputed by the company				
- Principle amount	11.80	11.80	11.80	11.80
- Interest	970.81	819.92	642.84	488.30

For further information on our contingent liabilities as at December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 as per Ind AS 37, see "*Financial Information – Note 39*" on page 334.

Except as disclosed elsewhere in this Draft Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth certain information relating to future payments due under known contractual commitments as of December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 aggregated by type of contractual obligation:

(*in ₹ million*)

Particulars	On demand	Less than 12 months	1 to 5 years	Above 5 years	Total
Nine months ended 31 December 2024					
Trade payables	-	-	350.17	-	350.17
Borrowings	-	6.14	120.55	373.17	499.86
Lease Liabilities	-	0.03	0.09	2.99	3.11
Other liabilities	67.48	15.14	Nil	-	82.62
Year ended 31 March 2024					
Trade payables	-	614.57	-	-	614.57
Borrowings	-	11.45	57.84	155.06	224.35
Lease Liabilities	-	0.01	0.09	3.01	3.11

Particulars	On demand	Less than 12 months	1 to 5 years	Above 5 years	Total
Other liabilities	67.42	35.58	0.06	-	103.06
Year ended 31 March 2023					
Trade payables	-	525.88	-	-	525.88
Borrowings	-	5,622.32	2,036.94	422.42	8,081.68
Lease Liabilities	-	0.13	0.86	30.06	31.05
Other liabilities	-	96.00	68.17	-	164.17
Year ended 31 March 2022					
Trade payables	-	354.28	-	-	354.28
Borrowings	88.64	10,156.95	231.17	578.37	11,055.13
Lease Liabilities	-	0.13	0.86	30.19	31.18
Other liabilities	-	274.20	1,023.72	-	1,297.92

CAPITAL EXPENDITURES

In the nine months ended December 31, 2024 and Fiscal 2024, Fiscal 2023 and Fiscal 2022, our capital expenditure towards additions to property, plant and equipment were ₹ 239.49 million, ₹ 117.37 million, ₹ 1,892.94 million and ₹ 46.86 million respectively.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include loans, rent expenses, purchases of fixed assets, remuneration. For further information relating to our related party transactions, see "*Restated Consolidated Financial Information – Note 42*" on page 339.

AUDITOR'S OBSERVATIONS

Our Statutory Auditors have included certain qualifications and emphasis of matters in their auditor's report for the year ended March 31, 2024, March 31, 2023, and March 31, 2022 and the annexure to the auditor's reports on Companies (Auditor's Report) Order, 2020 ("**CARO**"), in respect of our Company and our Subsidiaries.

For further details, see "*Risk Factors - Our Statutory Auditors have included certain qualifications, emphasis of matters in their auditor's report for the Financial Years ended March 31, 2024 March 31, 2023 and March 31, 2022 and the annexures to the auditor's reports as required under the Companies (Auditor's Report) Order, 2020 and as required under section 143(3)(i) of the Companies Act, 2013. If such observations are included in future audit reports or examination reports, the trading price of the Equity Shares may be adversely affected" and Restated Consolidared Financial Information – Annexure VI*" on page 40 and 304.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risks that are related to the normal course of our operations such as interest rate, liquidity risk, foreign exchange risk and reputational risk, which may affect economic growth in India and the value of our financial liabilities, our cash flows and our results of operations.

Credit Risk

Credit risk arises when a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its financing activities, including deposits with banks and financial institutions and other financial instruments. The customer credit risk is managed subject to the Company's established policy, procedure and controls relating to customer credit risk management. In order to contain the business risk, prior to acceptance of an order from a customer, the Company remains vigilant and regularly assesses the financial position of customers during execution of contracts with a view to limit risks of delays and default.

Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company uses liquidity forecast tools to manage its liquidity. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring losses. In doing this, the management considers both normal and stressed conditions.

Market Risk

Market risk is the risk that changes in market prices such as interest rates will affect our income or the value of holdings of financial instruments. We do not have exposure to currency risk and security price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Borrowings availed by the Company are subject to interest on fixed rates as these are taken only for the purpose to finance the business and such borrowings are repayable on demand. For further information, see "*Financial Indebtedness*" on page 398.

Inflation Risk

In recent years, India has experienced relatively high rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Significant Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 371 and 30, respectively. To our knowledge, except as discussed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND INCOME

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 30, 210 and 366 respectively, to our knowledge, there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as set out in this Draft Red Herring Prospectus in the sections "*Our Business*" on page 210, we have not announced and do not expect to announce in the near future any new products or business segments.

COMPETITIVE CONDITIONS

We operate in a competitive environment and expect to continue to compete with existing and potential competitors. For further details, see "*Risk Factors*", "*Industry Overview*" and "*Our Business*" on pages 30, 131 and 210, respectively, for further details on competitive conditions that we face across our various business segments.

SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS

We are dependent on our top four customers under the Contract Manufacturing Model for our continued operations. For further details, see "Risk Factors –Internal Risks – *We are dependent on four customers under the Contract Manufacturing Model, who contributed to 84.55%, 79.61%, 75.71% and 67.48% of our total revenue from operations in the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. If one or more of such customers choose not to source their requirements from us or choose to terminate our agreements, our business, cash flows, financial condition and results of operations may be adversely affected."* and " *– Dependence on customers under the Contract Manufacturing Model*" beginning on page 30 and 371, respectively.

SEASONALITY/ CYCLICALITY OF BUSINESS

The sales volumes and prices of our products are influenced by seasonality. For further details, see "*Risk Factors – Our business is subject to seasonal variations and cyclicality on account of lower demand for our products during the monsoon season and higher demand of our products in the last Fiscal quarter, on account of year-end incentives, that could result in fluctuations in our results of operations. As a result of such fluctuations, our sales and results of operations may vary by fiscal quarter, and* *the sales and results of operations of any given fiscal quarter may not be relied upon as indicators of the sales or results of operations of other fiscal quarters or of our future performance.*" beginning on page 61.

MATERIAL DEVELOPMENTS AFTER DECEMBER 31, 2024 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

There have been no significant developments after December 31, 2024, the date of the last financial statements contained in this Draft Red Herring Prospectus, to the date of filing of this Draft Red Herring Prospectus, which materially and adversely affects, or is likely to affect, our trading or profitability, or the value of our assets, or our ability to pay our liabilities within the next 12 months.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at December 31, 2024, as derived from our Restated Consolidated Financial Statements. 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*" and "*Risk Factors*" beginning on pages 366, 279 and 30, respectively.

(in ₹ million)

	Pre-Offer as at December 31, 2024	As adjusted for the Offer
Total equity		
Equity share capital	745.70	[●]
Other equity	4195.94	[●]
Total Equity (A)	**4,941.64**	[●]
Total borrowings		
Current borrowings	Nil	[●]
Non-current borrowings (including current maturity and interest accrued and due on borrowings)	319.99	[●]
Total Borrowings (B)	**319.99**	[●]
Total (A+B)	**5,261.63**	[●]
Non-current borrowings (including current maturity and interest accrued and due on borrowings)/Total Equity ratio	**0.06**	[●]
Total borrowings/ Total equity ratio	**0.06**	[●]

Note: The corresponding capitalisation data post the Offer for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.

FINANCIAL INDEBTEDNESS

As on March 31, 2025, our Company has availed the following loans:

Category of borrowing	Sanctioned Amount (₹ *in million*) as of March 31, 2025	Outstanding amount (₹ *in million*) as of March 31, 2025
Interest Free Loan from Uttar Pradesh Government under "Audyogik Nivesh Protsahan Yojana -2012" through Uttar Pradesh Financial Corporation*	522.53	522.53
From Bank for Vehicles	24.78	20.94
Overdraft Facility from bank	60.30	Nil
Total	**607.61**	**543.47**

Notes:

* *The outstanding balances reflect the actual amount of loans outstanding as on March 31, 2025 and have been disclosed without considering the impact of Ind-AS 20 and Ind-AS 109.*

Principal terms of the borrowings availed by our Company:

The details provided below are indicative and there may be additional terms, conditions and requirements under the borrowing arrangements entered into by us:

1. ***Interest:***

   (a) The term loan facilities availed from Uttar Pradesh Finance Corporation are interest free loans provided under Audyogik Nivesh Protsahan Yojna – 2012.

   (b) The interest rate on the vehicle loans availed, ranges between 8.70 % per annum to 8.90% per annum.

   (c) The interest rate on the overdraft facility from bank is 7.91% p.a.

2. ***Tenor:*** The term loan facilities availed from the lenders have a tenor of 5 years - 7 years. The overdraft facility is repayable on demand.

3. ***Security:***

   (a) The term loan facilities are secured by bank guarantees of equal amount of loan, second charge on Plot No. D-19, Industrial area Sikandrabad, District Bulandshahr and personal guarantees of then Executive Directors of our Company.The Bank Guarantees are additionaly secured by Fixed deposits, treasury securities, exclusive first charge on factory land, building, entire movable fixed assets and stock & debtors of the unit situated at D-18 & D-19, UPSIDC Industrial area Sikandrabad present and future.

   (b) The Vehicle loans are secured by hypothecation of respective vehicle.

   (c) The Overdraft facilities are secured against the pledge of respective fixed deposits.

4. ***Re-Payment:***

   (a) The term loan facilities availed from Uttar Pradesh Finance Corporation are repayable in one lumpsum installment after 7 years from the date of disbursement of the loan.

   (b) The vehicle loans availed by us are repayable in equated monthly installments over a period of 5 years.

   (c) The overdraft facility is repayable on demand.

5. ***Key Covenants:*** In terms of the sanction letters and the facility agreements, the key covenants, includes, inter alia:

   (a) prior written consent from the lenders about any change in the name and constitution of the Company;

   (b) prior written consent from the lenders for change in factory site and the registered office of the Company;

   (c) prior written consent from the lenders for any changes in Company's capital structure and any drastic change in the management set-up; and

   (d) prior consent for making any other financial arrangement with any other lender;

6. ***Events of Default:*** In terms of the sanction letters and facility agreements, the following, inter alia, constitutes as events of default:

    (a) failure and inability to pay amounts on the due date; and

    (b) breach of any of the terms and condition stipulated or the terms and condition on which the facility/ies is/are sanctioned are not complied.

7. ***Consequences of occurrence of events of default:*** In terms of the sanction letters and facility agreements, in the case of occurrence of events of default, our lenders may charge penal interest charges due to the default.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below there are no outstanding (i) criminal proceedings(including matters which are at first information report stage and police complaints irrespective of any cognizance taken by any court or not), (ii) actions taken by regulatory authorities and statutory authorities, including notices by such authorities (including any findings/observations of any of the inspections by SEBI or any other regulatory authority or penalties show cause notices), (iii) disciplinary actions including penalty imposed by SEBI or stock exchanges against the Promoters in the last five financial years including outstanding action, (iv) outstanding claims for any direct or indirect tax liabilities in a consolidated manner, giving the number of cases and total amount (In the event any tax matters involve an amount exceeding the threshold proposed in, in relation to the Relevant Parties, individual disclosures of such tax matters will be included); or (v) details of any other pending litigation (including civil litigation or arbitration proceedings) which are determined to be material as per a policy adopted by our Board ("***Materiality Policy***"), involving our Company, Directors, Promoters and Subsidiaries ("***Relevant Parties***").*

All criminal proceedings involving key managerial personnel and senior management of the Company and the actions taken by the regulatory and statutory authorities against such key managerial personnel and senior management shall also be disclosed.

In relation to (iv) above, our Board in its meeting held on March 22, 2025, has considered and adopted a Materiality Policy for identification of material litigation involving the Relevant Parties and Group Companies.

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or Stock Exchanges against our Promoters in the last five Financial Years, would be considered 'material' for the purpose of disclosure in this Draft Red Herring Prospectus, if:

(a) The aggregate monetary amount of claim involved, whether by or against the Relevant Parties, in any such pending litigation exceeds the lower of the following:

i. two percent of turnover, being ₹ 177.58 million as per the last Restated Consolidated Financial Information of our Company;

ii. two percent of net worth, being ₹ 80.04 million as per the last Restated Consolidated Financial Information of our Company; or

*iii. five percent of the average of absolute value of profit or loss after tax, being ₹ 34.94 million as per the last three years Restated Consolidated Financial Information of our Company. (the "***Materiality Threshold***");*

Accordingly, the Materiality Threshold is determined to be ₹ 34.94 million.

(b) pending litigations where the decision in one case is likely to affect the decision in similar cases such that the cumulative amount involved in such cases exceeds the Materiality Threshold, even though the amount involved in an individual litigation may not exceed the Materiality Threshold; or

(c) such pending litigation the outcome of which is material from the perspective of the Company's business, operations, financial results, prospects or reputation, irrespective that the amount involved in such litigation (including any litigation under the Insolvency and Bankruptcy Code, 2016) may not meet the Materiality Threshold or that the monetary liability of such litigation is not quantifiable.

Further, pre-litigation notices (other than those issued by governmental, statutory, regulatory authorities or first information reports) received by the Relevant Parties shall not be considered as litigation until such time that any of the Relevant Parties, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

*Our Board in its meeting held on March 22, 2025, has considered and adopted a policy of materiality for identification of material outstanding dues to creditors. In terms of this policy on materiality, outstanding dues to any creditor of our Company having monetary value which exceed ₹17.51 million, which is 5 % of the total consolidated outstanding dues (i.e., consolidated trade payables) of our Company at the end of the most recent period covered in the Restated Consolidated Financial Information of our Company included in this Draft Red Herring Prospectus, shall be considered as 'material'. Accordingly, for the purpose of this disclosure, any outstanding dues exceeding ₹17.51 million as on December 31, 2024, have been considered as material outstanding dues for the purposes of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("***MSME***"), the disclosure is based on information available with our Company regarding status of the creditor under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006.*

Litigation proceedings involving our Company

I. Litigation proceedings initiated against our Company

Material civil litigation

1. There is no pending material civil litigation initiated against our Company.

Criminal proceedings

1. There is no pending criminal litigation initiated against our Company.

Outstanding actions by statutory and/or regulatory authorities

1. There are no pending actions taken by statutory or regulatory authorities initiated against our Company.

Inspections by SEBI or any other regulator

1. There are no findings or observations arising out of any of the inspections by the SEBI or by any other regulator in or outside India, which are outstanding.

Material Tax Litigation

1. Our Company received a notice dated March 29, 2018 ("**Order**"), under Section 147/148 of the Income Tax Act, 1961, for the assessment year 2011-12, from the Income Tax Department. Our Company was asked to submit an explanation for availing unsecured loans from Maharaj Retailers Private Limited, Sargam Dealers Private Limited, Kamal Nayhan Poddar, and Pooja Poddar. As these companies facilitated the unsecured loans through accommodation entries, meaning thereby that the loan amounts are Company's own income which has escaped assessment under the provision of section 147 of the Income Tax Act, 1961. The Order demanded a payment of ₹ 61. 35 million as the income tax payable. Our Company challenged the Order before the High Court of Judicature at Allahabad through a writ petition numbered 47 of 2019. The High Court, through its order dated January 4, 2023 ("**HC Order**"), allowed our C.ompany to file the appeal before the appropriate forumOur Company then filed a special leave petition before the Supreme Court of India, 1950, challenging the HC Order. However, it was decided to withdraw the special leave petition. Our Company thereafter has filed an appeal before the Joint Commissioner of Income Tax. The matter is currently pending.

II. Litigation proceedings initiated by our Company

Material civil litigation

1. There is no pending material civil litigation initiated by our Company.

Criminal proceedings

1. Our Company has in the ordinary course of its business, filed 11 cases against various parties before Civil Judge (Senior Division) Gautam Buddh Nagar, for alleged violation of section 138 of the Negotiable Instrument Act, 1881, as amended, for recovery of amounts due to our Company. Our Company has received the cheques in its favour of our debtors, however such cheques have been dishonoured when presented before the bank. The aggregate monetary value involved in these matters is ₹ 2.13 million. These matters are currently pending at different stages of adjudication.

Material Tax litigation

1. There is no pending material tax litigation initiated by our Company.

Litigation proceeding involving our Subsidiaries

I. Litigation proceedings initiated against our Subsidiaries

Material civil litigation

1. Our subsidiary, Kanodia Infratech Limited (**"KIL"**), entered into a memorandum of understanding (**"MoU"**) with Dalmia Cement (Bharat) Limited (**"Dalmia"**) in 2016 with respect to commercial terms in relation to production, sale and purchase of cement including support and assistance between the parties for using the

grinding facility of KIL located in Bihar and for conversion of clinker into cement at an agreed minimum rate of conversion. Clause 12 of MoU stipulated an outright sale of the grinding unit to Dalmia through a share purchase agreement. Pursuant to the MoU, Dalmia shared a draft share purchase agreement with KIL through its email dated February 15, 2017, wherein it was proposed that Dalmia would purchase the shareholding of KIL through its subsidiary OCL India Limited. After a series of discussions in that regard and due diligence by Dalmia, it made an offer to purchase the shareholding of KIL at a price of ₹ 2,500.00 million together with applicable income tax implications. The said offer was agreed upon by KIL.

2. The parties agreed that Dalmia shall operate the grinding unit till the required permission(s) are obtained from the governmental authorities for the said transfer, and Dalmia shall thereafter acquire the shareholding of the KIL. The parties held a meeting on March 6, 2017, whereby it was agreed that the parties would enter into a cement supply agreement and in terms thereof, Dalmia will advance a sum of ₹ 2500.00 million to KIL out of the total consideration of ₹ 2500.00 million including the income tax implications resulting from the said transaction, which was accepted by KIL. The said negotiations between the parties were recorded in the minutes of the meeting shared with the parties on March 7, 2017. Subsequently, KIL and Dalmia entered into the Cement Supply Agreement dated March 16, 2017 (**"CSA"**) and the same was made effective from April 1, 2017 for sale and purchase of cement. Dalmia sought to secure its interest by way of execution of an unattested Deed of Hypothecation (**"DOH"**) dated March 17, 2017 to secure the advance of ₹ 250.00 million. Dalmia started operating the grinding unit exclusively from April 1, 2017. An Operations and Maintenance Agreement (**"O&MA"**) dated October 16, 2017 was executed between the parties but made effective with retrospective effect from April 1, 2017 for the entire operation and maintenance of the grinding unit of KIL. While the 1-year term of the CSA came to an end on March 15, 2018, however, Dalmia continued using the grinding unit without any formal renewal of the CSA. Similarly, the O&MA also came to an end upon expiry of the 1-year term on March 31, 2018. The O&MA was also not renewed but Dalmia and its employees continued using the unit. Dalmia shut down the unit in May, 2018 due to its inability to secure clinker from Jaiprakash Associates Limited owing to its dispute with the said Party. The Plant remained non-functional and idle since then.

3. The CSA and O&MA were mutually terminated on June 1, 2018. However, despite termination, of the Agreement, Dalmia failed to complete the handover of the grinding unit to KIL and created hindrance and obstruction in the effective operation of the Plant by KIL subsequent to the said termination. Hence, dispute arose between the parties post the termination of agreement in relation to the operation of the grinding unit by Dalmia. On October 9, 2018, KIL had moved before the Hon'ble High Court of Delhi under Section 9 of the Arbitration and Conciliation Act, 1996, seeking urgent interim reliefs. On October 10, 2018, Dalmia invoked arbitration vide its notice dated October 10, 2018, whereby Dalmia unilaterally appointed a sole arbitrator. Thus, the disputes were referred to an arbitral tribunal and sole arbitrator was appointed. The sole arbitrator, in its award dated March 9, 2021 (**"Award"**), ordered KIL to pay approximately ₹ 450.84 million and interest thereon. Dalmia filed an execution petition dated September 15, 2021 under the Civil Procedure Code, 1908 read with Section 36 of the Arbitration and Conciliation Act, 1996, before the High Court of Delhi at New Delhi, seeking execution of the Award. Further, KIL filed a petition dated October 1, 2021 under Section 34 of the Arbitration and Conciliation Act, 1996, before the Single Bench of the High Court of Delhi at New Delhi (**"Court"**), challenging the Award. The Court in its order dated November 8, 2021, partially modified the award by setting aside an amount of ₹ 40.00 million and upheld the remaining part of the award. KIL aggrieved by the order passed by the Single Judge, filed an appeal before the division bench of the High Court of Delhi at New Delhi under Section 37 of the Arbitration and Conciliation Act, 1996. The division bench of the High Court of Delhi at New Delhi, in its order dated December 9, 2021, ordered a stay on the Award. Further vide an order dated March 2, 2023, the order of stay granted by the High Court of Delhi at New Delhi vide order dated December 9, 2021 was made absolute. The aggregate amount involved in this matter is approximately ₹ 45.08 million and interest thereon. The matter is currently pending before the Division Bench of the High Court of Delhi.

4. During the pendency of Arbitration before the Sole Arbitrator, Dalmia Cement (Bharat) Limited (**"Petitioner"**) also filed a civil contempt petition before the High Court of Delhi at New Delhi, against our subsidiary Kanodia Infratech Limited (**"KIL"**) for allegedly breaching the undertaking given by KIL to the arbitrator as recorded in the order dated November 29, 2018 read in conjunction with order dated December 21, 2018, whereby KIL had undertaken to not create any third party rights with regards to any movable or immovable property involved in between the Petitioner and KIL. Therefore, the Petitioner filed a contempt petition under Section 27(5) of the Arbitration and Conciliation Act, 1996 for restraining KIL from creating third party right on the immovable and movable property and to take any other action against the KIL for wilfully and deliberately violating an order passed by the arbitrator. The matter is currently pending.

Criminal proceedings

1. There are no criminal proceedings initiated against our Subsidiaries.

Outstanding actions by statutory and/or regulatory authorities

1. There are no pending actions taken by statutory or regulatory authorities initiated against our Subsidiairies.

Material tax litigation

1. There is no pending material tax litigation initiated against our Subsidiaries.

II. Litigation proceedings initiated by our Subsidiaries

Material civil litigation

1. Our subsidiary Kanodia Infratech Limited ("**KIL**") has been placing orders with the Jaiprakash Associates Limited ("**Corporate Debtor**") for the purchase of clinker (raw material for manufacturing cement) on a regular basis and the Corporate Debtor had been supplying the clinker as per the orders. The said understanding between KIL and the Corporate Debtor was in effect for over a year, whereby KIL was engaged in procuring clinker from the Corporate Debtor, for which KIL made advance payments for future supplies from time to time. However, after March 31, 2018 the Corporate Debtor stopped supplying clinker to KIL and an advance payment of ₹ 14.82 million was due with the Corporate Debtor which was payable to KIL. Therefore, KIL issued a demand notice dated March 11, 2019 to the Corporate Debtor under Section 8 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**"). The Corporate Debtor did not pay the due amount within the stipulated timeline. Consequently, KIL filed an application under Section 9 of the IBC before the National Company Law Tribunal, Allahabad ("**NCLT**") on March 19, 2021. Pursuant to a settlement deed dated December 22, 2023, the Corporate Debtor agreed to pay an amount of 14.82 million in five tranches. However, only an amount of ₹ 7.50 million was repaid. An amount of ₹ 7.32 million still remains outstanding. Since the Company is under insolvency, a claim for an amount of ₹ 7.32 million has been filed with the interim resolution professional on June 17, 2024. The claim has been admitted by the IRP and the CIRP is under process.

Criminal proceedings

1. There are no criminal proceedings initiated by our Subsidiaries.

Material tax litigation

1. There is no pending material tax litigation initiated by our Subsidiaries.

Litigation proceedings involving our Directors

I. Litigation proceedings initiated against our Directors

Material civil litigation

1. There is no pending material civil litigation initiated against our Directors.

Criminal proceedings

1. State of Bihar has filed a case bearing number 92/2022 against our Directors, Vishal Kanodia and Saurabh Lohia, our SMP, Love Kumar and others under sections 201, 323, 324, 327, 341, 342, 347, 354, 357, 379, 380, 382, 386, 388, 395, 402, 452, 34, 109, 120(B), 149 of the Indian Penal Code, 1860 (the "**IPC**"), before the Chief Judicial Magistrate, Mohania, Kaimur at Bhabhua, based on a first information report numbered 344/18 filed by Sunil Kumar Bhusari on behalf of OCL India Limited, before the Durgawati police station. The trial is currently pending.

2. A first information report bearing number 0073 of 2025, dated February 23, 2025, was filed by Waseem Ahmad, against our Director, Vishal Kanodia, at PS-Suar, Rampur, Uttar Pradesh under sections 420, 406, and 506 of the Indian Penal Code. The matter is currently under investigation. Our Company has also initiated proceedings under Section 138 of the Negotiable Instruments Act, 1881 against Waseem Ahmed in 2024.

Outstanding actions by statutory and/or regulatory authorities

1. The Ministry of Corporate Affairs has ordered the Serious Fraud Investigation Office ("**SFIO**") under section 212 of Companies act 2013 vide order no F.no1/27/2019-CL-II (NR) dated July16, 2021, to investigate into the affairs of Parsvnath Developers Limited for the period up to March 31, 2013 and during this period Roop Narain Maloo had been Chief Financial officer of the aforesaid company from November 7, 2011. The SFIO had also sought certain documents and details from our Director, Roop Narain Maloo for the financial years 2011-12 and 2012-13 vide the notice dated November 20, 2024 and he had submitted reply of the notice along with the requisite documents on December 27, 2024.

Material tax litigation

1. There is no pending material tax litigation initiated against our Directors.

II. Litigation proceedings initiated by our Directors

Material civil litigation

1. There is no pending material civil litigation initiated by our Directors.

Criminal proceedings

1. Our Director, Santosh Ramanuj Tiwari, has filed a first information report ("**FIR**") bearing number SED-NFC-000263 dated April 8, 2019, before Police Station, New Friends Colony, Delhi under section 379 of the Indian penal Code, 1860 for theft of his wallet.

2. Our Director, Santosh Ramanuj Tiwari, has filed a first information report ("**FIR**") bearing number SD-MN-001386 dated October 3, 2018, before Police Station, Malviya Nagar, Delhi under sections 380 and 457 of the Indian penal Code, 1860 for lurking trespass, house breaking by night in order to commit offence and theft of audit files, working papers and data in dwelling house.

3. Our Director, Vishal Kanodia ("**Complainant**") and another, has filed a writ petition numbered 864/2022 against the State of Bihar under article 226 of the Constitution of India, 1950 before the Patna High Court for quashing of the order issuing summons against our Complainant and another in the case numbered 92/2022 filed by the State of Bihar against the Complainant ("**Matter**"). The matter is yet to be listed for hearing. For further details of the Matter please see "*Litigation Proceedings Initiated Against our Directors- Criminal Proceedings*" on page 403.

Material tax litigation

1. There is no pending material tax litigation initiated by our Directors.

Litigation proceedings involving our Promoters

I. Litigation proceedings initiated against our Promoters

Material civil litigation

1. There is no pending material civil litigation initiated against our Promoters.

Criminal proceedings

1. Except as stated under "*Litigation Proceedings Initiated Against our Directors - Criminal Proceedings*" on page 30, there are no pending criminal litigation against our Promoters.

Outstanding actions by statutory and/or regulatory authorities

1. There are no pending actions taken by statutory or regulatory authorities initiated against our Promoters.

Disciplinary action taken against our Promoters in the five Fiscals preceding the date of this Draft Red Herring Prospectus by SEBI or any stock exchange

1. There is no disciplinary action taken against our Promoters in the five Fiscals preceding the date of this draft red herring prospectus.

Material tax litigation

1. There is no pending material tax litigation initiated against our Promoters.

II. Litigation proceedings initiated by our Promoters

Material civil litigation

1. There is no pending material civil litigation initiated by our Promoters.

Criminal proceedings

1. Except as stated under "*Litigation Proceedings initiated by our Directors - Criminal proceedings*" on page 404, there are no pending criminal litigation by our Promoters.

Material tax litigation

1. There is no pending material tax litigation initiated by our Promoters.

III. Litigation proceedings involving our Key Managerial Personnel and Senior Management

Criminal proceedings

Except as stated under "*Litigation Proceedings Initiated Against our Directors - Criminal proceedings*" on page 403, there are no criminal proceedings against the Key Managerial Personnel and Senior Management of our Company.

Actions by regulatory and statutory authorities

As on the date of this Draft Red Herring Prospectus, except as stated under "*Litigation Filed Against our Directors - Actions by Regulatory and Statutory Authorities*" on page 403 there are no actions by regulatory and statutory authorities against the Key Managerial Personnel and Senior Management of our Company.

Tax proceedings involving our Company, Subsidiaries, Promoters and Directors

Details of outstanding tax proceedings involving our Company, Subsidiaries, Promoters and Directors as of the date of this Draft Red Herring Prospectus are disclosed below:

Nature of proceedings	Number of proceedings	Amount involved* (in ₹ million)
Direct Tax		
Company	11	137.11
Promoters	5	7.24
Directors (excluding the Promoters)	1	Negligible
Subsidiaries	3	5.50
Indirect Tax		
Company	2	4.39
Promoters	Nil	Nil
Directors (excluding the Promoters)	Nil	Nil
Subsidiaries	1	0.69

* *to the extent quantifiable*

Outstanding dues to creditors

In terms of the Materiality Policy, the creditors to whom the amount due by our Company equivalent or exceeds 5% of the total trade payables (i.e., ₹ 17.51 million) of our Company as per the Restated Consolidated Financial Statements have been considered as Material Creditors of our Company for the purposes of disclosure in this Draft Red Herring Prospectus. Details of outstanding dues owed to Material Creditors, MSME creditors and other creditors of our Company based on such determination, as on December 31, 2024, are disclosed below:

Type of creditors*	Number of creditors	Amount involved (*in ₹ million*)
Dues to MSME	40	25.33
Dues to a Material Creditor	2	67.28
Dues to other creditors	292	257.55
Total	**334**	**350.17**

* *As certified by Singhi & Co, Chartered Accountants, by way of their certificate dated May 22, 2025.*

The details pertaining to outstanding dues to the Material Creditors, along with names and amounts involved for each such Material Creditor are available on the website of our Company at www.kanodiacement.co.in.

It is clarified that such details available on our Company's website do not form a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company's website, www.kanodiacement.co.in, would be doing so at their own risk**.**

Material Developments since the last balance sheet date

Except as disclosed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 366, there have been no material developments, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, which materially and adversely affect, or are likely to affect, our operations or our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

*Our Company considers certain approvals, consents, licences, and permissions from various governmental and regulatory authorities as material for the purpose of undertaking their business activities and operations ("**Material Approvals**"). Except as disclosed herein, we have obtained all the Material Approvals, as on the date of this Draft Red Herring Prospectus and no further Material Approvals are required for carrying on the present business operations of our Company. In the event any of the Material Approvals that are required for our business operations expire in the ordinary course, we make applications for their renewal from time to time. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus. For details in connection with the relevant laws and regulations governing the operations of our Company, see "Key Regulations and Policies" on page 240.*

For Offer related approvals, see "Other Regulatory and Statutory Disclosures" on page 413 and for incorporation details of our Company, see "History and Certain Corporate Matters" on page 245.

Stated below are the details of material approvals in relation to the Company:

I. Incorporation details

1. Certificate of incorporation dated August 3, 2009 issued to our Company, under the name of 'Kanodia Cement Limited' by the Deputy Registrar of Companies, Uttar Pradesh and Uttarakhand at Kanpur;

2. Certificate of commencement of business dated September 1, 2009, issued to our Company, under the name of 'Kanodia Cement Limited' by the RoC.

For details in relation to incorporation of our Material Subsidiaries, please see the section titled *"History and Certain Corporate Matters - Our Subsidiaries, joint ventures and associate companies"* on page 247**.**

II. Tax related approvals of our Company and Material Subsidiaries

A. Our Company

1. The permanent account number of our Company is AADCK7381G;

2. The tax deduction account number of our Company is ALDK01342F;

3. The goods and services tax registration number of our Company are 09AADCK7381G1Z9.

B. Material Subsidiary

Kanodia Cem Private Limited ("***KCPL***")

1. The permanent account number of KCPL is AAHCK8411F;

2. The tax deduction account number of KCPL is ALDK02386G;

3. The goods and services tax registration number of KCPL is 09AAHCK8411F1ZI

Kanodia Infratech Limited ("***KIL***")

1. The permanent account number of KIL is AADCK8850G;

2. The tax deduction account number of KIL is ALDK01677E;

3. The goods and services tax registration number of KIL is 10AADCK8850G1ZQ.

III. Material Approvals in relation to our Company's business and operations

A. Approvals in relation to our general business activities:

1. Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and the Employees' State Insurance Act, 1948; and

2. Registration as an establishment employing contract labour under the Contract Labour (Regulation and Abolition) Act, 1970

3. Certificate of Importer and Exporter Code issued by the Office of Zonal Director General of Foreign Trade, Ministry of Commerce and Industry.

4. Registration certificate of Shop or Commercial Establishment under the Uttar Pradesh Shops and Commercial Establishment Act, 1962.

B. Approvals in relation to our grinding units

As on the date of this Draft Red Herring Prospectus, our Company has three operational grinding units, namely the unit located at D-19, Gopalpur, Sikandrabad, the unit located at C-57, UPSIDC Colony, Sikandrabad, Bulandshahr and the unit located at D-22, Gopalpur Industrial Area, Sikandrabad.

List of Material Approvals required by us for the operation of the Grinding unit at D-19 Gopalpur, Sikandrabad, Bulandshahr, Uttar Pradesh

1. Environment related approvals:

    i. Environment Clearance under the Environment Protection Act, 1986 issued by the State Level Environment Impact Assessment Authority, Uttar Pradesh;

    ii. Consents to operate from the Uttar Pradesh Pollution Control Board under the Air (Prevention and control of Pollution) Act, 1981 ("**Air Act**") and the Water (Prevention and control of Pollution) Act, 1974 ("**Water Act**");

    iii. Consents to establish from the Uttar Pradesh Pollution Control Board under the Air Act and the Water Act; and

    iv. No objection certificate for sinking of new well for industrial/ commercial/ infrastructural or bulk user of groundwater under the Uttar Pradesh Ground Water Management and Regulation Act, 2019 ("**Ground Water Act**").

2. Factory related approvals:

    i. License to operate a factory issued by the Labour Department, Uttar Pradesh under the Factories Act, 1948;

    ii. Registration for the Electricity Board Security Deposit form the Directorate of Electrical Safety;

    iii. Fire Certificate;

3. Manufacturing process/ product related approvals:

    i. License for portland pozzolana cement from Bureau of Indian Standards under the BIS Act, 2016;

    ii. Metrology Certificate;

    iii. Acknowledgement issued by the District Industries Centre, Bulandshahr for commencing commercial production of portland cement;

    iv. Jila Panchayat NoC;

List of Material Approvals required by us for the operation of the Grinding unit at C-57, UPSIDC Colony, Sikandrabad, Bulandshahr, Uttar Pradesh

1. Environment Related Approval:

    i. Environment Clearance under the Environment Protection Act, 1986 issued by the State Level Environment Impact Assessment Authority, Uttar Pradesh;

    ii. Consents to operate from the Uttar Pradesh Pollution Control Board under the Air Act and the Water Act;

iii. Consents to establish from the Uttar Pradesh Pollution Control Board under the Air Act and the Water Act; and

iv. No objection certificate for sinking of new well for industrial/ commercial/ infrastructural or bulk user of groundwater from Ground Water Department, Ministry of Jal Shakti, Government of Uttar Pradesh under the Uttar Pradesh Ground Water Management and Regulation Act, 2019.

2. Factory related approvals:

i. License to operate factory from the Labour Department, Uttar Pradesh under the Factories Act, 1948;

ii. Electricity Transformer Permission issued by the Vidyut Suraksha Nideshalya; and

iii. Fire Certificate for the Grinding unit at C-57, UPSIDC Colony, Sikandrabad, Bulandshahr, Uttar Pradesh.

3. Manufacturing Process/ product related approvals:

i. Metrology Certificate;

ii. License for portland pozzolana cement from Bureau of Indian Standards under the BIS Act, 2016;

iii. License for setting up of cement grinding facility by the District Industries Centre, Bulandshahr;

iv. Udyam registration certificate by the Ministry of Micro, Small and Medium Enterprises.

List of Material Approvals required by us for the operation of the Grinding unit at D-22, Gopalpur Industrial Area, Sikandrabad, Bulandshahr, Uttar Pradesh

1. Environment related approvals:

i. Environment Clearance under the Environment Protection Act, 1986 issued by the State Level Environment Impact Assessment Authority, Uttar Pradesh;

ii. Consents to operate from the Uttar Pradesh Pollution Control Board under the Air Act and the Water Act;

iii. Consents to establish from the Uttar Pradesh Pollution Control Board under the Air Act and the Water Act; and

iv. No objection certificate for sinking of new well for industrial/ commercial/ infrastructural or bulk user of groundwater under the Uttar Pradesh Ground Water Management and Regulation Act, 2019.

2. Factory related approvals:

i. License to operate factory from the Labour Department, Uttar Pradesh under the Factories Act, 1948;

ii. Electricity Transformer Permission issued by the Vidyut Suraksha Nideshalya.

iii. Fire Certificate for the Grinding unit at D-22, Gopalpur Industrial Area, Sikandrabad, Bulandshahr, Uttar Pradesh

3. Manufacturing Process/ product related approvals:

i. Metrology Certificate;

ii. License for portland pozzolana cement from Bureau of Indian Standards under the BIS Act, 2016;

iii. License for setting up of cement grinding facility by the District Industries Centre, Bulandshahr; and

iv. Udyam registration certificate by the Ministry of Micro, Small and Medium Enterprises.

IV. Material Approvals in relation to the business and operations of our Subsidiaries

A. *Kanodia Cem Private Limited*

a) Approvals in relation to general business activities of KCPL:

1. Registration as an establishment employing contract labour under the Contract Labour (Regulation and Abolition) Act, 1970;

2. Registration certificate of Establishment under Building and other Construction Workers (Regulation of employment and conditions of Service) Act, 1996;

3. Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and the Employees' State Insurance Act, 1948;

4. Certificate of Importer and Exporter Code issued by the Office of Joint Director General of Foreign Trade, Kanpur; and

5. Registration certificate of Shop or Commercial Establishment under the Uttar Pradesh Shops and Commercial Establishment Act, 1962.

b) *List of Material Approvals required by KCPL for the operation of the unit located at Gata No. 1140, 1142, Nagardeeh, Bhadar, Amethi – 201301*

1. Environment related approvals:

   i. Consents to operate from the Uttar Pradesh Pollution Control Board under the Air Act and the Water Act;

   ii. Consents to establish from the Uttar Pradesh Pollution Control Board under the Air Act and the Water Act;

   iii. No objection certificate for sinking of new well for industrial/ commercial/ infrastructural or bulk user of groundwater under the Uttar Pradesh Ground Water Management and Regulation Act, 2019;

   iv. Consents to establish from the Uttar Pradesh Pollution Control Board under the Air Act and the Water Act; and

   v. Environment Clearance under the Environment Protection Act, 1986 issued by the State Level Environment Impact Assessment Authority, Uttar Pradesh;

2. Factory related approvals:

   i. License to operate factory from the Labour Department, Uttar Pradesh under the Factories Act, 1948;

   ii. Fire Certificate; and

   iii. Electricity Transformer Permission issued by the Vidyut Suraksha Nideshalya for the unit located at Gata No. 1140, 1142, Nagardeeh, Bhadar, Amethi – 201301.

3. Manufacturing Process/ product related approvals

   i. License for portland pozzolana cement from Bureau of Indian Standards under the BIS Act, 2016;

   ii. License for composite cement from Bureau of Indian Standards under the BIS Act, 2016; and

iii. Certificate of registration under rule 27 of the Legal Metrology (Packaged Commodities), Rules 2011.

B. ***Kanodia Infratech Limited***

a) Approvals in relation to general business activities of KIL:

1. Registration as an establishment employing contract labour under the Contract Labour (Regulation and Abolition) Act, 1970;

2. Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952;

3. Registration under the Employees' State Insurance Act, 1948;

4. Certificate of Importer and Exporter Code issued by the Office of Joint Director General of Foreign Trade, Kanpur; and

5. Registration under the Uttar Pradesh Shops and Commercial Establishment Act, 1962.

b) *List of Material Approvals required by KIL for the operation of the unit located at Plot no. 208, 209, 210, Kuraru Karmnasha, Durgawati, Karmnasha, 821105*

1. Environment related approvals:

   i. Consents to operate from the Bihar Pollution Control Board under the Air Act and the Water Act;

   ii. Consents to establish from the Bihar Pollution Control Board under the Air Act and the Water Act;

   iii. No objection certificate for ground water abstraction from the department of Water Resources, River Development, and Ganga Rejuvenation, Central Ground Water Authority.

   iv. Environment Clearance under the Environment Protection Act, 1986 issued by the Ministry of Environment, Forest and Climate Change (I.A. Division);

2. Factory related approvals:

   i. License to operate factory from the Labour Resource Department, Bihar under the Factories Act, 1948;

3. Manufacturing Process/ product related approvals

   i. License for portland pozzolana cement from Bureau of Indian Standards under the BIS Act, 2016;

   ii. Metrology Certificate;

V. Material Approvals applied for, but not yet received by our Company:

As on the date of this Draft Red Herring Prospectus, there are no such approvals that have been applied for but not yet received.

Material Approvals applied for, but not yet received by our Subsidiaries:

As on the date of this Draft Red Herring Prospectus, our Subsidiaries have applied for renewal of the following approvals but they have not been received:

A. <u>KCPL:</u>

1. Metrology Certificate for the Grinding unit at Gata No. 1140, 1142, Nagardeeh, Bhadar, Amethi – 201301

B. KIL:

1. Fire Certificate for the unit located at Plot no. 208, 209, 210, Kuraru Karmnasha, Durgawati, Karmnasha, 821105

Material Approvals expired and renewal to be applied for

As on the date of this Draft Red Herring Prospectus, there are no approvals that have expired but have not been renewed by our Company.

VI. Material Approvals yet to be applied for:

As on the date of this Draft Red Herring Prospectus, there are no approvals which our Company was required to obtain or apply for, but which have not been obtained or been applied for.

VII. Intellectual Property

For details, see "*Our Business –Intellectual Property*" on page 237 and for risks associated with our intellectual property, see "*Risk Factors –A majority of our trademarks and logos, including the trademark for our name and logo, 'Kanodia Cement Limited' are registered in the name of our Promoter, Vishal Kanodia. As of December 31, 2024, our Company is using 22 trademarks and 3 copyrights, out of which 12 trademarks and two copyrights are registered in the name of our Promoter, Vishal Kanodia and we have made application for three trademarks in the name of Vishal Kanodia, out of which two have been opposed and one stands abandoned. Our Promoter, Vishal Kanodia has pursuant to assignment agreements dated December 3, 2024 assigned us the right to use the trademarks and logos. If our Promoter decides to terminate the agreements and prevents us from using such trademarks, we could be required to change our name and logo. Further, if we are unable to maintain and enhance our brands Concrete Gold, HBM (Ghar ka Expert), HBM Gold "Ghar Ka Expert", BigCem Premium Plus, BigCem Cement and Bluestar Cement including our ability to protect our brand through intellectual property, the sales of our products might suffer, which would have a material adverse effect on our results of operations. We may also unintentionally infringe upon the intellectual property rights of others, any misappropriation of which could harm our competitive position.*" on page 38.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board has approved the Offer pursuant to a resolution dated March 22, 2025. This Draft Red Herring Prospectus has been approved by our Board pursuant to the resolutions dated May 22, 2025.

The Offer for Sale has been authorized, severally and not jointly, by the Selling Shareholders as disclosed in "*The Offer*" beginning on page 79.

Our Board has taken on record the participation of Selling Shareholders in the Offer for Sale, pursuant to a resolution dated March 22, 2025.

The Equity Shares being offered by the Selling Shareholders in the Offer for Sale have been held by them for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 8 of the SEBI ICDR Regulations and are eligible for being offered in the Offer for Sale.

The Equity Shares proposed to be offered by the Selling Shareholders in the Offer for Sale are free from any lien, encumbrance, transfer restrictions or third-party rights:

Our Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by the SEBI or other Governmental Authorities

Our Company, the Promoters, members of Promoter Group, the Selling Shareholders and our Directors are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated as promoters, directors or persons in control have been debarred from accessing capital markets by the SEBI.

None of our Directors are associated with the securities market in any manner and no outstanding action has been initiated against our Directors by SEBI in the five years preceding the date of this Draft Red Herring Prospectus.

None of our Company or our Promoters or Directors have been identified as a Wilful Defaulter or Fraudulent Borrower.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as at the date of this Draft Red Herring Prospectus.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoters, members of Promoter Group, Directors and each of the Selling Shareholders are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as at the date of this Draft Red Herring Prospectus.

Other confirmations

As at the date of this Draft Red Herring Prospectus, there are no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of the Company) and the Company, Promoters, Promoter Group, Key Managerial Personnels, Directors, and Subsidiaries and its directors.

As at the date of this Draft Red Herring Prospectus, except as disclosed in "*Our Promoters and Promoter Group - Confirmations*" on page 272, there are no conflict of interest between the lessor of the immovable properties (crucial for operations of the Company) and the Company, Promoters, Promoter Group, Key Managerial Personnels, Directors and Subsidiaries and its directors.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, as disclosed below.

- Our Company has net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each) ended March 31, 2024, March 31, 2023, and March 31, 2022, of which not more than 50% are held in monetary assets.

- Our Company has an average operating profit of ₹150 million, calculated on a restated and consolidated basis, during each of the preceding three years (of 12 months each) ended March 31, 2024, March 31, 2023, and March 31, 2022, with operating profit earned in each of these preceding three years.

- Our Company has a net worth of at least ₹10 million, in each of the preceding three full years (of 12 months each) ended March 31, 2024, March 31, 2023, and March 31, 2022, calculated on a restated and consolidated basis; and

- Our Company has not changed its name in the immediately preceding year.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profit and net worth derived from the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus as at, and for the three immediately preceding Financial Years are disclosed below.

Derived from the Restated Consolidated Financial Information

Particulars	**As at and for the period ended**		
	March 31, 2024	**March 31, 2023**	**March 31, 2022**
	(₹ million)		
Net tangible assets (A)[(1)]	4,175.57	3,024.18	2,395.70
Operating profit (B)[(2)]	1,370.70	756.39	562.74
Net worth (C)[(3)]	4,002.01	2,863.36	2,308.91

Source: Restated consolidated statement of assets and liabilities and restated consolidated statement of profit and loss of our Company as included in this Draft Red Herring Prospectus under the section "Restated Consolidated Financial Information".

(1) "Net tangible assets" means the sum of all net assets of the Company as per the Restated Financial Information excluding Intangible Assets (as per AS - 26 or IND AS- 38), prepaid expenses, prepaid corporate guarantee, right of use assets, lease liabilities, deferred tax liabilities and financial guarantee obligation as defined under the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

(2) "Operating Profit" means the profit before finance costs, other income, tax expenses and exceptional items.

(3) "Net worth" means the aggregate value of paid-up share capital and other equity created out of the profits, 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, derived from the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

We are currently eligible to undertake the Offer as per Rule 19(2)(b) of the SCRR read with Regulations 6(1) of the SEBI ICDR Regulations.

Our Company has operating profit in each of the Financial Years 2024, 2023 and 2022 as per the Restated Consolidated Financial Information. Our average restated operating profit for Financial Years 2024, 2023 and 2022 is ₹ 896.61 million.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company and each of the Selling Shareholders shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000, failing which the entire application monies shall be refunded in accordance with the SEBI ICDR Regulations and timelines specified under other applicable laws. None of the Selling Shareholders shall be liable to reimburse our Company for any interest paid by it on behalf of the Selling Shareholders on account of any delay with respect to Allotment of the respective portion of the Offered Shares offered by such Selling Shareholder in the Offer for Sale, or otherwise, unless such delay is solely accountable to such Selling Shareholder.

Our Company is in compliance with conditions specified in Regulations 5 and 7(1) of the SEBI ICDR Regulations to the extent applicable and will ensure compliance with Regulation 7(2) of the SEBI ICDR Regulations.

(a) None of our Company, our Promoters, members of our Promoter Group, the Selling Shareholders or our Directors are debarred from accessing the capital markets by the SEBI;

(b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI;

(c) Neither our Company nor our Promoters or Directors are categorised as a Wilful Defaulter or a Fraudulent Borrower;

(d) Neither our Promoters nor our Directors have been declared a fugitive economic offender (in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018);

(e) as on the date of this Draft Red Herring Prospectus, except for employee stock options granted pursuant to the KCL Employee Stock Options Scheme 2025, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares of our Company as at the date of filing of this Draft Red Herring Prospectus;

(f) Our Company, along with the Registrar to the Offer, has entered into tripartite agreements dated July 12, 2022 and July 14, 2022 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;

(g) The Equity Shares of our Company held by our Promoters are in dematerialised form;

(h) none of our Promoters, the Promoter Selling Shareholder, Directors, or members of our Promoter Group have outstanding stock appreciation rights that have not been exercised prior to the filing of the Red Herring Prospectus or the Prospectus.

(i) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as at the date of filing of this Draft Red Herring Prospectus; and

(j) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING ANAND RATHI ADVISORS LIMITED, IIFL CAPITAL SERVICES LIMITED (FORMERLY KNOWN AS IIFL SECURITIES LIMITED) AND ONEVIEW CORPORATE ADVISORS PRIVATE LIMITED ("BRLMs") HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND THE SELLING SHAREHOLDERS ARE, SEVERALLY AND NOT JOINTLY, RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY THEM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES FOR THE RESPECTIVE PORTION OF THE EQUITY SHARES BEING OFFERED BY THEM IN THE OFFER FOR SALE, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPECTIVE RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS, BEING ANAND RATHI ADVISORS LIMITED, IIFL CAPITAL SERVICES LIMITED (FORMERLY KNOWN AS IIFL SECURITIES LIMITED) AND ONEVIEW CORPORATE ADVISORS PRIVATE LIMITED, HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MAY 22, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(FORM A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY 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 OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to the Offer have been complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act, 2013.

Caution - Disclaimer from our Company, Promoters, our Directors and the BRLMs

Our Company, our Promoters, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance. Anyone placing reliance on any other source of information, including our Company's website, www.kanodiacement.co.in or any website of any affiliates of our Company would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided in the Underwriting Agreement.

All information, to the extent required in relation to the Offer, shall be made available by our Company, the Selling Shareholders and the BRLMs to the public and investors at large and no selective or additional information would be made available by our Company, the Selling Shareholders and the BRLMs for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at Bidding Centers or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, the BRLMs 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, sell, pledge or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters, the BRLMs 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 BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, the Promoters, Promoter Group, and the Selling Shareholders, and their respective directors and officers, affiliates, associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoter, the Promoter Group, and the Selling Shareholders, and their respective directors and officers, affiliates, associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer from the Selling Shareholders

The Selling Shareholders accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.kanodiacement.co.in, or the respective websites of any affiliate of our Company or the Selling Shareholders would be doing so at his or her own risk. Each Selling Shareholder, its directors, affiliates, associates, and officers accept no responsibility for any statements made in this Draft Red Herring Prospectus other than those specifically made or confirmed by such Selling Shareholder in relation to itself as a Selling Shareholder or its Offered Shares.

Bidders will be required to confirm and will be deemed to have represented to each Selling Shareholder and its 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 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. The Selling Shareholders and its respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Disclaimer in Respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, India, only.

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, state industrial development corporations, permitted insurance companies registered with IRDAI, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, permitted provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds (registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws, with minimum corpus of ₹250 million), National Investment Fund, insurance funds set up and managed by the army and navy or air force of Union of India and insurance funds set up and managed by the Department of Posts, India registered with the Insurance Regulatory and Development Authority of India, systemically important NBFCs registered with the RBI and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Draft Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Neither the delivery of this Draft Red Herring Prospectus nor the offer of the Offered Shares shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as at any time subsequent to this date.

Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any offshore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Disclaimer clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on the BSE and NSE. Applications will be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares being issued and sold in the Offer. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within such time prescribed by the SEBI. If our Company does not allot Equity Shares pursuant to the Offer within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate prescribed by SEBI.

The Selling Shareholders undertake to provide such reasonable assistance as may be requested by our Company, in relation to the Offered Shares to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within such time prescribed by SEBI. Any expense incurred by our Company on behalf of the Selling Shareholders with regard to interest on such refunds will be reimbursed by the Selling Shareholders in proportion to their respective Offered Shares.

Consents

Consents in writing of Promoters, Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, Legal Counsel to our Company as to Indian law, Banker to our Company, the Book Running Lead Managers, Registrar to the Offer, Practicing Company Secretary, Chartered Engineer, CRISIL in their respective capacities, have been obtained, and such consents have not been withdrawn as of the date of this Draft Red Herring Prospectus. Further, consents in writing of the Syndicate Members, Escrow Collection Bank(s)/Refund Bank(s)/ Public Offer Account/ Sponsor Banks, to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for filing with the RoC.

Experts

Our Company has not obtained any expert opinions other than as disclosed below.

(i) Our Company has received written consent dated May 22, 2025 from the Statutory Auditors namely, M/s Singhi & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this DRHP, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their examination report, dated May 22, 2025, on Restated Consolidated Financial Information and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act.

(ii) Our Company has received written consent dated May 22, 2025 through their certificate dated May 22, 2025, from Shobhit Tandon & Associates, independent Practicing Company Secretaries, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their certificate in connection with the Offer and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act.

(iii) Our Company has received written consent dated May 22, 2025 from Adroit Technical Services Private Limited independent chartered engineer, to be named as an "expert" under Section 2(38) and other applicable provisions of the Companies Act, 2013 to the extent and in their capacity as a chartered engineer and in respect of their certificate dated May 22, 2025 in relation to our Company's manufacturing capacities and capacity utilization at all of its manufacturing facilities and the details derived from such certificate.

However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act.

Particulars regarding capital issues by our Company in the last five years

Our Company has not made any capital issues during the five years preceding the date of this Draft Red Herring Prospectus.

Particulars regarding capital issues by our listed group companies, subsidiaries or associate entities during the last three years

As at date of this Draft Red Herring Prospectus, our Company does not have any listed subsidiaries, group companies or associates.

Commission and Brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public offer of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis Objects – Details of Public or Rights Issues by our Company

Our Company has not made any public issue or rights issue of Equity Shares during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis Objects – Details of Public or Rights Issues by listed subsidiaries/listed Promoter of our Company

As at the date of this Draft Red Herring Prospectus, our Company does not have any listed subsidiary or any corporate promoter.

Price Information of Past Issues Handled by the BRLMs

1. **Anand Rathi Advisors Limited**

1. Price information of past public issues (during the current Financial Year and the two Financial Years immediately preceding the current Financial Year) handled by Anand Rathi Advisors Limited:

Sr. No.	Issuer name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Suraj Estate Developers Limited#	4,000.00	360	December 26, 2023	340.00	-8.56%[+0.06%]	-23.82%[+3.62%]	+22.03%[+9.61%]
2	Azad Engineering Limited*	7,400.00	524	December 28, 2023	710.00	+29.06%[-2.36%]	+153.05%[+0.08%]	+269.24%[+6.81%]
3	Unimech Aerospace and Manufacturing Limited*	5,000.00	785	December 31, 2024	1,491.00	+65.87%[-2.06%]	+23.08%[-0.93%]	NA

Source: www.nseindia.com and www.bseindia.com
\# *NSE as the designated stock exchange*
* *BSE as the designated stock exchange*

Notes:
1. *Opening price information as disclosed on the website of the Designated Stock Exchange*
2. *Change in closing price over the issue/offer price as disclosed on Designated Stock Exchange.*
3. *Change in closing price over the closing price as on the listing date, BSE SENSEX and NIFTY 50 is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.*
4. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
5. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken as listing date plus 179 calendar days.*
6. *NA means Not Applicable, Period not completed.*
7. *No.1 (Suraj Estate Developers Limited)'s 90 day return is calculated as on 22 March, 2024 as 24 March, 2024 is a non-working day and 180 day return is calculated as on 21st June, 2024 as 22nd June, 2024 was a non-working day.*
8. *No.2 (Azad Engineering Limited)'s 30 day return is calculated as on 25 January, 2024 as 26 January, 2024 is a non-working day.*
9. *No.3 (Unimech Aerospace and Manufacturing)'s 90 day return is calculated as on 28 March, 2025 as 30 March, 2025 is a non-working day.*

2. Summary statement of price information of past issues (during current Financial Year and the two Financial Years preceding the current Financial Year) handled by Anand Rathi Advisors Limited.

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%
2025-26	0	0	-	-	-	-	-	-	-	-	-	-	-	-
2024-25	1	5,000.00	-	-	-	1	-	-	-	-	-	-	-	-
2023-24	2	11,400.00	-	-	1	-	1	-	-	-	-	1	-	1

* *The information is as on the date of the document*
The information for each of the financial years is based on issues listed during such financial year.
***Note**: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

2. **IIFL Capital Services Limited (*Formerly known As IIFL Securities Limited*)**

1. Price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by IIFL Capital Services Limited (*Formerly known As IIFL Securities Limited*):

Sr. No.	Issuer name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (₹)	+/-% change in closing price, [+/-% change in closing benchmark]*- 30th calendar day from listing	+/-% change in closing price, [+/- % change in closing benchmark]*- 90th calendar day from listing	+/-% change in closing price, [+/- % change in closing benchmark]*- 180th calendar day from listing
1.	Ecos (India) Mobility & Hospitality Limited	6,012.00	334.00	September 4, 2024	390.00	+42.28%, [+0.20%]	-0.51%, [-3.66%]	-46.42%, [-12.20%]
2.	Bajaj Housing Finance Limited	65,600.00	70.00	September 16, 2024	150.00	+99.86%, [-1.29%]	+89.23%, [-2.42%]	+64.64%, [-11.77%]
3.	Waaree Energies Limited	43,214.40	1,503.00	October 28, 2024	2,500.00	+68.05%, [-0.59%]	+49.15%, [-5.12%]	+78.80%, [-1.23%]
4.	Sagility India Limited	21,064.04	30.00(1)	November 12, 2024	31.06	+42.90%, [+3.18%]	+75.40%, [-1.35%]	+36.10%, [+0.52%]
5.	Zinka Logistics Solutions Limited	11,147.22	273.00(2)	November 22, 2024	279.05	+84.47%, [-1.36%]	+54.41%, [-4.47%]	+78.50%, [+2.62%]
6.	NTPC Green Energy Limited	1,00,000.00	108.00(3)	November 27, 2024	111.50	+16.69%, [-2.16%]	-8.89%, [-7.09%]	N.A.
7.	Sai Life Sciences Limited	30,426.20	549.00	December 18, 2024	650.00	+30.57%, [-3.67%]	+28.39%, [-6.98%]	N.A.
8.	Ventive Hospitality Limited	16,000.00	643.00(4)	December 30, 2024	716.00	+5.51%, [-2.91%]	+10.80%, [-0.53%]	N.A.
9.	Standard Glass Lining Technology Limited	4,100.51	140.00	January 13, 2025	172.00	+14.49%, [-0.06%]	-2.76%, [-1.11%]	N.A.
10.	Hexaware Technologies Limited	87,500	708.00(5)	February 19, 2025	745.50	+3.45%, [+1.12%]	+5.16%, [+8.78%]	N.A.

Source: www.nseindia.com and www.bseindia.com

(1) Notes : A discount of ₹ 2 per equity share was offered to eligible employees bidding in the employee reservation portion.
(2) A discount of ₹ 25 per equity share was offered to eligible employees bidding in the employee reservation portion.
(3) A discount of ₹ 5 per equity share was offered to eligible employees bidding in the employee reservation portion.
(4) A discount of ₹ 30 per equity share was offered to eligible employees bidding in the employee reservation portion.
(5) A discount of ₹ 67 per equity share was offered to eligible employees bidding in the employee reservation portion.
* *Benchmark Index taken as NIFTY 50 or S&P BSE SENSEX, as applicable. Price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. NA means Not Applicable. The above past price information is only restricted to past 10 initial public offers.*

2. Summary statement of price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by IIFL Capital Services Limited (*Formerly known As IIFL Securities Limited*):

Financial Year	Total no. of IPOs	Total funds raised (₹million)	Nos. of IPOs trading at discount - as at 30th calendar days from listing date			Nos. of IPOs trading at premium - as at 30th calendar days from listing date			Nos. of IPOs trading at discount - as at 180th calendar days from listing date			Nos. of IPOs trading at premium - as at 180th calendar days from listing date		
			Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2023-24	15	1,54,777.80	-	-	4	3	4	4	-	-	1	5	4	5
2024-25	16	4,81,737.17	-	-	1	6	4	5	-	2	-	6	2	1
2025-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source: www.nseindia.com and www.bseindia.com

Notes: *Data for number of IPOs trading at premium/discount taken at closing price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.*

3. <u>Oneview Corporate Advisors Private Limited</u>

(i) Price information of past public issues (during the current Fiscal and the two Fiscals immediately preceding the current Fiscal) handled by Oneview Corporate Advisors Private Limited:

Sr. No.	Issuer name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Storage Technologies and Automation Ltd	299.50	78	May 8, 2024	148.20	62.95%[2.19%]	104.10%[7.20%]	97.44%[7.24%]
2	Qualitek Labs Limited	196.40	100	January 29, 2024	190.00	63.00%[1.60%]	58.50%[3.79%]	149.50%[13.05%]

(ii) Summary statement of price information of past public issues (during the current Fiscal and the two Fiscals immediately preceding the current Financial Year):

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%
2025-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2024-25	1	299.50	-	-	-	1	-	-	-	-	-	1	-	-
2023-24	1	196.40	-	-	-	1	-	-	-	-	-	1	-	-

* *The information is as on the date of the document.*

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in the SEBI circular dated January 10, 2012, bearing reference number CIR/MIRSD/1/2012, see the websites of the BRLMs, as provided in the table below.

S. No.	Name of the BRLM	Website
1.	Anand Rathi Advisors Limited	www.anandrathiib.com
2.	IIFL Capital Services Limited (f*ormerly known As IIFL Securities Limited*)	www.iiflcap.com
3.	Oneview Corporate Advisors Private Limited	www.oneviewadvisors.com

Stock Market Data of Equity Shares

This being an initial public offer of Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as at the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs, in the manner provided below. Our Company, the Selling Shareholders, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the applicable provisions of the SEBI ICDR Regulations.

All Offer related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary, with whom the Bid cum Application Form was submitted giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, Unified Payments Interface Identity ("**UPI ID**"), Permanent Account Number ("**PAN**"), address of Bidder, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary 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. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. For Offer-related grievances, investors may contact the BRLMs, details of which are given in "*General Information –Book Running Lead Managers*" on page 80.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Pursuant to the SEBI ICDR Master Circular, SEBI has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures.

In terms of SEBI ICDR Master Circular issued by the SEBI, 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, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Separately, pursuant to the SEBI ICDR Master Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled/withdrawn/deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation/withdrawal/deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original Bid 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 finalisation of the Basis of Allotment till the date of actual unblock

All grievances (other than from Anchor Investors) in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Further, the Bidder shall also enclose a copy of the Acknowledgement Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Book Running Lead Managers, 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 Managers where the Bid cum Application Form was submitted by the Anchor Investor.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Bank(s) for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Book Running Lead Managers and the Registrar to the Offer 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. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Our Company, the Book Running Lead Managers and the Registrar to the Offer 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.

Disposal of Investor Grievances by Our Company

Our Company shall, post the filing of this Draft Red Herring Prospectus, apply for the authentication on the SCORES in terms of the SEBI circular no. CIR/OIAE/1/2014 dated December 18, 2014, the SEBI circular no. SEBI/HO/OIAE/IGRD/CIR/P/2019/86 dated August 2, 2019, the SEBI circular no. SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 and the SEBI circular no. SEBI/HO/OIAE/IGRD/P/CIR/2022/0150 dated November 7, 2022, and SEBI Circular number SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 issued by SEBI in relation to redressal of investor grievances through SCORES.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary for the redressal of routine investor grievances shall be five 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 not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus and there are no investor complaints pending as at the date of this Draft Red Herring Prospectus.

Our Company has constituted a Stakeholders' Relationship Committee comprising, Sanjay Banthia; Vishal Kanodia; and Saurabh Lohia as members to review and redress shareholder and investor grievances. See "*Our Management—Committees of our Board of Directors — Stakeholders' Relationship Committee*" on page 262.

Disposal of investor grievances by listed group companies and listed subsidiary

As at the date of this Draft Red Herring Prospectus, we do not have any listed group companies or subsidiaries.

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

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

SECTION VII: OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, our Memorandum of Association and our Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, the Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by the SEBI, the Government of India, the Stock Exchanges, the RBI, the RoC and/or any other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

The Offer

The Offer comprises of an Offer for Sale by the Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in *"Objects of the Offer—Offer Expenses"* on page 110.

Ranking of the Equity Shares

The Equity Shares being Offered / Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the SCRR, our Memorandum of Association and our Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares, including in respect of the right to receive dividend and voting. The Allottees, upon Allotment of Equity Shares, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see "*Description of Equity Shares and Terms of the Articles of Association*" beginning on page 452.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to our Shareholders in accordance with the provisions of Companies Act, our Memorandum of Association, our Articles of Association and provisions of the SEBI Listing Regulations and other applicable law. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable law. For further details in relation to dividends, see "*Dividend Policy*" and "*Description of Equity Shares and Terms of the Articles of Association*" beginning on pages 278 and 452, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹10 and the 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 Offer Price is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the BRLMs and advertised in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Hindi daily newspaper with wide circulation (Hindi being the regional language of Uttar Pradesh, where our Registered Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their 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 websites of the Stock Exchanges. The Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by the SEBI from time to time.

Rights of Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- right to receive dividends, if declared;
- right to attend general meetings and exercise voting rights, unless prohibited by law;
- right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- right to receive offers for rights Equity Shares and be allotted bonus Equity Shares, if announced;
- right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- right of free transferability, subject to applicable law; and
- such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations, our Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Description of Equity Shares and Terms of the Articles of Association*" beginning on page 452.

Allotment only in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialized form. The trading of the Equity Shares shall only be in the dematerialized segment of the Stock Exchanges. In this context, the following agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated July 12, 2022, amongst our Company, NSDL and Registrar to the Offer.
- Tripartite agreement dated July 14, 2022, amongst our Company, CDSL and Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialized form in multiples of [●] Equity Shares subject to a minimum Allotment of [●] Equity Shares. For details of basis of allotment, see "*Offer Procedure*" on page 433.

Joint Holders

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Mumbai, Maharashtra, India.

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.

Nomination Facility to Bidders

In accordance with Section 72 of the Companies Act, 2013 and the relevant rules notified thereunder, the sole Bidder, or the First Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by our Board, elect either:

(a) to register himself or herself as the holder of the Equity Shares; or

(b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our 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 Offer will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder would prevail. If the Bidders wish to change the nomination, they are requested to inform their respective Depository Participant.

Bid/Offer Programme

BID/OFFER OPENS ON	[●][(1)]
BID/OFFER CLOSES ON	[●][(2) (3)]

(1) Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors. The Anchor Investor Bid/Offer Period shall be [●], i.e., one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

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

(3) The UPI mandate end time and date shall be 5 p.m. on the Bid / Offer Closing Date.

An indicative timetable in respect of the Offer is disclosed below.

Event	Indicative Date
Bid/Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA*	On or about [●]
Allotment of Equity Shares/ Credit of Equity Shares to dematerialized accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

* *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/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked; (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI ICDR Master Circular and the SEBI RTA Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs and relevant intermediaries, to the extent applicable.*

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI ICDR Master Circular and the SEBI RTA Master Circular.

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the BRLMs.

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 Exchanges within three Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI are taken, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company, in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each of the Selling Shareholders confirms that they shall extend all reasonable support and co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI.

Any circulars or notifications from the SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with listing timelines and activities prescribed by the SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (Other than Bids from Anchor Investors)

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Offer Closing Date*	
Submission of electronic applications (online ASBA through 3-in- 1 accounts) – For RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of electronic application (bank ASBA through online channels like internet banking, mobile banking and syndicate ASBA applications through UPI as a payment mechanism where Bid Amount is up to ₹50,000)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of electronic applications (syndicate non-retail, non-individual applications of QIBs and NIIs)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of physical applications (direct bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of physical applications (syndicate non-retail, non-individual applications where Bid Amount is more than ₹50,000)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories#	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST

* *UPI mandate end time and date shall be at 5 p.m. on the Bid/Offer Closing Date.*

\# *QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their Bids.*

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On the Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date until the Bid/ Offer 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 BRLMs and the RTA on a daily basis.

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 would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and in any case no later than 12:00 p.m. IST on the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday). The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the Bid information to the Registrar to the Offer for further processing.

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 as the final data for the purpose of Allotment.

Our Company, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer 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. Further, the Cap price shall be at least 105% of the Floor Price. 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 in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and the terminals of the Syndicate Members and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Banks, as applicable.

Minimum Subscription

The requirement of minimum subscription is not applicable to the Offer in accordance with the SEBI ICDR Regulations. In the event our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, our Company and the Selling Shareholders shall within four days from the closure of the Offer, refund the entire subscription amount received. If there is a delay beyond four days, interest at the rate of 15% per annum shall be paid by our Company and each of our Directors, in accordance with the SEBI ICDR Master Circular.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for Disposal of Odd Lots

Since our Equity Shares will be traded in dematerialized form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restrictions on Transfer and Transmission of Equity Shares

Except for: (i) the lock-in of the pre-Offer Equity Share capital of our Company and the Anchor Investor lock-in as provided in "*Capital Structure*" beginning on page 94 and (ii) as provided under our Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of Equity Shares and on their consolidation/splitting, except as provided in our Articles of Association. For details, see "*Description of Equity Shares and Terms of the Articles of Association*" beginning on page 452.

Withdrawal of the Offer

Our Company, in consultation with the BRLMs, reserves the right to not proceed with the Offer, in whole or part thereof, after the Bid/Offer Opening Date but before the Allotment. In the event that our Company, in consultation with the BRLMs, decide not to proceed with the Offer, our Company shall issue public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Offer. In such event, the BRLMs through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks, as applicable, to unblock the Bid Amounts in the bank accounts of the ASBA Bidders and the BRLMs shall notify the Escrow Collection Bank to release the Bid Amounts of the Anchor Investors and any other investors, as applicable, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

If our Company, in consultation with the BRLMs, withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that they will proceed with a fresh issue or offer for sale of Equity Shares, our Company shall file a fresh draft red herring prospectus with the SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final RoC approval of the Prospectus after it is filed with the RoC and (ii) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

OFFER STRUCTURE

Initial public offering of up to 14,913,930 Equity Shares for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating up to ₹[●] million, comprising an Offer for Sale of up to 14,913,930 Equity Shares aggregating up to ₹[●] million by the Selling Shareholders, the details of which are set out below.

S. No.	Name of the Selling Shareholder	Type	Number of Equity Shares offered/ amount
1.	Gautam Kanodia	Individual	Up to 4,477,370 equity shares of face value of ₹10 each aggregating up to ₹ [●] million
2.	Swati Kanodia	Individual	Up to 2,242,660 equity shares of face value of ₹10 each aggregating up to ₹ [●] million
3.	Gautam Kanodia HUF	Entity	Up to 2,730 equity shares of face value of ₹10 each aggregating up to ₹ [●] million
4.	Nupoor Kanodia Beneficiary Trust	Entity	Up to 8,191,170 equity shares of face value of ₹10 each aggregating up to ₹ [●] million

The Offer is being made through the Book Building Process and in compliance with Regulation 32(1) of the SEBI ICDR Regulations.

Particulars	QIBs(3)(5)	Non-Institutional Bidders(5)	Retail Individual Bidders(5)
Number of Equity Shares available for Allotment/ allocation(1)	Not more than [●] Equity Shares of face value ₹10 each	Not less than [●] Equity Shares of face value ₹10 each available for allocation or the Offer less allocation to QIB Bidders and RIBs	Not less than [●] Equity Shares of face value ₹10 each available for allocation or the Offer less allocation to QIB Bidders and Non- Institutional Bidders
Percentage of Offer Size available for allocation	Not more than 50.00% of the Net Offer being available for allocation to QIB Bidders. However, up to 5.00% of the Net QIB Portion will be available for allocation on a proportionate basis to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs in the remaining Net QIB Portion.	Not less than 15.00% of the Net Offer, subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹200,000 and up to ₹1,000,000; and (ii) two-thirds of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1,000,000. Provided that the unsubscribed portion in either of the sub-categories specified above may be allocated to applicants in the other sub-category of Non- Institutional Bidders	Not less than 35.00% of the Net Offer.
Basis of Allotment/allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares of face value ₹10 each shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Balance [●] Equity Shares of face value ₹10 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Up to [●] Equity Shares of face value ₹10 each may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid	(a) One-third of the Non- Institutional Portion shall be reserved for Bidders with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two- thirds of the Non-Institutional Portion shall be reserved for Bidders with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to Bidders in the other sub-category of Non- Institutional Bidders. For further details, see "*Offer Procedure*" on page 433.	The allotment to each RIB shall not be less than the minimum Bid Lot, subject to availability of Equity Shares of face value ₹10 each in the Retail Portion and the remaining available Equity Shares of face value ₹10 each if any, shall be allotted on a proportionate basis. For further details, see *Offer Procedure* on page 433.

Particulars	QIBs[(3)(5)]	Non-Institutional Bidders[(5)]	Retail Individual Bidders[(5)]
	received from Mutual Funds at or above the Anchor Investor Allocation Price.[(4)]		
Mode of Bidding[(2)]	Through ASBA process only (except Anchor Investors) (excluding the UPI Mechanism)	Through ASBA process only (including the UPI Mechanism for Bids up to ₹ 500,000)	Through ASBA process only (including the UPI Mechanism)
Minimum Bid	Such number of Equity Shares of face value ₹10 each and in multiples of [●] Equity Shares of face value ₹10 each that the Bid Amount exceeds ₹200,000	Such number of Equity Shares of face value ₹10 each and in multiples of [●] Equity Shares of face value ₹10 each that the Bid Amount exceeds ₹200,000	[●] Equity Shares of face value ₹10 each
Maximum Bid	Such number of Equity Shares of face value ₹10 each in multiples of [●] Equity Shares of face value ₹10 each not exceeding the size of the Net Offer, (excluding the Anchor Portion) subject to applicable limits to each Bidder	Such number of Equity Shares of face value ₹10 each in multiples of [●] Equity Shares of face value ₹10 each not exceeding the size of the Net Offer (excluding the QIB Portion), subject to applicable limits to Bidder	Such number of Equity Shares of face value ₹10 each in multiples of [●] Equity Shares of face value ₹10 each so that the Bid Amount does not exceed ₹200,000
Bid Lot	[●] Equity Shares of face value of ₹10 each, and in multiples of [●] Equity Shares of face value of ₹10 each, thereafter	[●] Equity Shares of face value of ₹10 each, and in multiples of [●] Equity Shares of face value of ₹10 each, thereafter	[●] Equity Shares of face value of ₹10 each, and in multiples of [●] Equity Shares of face value of ₹10 each, thereafter
Allotment Lot	[●] Equity Shares of face value ₹10 each and in multiples of one Equity Share of face value ₹10 each thereafter	[●] Equity Shares of face value ₹10 each and in multiples of one Equity Share of face value ₹10 each thereafter subject to availability in the Non-Institutional Portion	[●] Equity Shares of face value ₹10 each and in multiples of one Equity Share of face value ₹10 each thereafter subject to availability in the Retail Portion
Trading Lot	One Equity Share of face value ₹10 each	One Equity Share of face value ₹10 each	One Equity Share of face value ₹10 each
Mode of Allotment	Compulsorily in dematerialised form	Compulsorily in dematerialised form	Compulsorily in dematerialised form
Who can apply[(6)]	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, mutual funds registered with SEBI, eligible FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with the SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹250.00 million, pension fund with minimum corpus of ₹250.00 million 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, National Investment Fund set up by the Government, 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.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of *karta*), companies, corporate bodies, scientific institutions, societies, trusts and any individuals, corporate bodies and family offices including FPIs which are individuals, corporate bodies and family offices which are re-categorized as Category II FPIs and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of *karta*).
Terms of Payment	In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[(7)]		

Particulars	QIBs[(3)(5)]	Non-Institutional Bidders[(5)]	Retail Individual Bidders[(5)]
	In case of other Bidders: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Banks through the UPI Mechanism (for RIBs or individual investors Bidding under the Non-Institutional Portion for an amount of more than ₹200,000 and up to ₹500,000) that is specified in the ASBA Form at the time of submission of the ASBA Form.		

(1) Assuming full subscription in the Offer.

(2) SEBI vide the SEBI ICDR Master Circular, has mandated that ASBA applications in Public Issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIB, NII and Retail and other reserved categories 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.

(3) The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer 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 Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders and not more than 35% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.

(4) Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with SEBI ICDR Regulations. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the Anchor Investor Allocation Price, which price shall be determined by our Company in consultation with the BRLMs. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Offer Procedure" on page 433.

(5) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the Book Running Lead Managers and the Designated Stock Exchange, on a proportionate basis. However, undersubscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "Terms of the Offer" on page 425.

(6) If the Bid is submitted in joint names, 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 depository account held in joint names. The signature of only the 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. Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the members of the Syndicate, 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.

(7) Anchor Investors are not permitted to use the ASBA process. Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. In case the Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.

Under-subscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange. 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.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 issued by SEBI and the UPI Circulars (the "**General Information Document**"), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids through the UPI Mechanism.*

Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) Issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in Allotment or refund.

*The SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 had 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 Draft Red Herring Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹500,000 shall use the UPI Mechanism.*

*Pursuant to SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the time period for listing of equity shares pursuant to a public issue had been reduced from six Working Days to three Working Days, and as a result, the final reduced timeline of T+3 days has been made effective using the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**"). Pursuant to the SEBI master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, a chapter-wise framework for compliance with various obligations under the SEBI ICDR Regulations was introduced, including with regards to UPI Phase III. Accordingly, subject to any circulars, clarification or notification issued by the SEBI from time to time, this Offer will be undertaken pursuant to the processes and procedures prescribed under the SEBI ICDR Master Circular, subject to any circulars, clarifications or notifications which may be issued by the SEBI.*

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed by the Registrar along with the SCSBs only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories 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.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in the SEBI ICDR Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process. 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/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the application amount for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking.

Our Company, the Selling Shareholders and the BRLMs are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulations 31 and 32(1) of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLMs, 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. 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. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation to Non- Institutional Bidders in accordance with the SEBI ICDR Regulations, out of which (a) one-third of such portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. 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 segment of the Stock Exchanges.

All potential Bidders (except Anchor Investors) are required to mandatorily utilize the ASBA process providing details of their respective ASBA accounts, and UPI ID (in case of UPI Bidders) if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for UPI Bidders using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and the press releases dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. The SEBI in its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, had reduced the time period for listing of equity shares pursuant to a public issue from six Working Days to three Working Days. This Offer will be undertaken pursuant to the processes and procedures prescribed under UPI Phase III, subject to any circulars, clarifications or notifications which may be issued by the SEBI.

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 Streamlining Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalized under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post–Offer BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make applications using UPI. Our Company will be required to appoint Sponsor Banks to act as conduits between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the UPI Bidders using the UPI.

Further, pursuant to SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹500,000 shall use UPI and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

(a) a syndicate member;

(b) a stock broker recognised with a registered stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);

(c) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);

(d) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity)

For further details, refer to the "*General Information Document*" available on the websites of the Stock Exchanges and the BRLMs.

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 and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

UPI Bidders using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than UPI Bidders 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. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

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. UPI Bidders 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. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Banks, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked including details as prescribed in Annexure XVII of SEBI ICDR Master Circular.

The prescribed color of the Bid cum Application Form for the various categories is as disclosed below.

Category	Color of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including Eligible NRIs, FVCIs, FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	[●]
Anchor Investors	[●]

* *Excluding electronic Bid cum Application Form Notes:*

(1) *Electronic Bid Cum Application Forms and the abridged prospectus will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).*

(2) *Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLMs. Anchor Investors are not permitted to participate in the Offer through the ASBA process.*

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. For ASBA Forms (other than through UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis to enable the Sponsor Banks to initiate the UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Banks 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 Exchanges 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 Banks, NPCI or the Bankers to the 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 Banks and the bankers to an issue. The BRLMs shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Offer for analyzing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in the SEBI circular dated March 16, 2021, as amended pursuant to the SEBI circulars dated June 2, 2021 and April 20, 2022 (to the extent these have not been rescinded by the SEBI RTA Master Circular) and the SEBI RTA Master Circular.

Pursuant to NSE circular dated July 22, 2022 with reference no. 23/2022 and BSE circular dated July 22, 2022 with reference no. 20220722-30, has mandated that trading members, Syndicate Members, RTA and Depository Participants shall submit Syndicate ASBA bids above ₹500,000 and NII and QIB bids above ₹200,000, through SCSBs only.

For all pending UPI Mandate Requests, the Sponsor Banks shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 p.m. on the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The 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 Banks will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Banks will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Banks 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 Banks on a continuous basis.

The Sponsor Banks shall host a web portals for intermediaries (closed user group) from the date of Bid/Offer 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 Offer Bidding process.

Electronic registration of Bids

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.

(b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids until such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given until 5:00 p.m. for Retail Individual Bidders and 4:00 p.m. for NIB and QIB on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the Bid information to the Registrar to the Offer for further processing.

(d) QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

Participation by the Promoters, the members of the Promoter Group, the BRLMs, the Syndicate Members and persons related to Promoters/the members of the Promoter Group/the BRLMs

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion, as may be applicable to such Bidders, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLMs nor any associate of the BRLMs can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associates of the BRLMs;

(ii) insurance companies promoted by entities which are associates of the BRLMs;

(iii) AIFs sponsored by the entities which are associates of the BRLMs;

(iv) FPIs (other than individuals, corporate bodies and family offices) which are associates of the BRLMs; or

(v) pension funds sponsored by entities which are associates of the BRLMs

Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, if: (a) 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 (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, among the Anchor Investor and the BRLMs.

Further, our Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer.

However, a QIB who has any of the following rights in relation to our Company shall be deemed to be a person related to our Promoters or the members of the Promoter Group of our Company:

(i) rights under a shareholders' agreement or voting agreement entered into with our Promoters or the members of the Promoter Group of our Company;

(ii) veto rights; or

(iii) right to appoint any nominee director on the Board.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non- Resident ("**FCNR**") Accounts, and Eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in color). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non- Residents ([●] in color).

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Offer using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 451.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Non-debt Instruments 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 Non-debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for NBFCs is 100% under the automatic route and accordingly, the applicable limit with respect to our Company is 100%.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In 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 Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

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 Offer 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 offshore derivate instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, *inter alia*, the following conditions:

(i) such offshore derivative instruments are transferred to persons 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 utilise the multi investment manager structure in accordance with the SEBI master circular bearing reference number SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022, 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**"). FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise 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 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.

Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form "*exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus.*"

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the "**FPI Group**") shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital shall be liable to be rejected.

Bids by SEBI-registered AIFs, VCFs and FVCIs

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, *inter alia*, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. While the SEBI VCF Regulations have since been repealed, the funds registered as VCFs under the SEBI VCF Regulations continue to be regulated by such regulations until the existing fund or scheme managed by the fund is wound up. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs, subject to the conditions prescribed by SEBI. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs, subject to the conditions prescribed by SEBI. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Offer) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, AIFs, FPIs and FVCIs, and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company, the Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

Bids by Banking Companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 as amended ("**Banking Regulation Act**") the Master Directions - the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated May 12, 2023, 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 banking company's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company, subject to prior approval of the RBI, if (i) the investee company is engaged in non- financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The banking company is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the banking company; and mutual funds managed by asset management companies controlled by the banking company, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investment made by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company's paid-up share capital and reserves.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Systemically Important NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid, without assigning any reason thereof.

Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by pension funds 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, subject to applicable laws, with minimum corpus of ₹250 million and provident funds with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, Mutual Funds, Systemically Important NBFCs, 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 ₹250 million (subject to applicable law) and pension funds with a minimum corpus of ₹250 million, 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 power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLMs, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLMs may deem fit.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus, or as will be specified in the Red Herring Prospectus and the Prospectus.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, the key terms for participation by Anchor Investors are provided below.

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date.

(v) Our Company, in consultation with the BRLMs may finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100.00 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100.00 million but up to ₹2,500.00 million, subject to a minimum Allotment of ₹50.00 million per Anchor Investor; and (c) in case of allocation above ₹2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500.00 million, and an additional 10 Anchor Investors for every additional ₹2,500.00 million, subject to minimum Allotment of ₹50.00 million per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(viii) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor pay-in date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

(ix) 50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares shall be locked-in for a period of 30 days from the date of Allotment.

(x) Neither the BRLMs(s) or any associate of the BRLMs (other than mutual funds sponsored by entities which are associate of the BRLMs or insurance companies promoted by entities which are associate of the BRLMs or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the BRLMs or FPIs, other than individuals, corporate bodies and family offices which are associates of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs) shall apply under the Anchor Investors Portion.

Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, the Red Herring Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions Do's:

A. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

B. Ensure that you have Bid within the Price Band;

C. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

D. Ensure that you (other than the Anchor Investors) have mentioned the correct details of your ASBA Account (*i.e.*, bank account number) in the Bid cum Application Form if you are not a UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

E. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Center (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;

F. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

G. Bidders Bidding shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

H. UPI Bidders Bidding using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

I. Ensure that you have funds equal to or more than the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;

J. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with the Syndicate Member, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;

K. The ASBA bidders shall ensure that bids above ₹500,000, are uploaded only by the SCSBs;

L. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the First Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the ASBA Account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

M. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

N. Ensure that you request for and receive a stamped Acknowledgment Slip in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

O. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed, and obtain a revised Acknowledgment Slip;

P. Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs or the relevant Designated Intermediary, as applicable;

Q. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular (no. MRD/DoP/Cir-20/2008) dated June 30, 2008 issued by the SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of the 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 Income Tax 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;

R. 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;

S. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

T. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trusts, etc., the relevant documents, including a copy of the power of attorney, if applicable, are submitted;

U. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

V. Since the Allotment will be in demat form only, ensure that the depository account is active, the correct DP ID, Client ID, the PAN, and UPI ID (for UPI Bidders Bidding through UPI Mechanism) and PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI Mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI Mechanism) and PAN available in the Depository database;

W. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in);

X. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;

Y. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process.

Z. In case of UPI Bidders, once the Sponsor Banks issues the Mandate Request, the UPI Bidders would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

AA. UPI Bidders Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;

BB. Ensure that when applying in the Offer using the UPI Mechanism, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;

CC. In case of ASBA Bidders (other than 3-in-1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹500,000;

DD. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorize blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;

EE. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;

FF. 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;

GG. Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

HH. UPI Bidders Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her/its UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorizes the Sponsor Banks to block the Bid Amount mentioned in the Bid cum Application Form;

II. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 5:00 p.m. on the Bid/ Offer Closing Date;

JJ. Bids by Eligible NRIs, HUFs and any individuals, corporate bodies and family offices who are FPIs and registered with SEBI for a Bid Amount of less than ₹200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount exceeding ₹200,000 would be considered under the Non-Institutional Portion for allocation in the Offer;

KK. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

LL. Ensure that the Demographic Details are updated, true and correct in all respects; and

MM. Ensure that your PAN is linked with your Aadhaar card, and that you are in compliance with notification dated February 13, 2020 and the press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023, each issued by the Central Board of Direct Taxes.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

A. Do not Bid for lower than the minimum Bid size;

B. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

C. Do not Bid/revise the Bid Amount to an amount calculated at less than the Floor Price or higher than the Cap Price;

D. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

E. Do not pay the Bid Amount in cheques, demand drafts, cash, money order, postal order or by stock invest;

F. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

G. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;

H. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

I. Do not submit the Bid for an amount more than funds available in your ASBA account;

J. 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 Bidders. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/Offer Closing Date;

K. Do not submit your Bid after 3.00 p.m. on the Bid/Offer Closing Date;

L. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

M. If you are a QIB, do not submit your Bid after 3 p.m. on the Bid/Offer Closing Date for QIBs;

N. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹500,000;

O. Do not Bid for Equity Shares in excess of what is specified for each category;

P. In case of ASBA Bidders and UPI Bidders using UPI mechanism, do not submit more than one Bid cum Application Form per ASBA Account or UPI ID, respectively;

Q. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;

R. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a color prescribed for another category of Bidder;

S. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

T. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

U. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations, or under the terms of the Red Herring Prospectus;

V. Do not submit the General Index Register (GIR) number instead of the PAN;

W. Do not submit incorrect details of the DP ID, Client ID, the PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

X. Do not submit the ASBA Forms to any Designated Intermediary that is not authorized to collect the relevant ASBA Forms or to our Company;

Y. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are RIB and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;

Z. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;

AA. Anchor Investors should not Bid through the ASBA process;

BB. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;

CC. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

DD. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;

EE. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;

FF. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism; and

GG. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "*General Informatio*n" on page 86.

Further, helpline details of the BRLMs pursuant to the SEBI RTA Master Circular and the SEBI ICDR Master Circular are set out in the table below:

S. No.	Name of the BRLM	Website	Telephone
1.	Anand Rathi Advisors Limited	www.anandrathiib.com	+91 22 4047 7120
2.	IIFL Capital Services Limited (*formerly known as IIFL Securities Limited*)	www.iiflcap.com	+91 22 4646 4728
3.	Oneview Corporate Advisors Private Limited	www.oneviewadvisors.com	+91 22 4347 2247

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid 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 UPI Bidders 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 UPI Bidders 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 Banks);

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. ASBA Form by the UPI Bidders by using third party bank accounts or using third party linked bank account UPI IDs

10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular no. CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

11. GIR number furnished instead of PAN;

12. Bids by RIBs Bidding in the Retail Portion with Bid Amount of a value of more than ₹200,000;

13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

14. Bids accompanied by stock invest, money order, postal order or cash; and

15. Bids by QIBs uploaded after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges.

Further, Bidders shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular and the SEBI RTA Master Circular, as applicable to the RTAs in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Further, in case of any pre-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "*General Information*" beginning on page 86.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

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 through the Red Herring Prospectus and the Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange.

The allotment of Equity Shares to Bidders other than to the RIBs, NIBs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis. Not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹2,00,000 and up to ₹10,00,000, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹10,00,000, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non- Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares.

The allotment of Equity Shares to each Retail Individual Bidder and Non-Institutional Bidder shall not be less than the minimum bid lot, subject to the availability of shares in the Retail Portion and Non-Institutional Bidder, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Escrow Accounts for Anchor Investors

Our Company, in consultation with the BRLMs, 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 should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Account(s). For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favor of:

(a) In case of resident Anchor Investors: "[●]"; and

(b) In case of Non-Resident Anchor Investors: "[●]".

Anchor Investors should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: English national daily newspaper, all editions of [●], a widely circulated Hindi national daily newspaper, and [●] editions of [●], a Hindi daily newspaper with wide circulation (Hindi also being the regional language of Uttar Pradesh, where our Registered Office is located), each with wide circulation.

In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment advertisement

The Allotment Advertisement shall be uploaded on the websites of our Company, BRLMs and Registrar to the Offer, before 9:00 p.m. IST, on the second Working Day after the Bid/ Offer Closing Date, provided such final listing and trading approval from each of BSE and NSE is received prior to 9:00 p.m. IST on such day. In the event that the final listing and trading approval from each of BSE and NSE is received post 9:00 p.m. IST on the second Working Day after the Bid/ Offer Closing Date, then the Allotment Advertisement shall be uploaded on the websites of our Company, BRLMs and Registrar to the Offer, following the receipt of final listing and trading approval from each of BSE and NSE.

Our Company, the BRLMs and the Registrar shall publish an allotment advertisement not later than one Working Day after the date of commencement of trading, disclosing the date of commencement of trading in all editions of the English national daily newspaper, all editions of [●], a widely circulated Hindi national daily newspaper, and [●] editions of [●], a Hindi daily newspaper with wide circulation (Hindi also being the regional language of Uttar Pradesh, where our Registered Office is located), each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalization of the Offer Price but prior to the filing of Prospectus.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 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 six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within three Working Days of the Bid/Offer Closing Date or such other time as may be prescribed by the SEBI or under any applicable law shall be taken;

- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;

- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within 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;

- no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.; and

- if our Company, in consultation with the BRLMs withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, it shall be required to file a fresh draft red herring prospectus with the SEBI.

Undertakings by the Selling Shareholders

The Selling Shareholders, severally and not jointly, undertake the following:

- they are the legal and beneficial owners of the respective Equity Shares offered by them in the Offer for Sale;

- the respective Equity Shares offered by them in the Offer for Sale are free and clear of any encumbrances and shall be transferred to the successful Bidders within the time specified under applicable law.

- they have authorized our Company to take such necessary steps in relation to the completion of Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the extent of Equity Shares offered by them in the Offer for Sale;

- they shall not have any recourse to the proceeds of the Offer for Sale until final listing and trading approvals have been received from the Stock Exchanges;

- they shall comply with all applicable laws, including the Companies Act, the SEBI ICDR Regulations, the FEMA and all applicable circulars, guidelines and regulations issued by the SEBI and the RBI, each in relation to the respective Equity Shares offered by them in the Offer for Sale to the extent that such compliance is the obligation of such Selling Shareholders;

- they shall provide reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to their portion of the Offered Shares; and

- they shall provide reasonable assistance to our Company and the BRLMs to ensure that the Equity Shares offered by them in the Offer shall be transferred to the successful Bidders within the specified time period under applicable law.

Utilization of Net Proceeds

Our Company and the Selling Shareholders, severally and not jointly, specifically confirm that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Withdrawal of the Offer

Our Company, in consultation with the BRLMs, reserves the right to not proceed with the Offer, in whole or part thereof, after the Bid/Offer Opening Date but before the Allotment. In the event that our Company, in consultation with the BRLMs, decide not to proceed with the Offer, our Company shall issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two working days of the Bid/Offer Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Offer. In such event, the BRLMs through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks, as applicable, to unblock the Bid Amounts in the bank accounts of the ASBA Bidders and the BRLMs shall notify the Escrow Collection Bank to release the Bid Amounts of the Anchor Investors and any other investors, as applicable, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

If our Company, in consultation with the BRLMs, withdraws the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a fresh issue or offer for sale of Equity Shares, our Company shall file a fresh draft red herring prospectus with the SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final RoC approval of the Prospectus after it is filed with the RoC and (ii) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

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. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government of India has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. 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) ("**DPIIT**"), issued the FDI Policy, which, with effect from October 15, 2020 consolidated, subsumed and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as at and prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the FDI 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 FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "*Offer Procedure—Bids by Eligible NRIs*" and "*Offer Procedure—Bids by FPIs*" each on page 437 and 438.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Offer.

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 Investors**"), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Bid/Offer Period.

For further details, see "*Offer Procedure*" on page 433.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and 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 in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in 'offshore transactions' as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

MAIN PROVISION OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES

(Incorporated under the Companies Act, 1956)

ARTICLES OF ASSOCIATION

OF

KANODIA CEMENT LIMITED

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Extra Ordinary General Meeting held on, 23.03.2025 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.

Table 'F' EXCLUDED

1. (a) The regulations contained in the Table marked "F" in Schedule I of the Companies Act, 2013 (as defined below) shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

(b) **Company to be governed by these Articles**

The regulations for the management of the Company and for the observance of the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed or permitted by Section 14 of the Act, be such as are contained in these Articles.

INTERPRETATION

2. (A) (a) **Headings Not Authoritative**

The headings used in these Articles shall not affect the construction hereof.

(b) **Interpretation Clause**

In the Interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context.

(c) **"The Company" or" This Company" or "Company"**

"The Company" or "This Company" means Kanodia Cement Limited, Public Company incorporated under the Companies Act, 1956;

(d) **"The Act" or "The said Act" or "The Companies Act"**

"The Act" or "The said Act" means the Companies Act, 2013 (Act 18 of 2013) the rules, notifications, clarifications, circulars and orders issued thereunder and subsequent amendments thereto or any statutory modifications or re-enactments thereto or any statutory modifications or re-enactments thereof for the time being in force;

(e) **"Affiliate"**

"Affiliate" means, in relation to any Person, any entity Controlled, directly or indirectly, by that Person, or any entity that Controls, directly or indirectly, that Person, or any entity under common Control with that Person;

(f) **"Applicable Law"**

"Applicable Law" means all applicable laws, bye-laws, statutes, rules, regulations, orders, ordinances, notifications, protocols, treaties, codes, guidelines, policies, notices, directions, writs, orders, decisions, injunctions, judgments, awards, decrees or other requirements or official directive of any court of competent authority or of any competent Governmental Authority, including any International Trade Governmental Authority, the Securities and Exchange Board of India, or Person acting under the authority of any competent Governmental Authority of the Republic of India, including any International Trade Governmental Authority, rules of any stock exchanges and Indian GAAP or Ind AS or any other generally accepted accounting principles;

(g) **"Alter" And "Alteration"**

"Alter" and "Alteration" shall include the making of additions and omissions;

(h) **"Annual General Meeting"**

"Annual General Meeting" means a general meeting of the members held in accordance with the provisions of Section 96 of the Act and adjourned holding thereof;

(i) **"Articles"**

"Articles" mean the Articles of Association of the Company as originally framed or as altered from time to time;

(j) **"Auditors"**

"Auditors" means and includes those persons appointed as such for the time being by the Company;

(k) **"Beneficial Owner"**

"Beneficial Owner" shall mean the beneficial owner as defined in Clause (a) of sub-section (l) of Section 2 of the Depositories Act, 1996;

(l) **"Board" or "Board of Directors"**

"Board" or "Board of Directors" means the collective body of the directors of the Company;

(m) **"Body Corporate" or "Corporation"**

"Body Corporate" or "Corporation" includes a Company incorporated outside India but does not include:

(i) a co-operative society registered under any law relating to co-operative societies; and

(ii) any other body corporate (not being a Company as defined in the Act) which the Central Government may, by notification in the Official Gazette, specify in this behalf;

(n) **"Capital"**

"Capital" means the Share Capital for the time being raised or authorized to be raised, for the purpose of the Company;

(o) **"Controlling"**, "**Controlled by**" or "**Control"**

"Controlling", "Controlled by" or "Control" with respect to any Person, shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner;

(p) **"Debentures"**

"Debentures" include debenture-stock, bonds and other instruments of the Company evidencing debt, whether constituting a charge on the assets of the Company or not;

(q) **"Debenture Holders"**

"Debenture Holders" means the duly registered holders from time to time of the debentures of the Company and shall include in case of debentures held by a Depository, the beneficial owners whose names are recorded as such with the Depository;

(r) **"Depository"**

"Depository" shall mean a depository as defined in Clause (e) of the Sub-section (l) of Section of the Depository Act, 1996**;**

(s) **"Directors"**

"Directors" means the director appointed to the Board of the Company;

(t) **"Dividend"**

"Dividend" includes any interim dividend;

(u) **"Document"**

"Document" includes summons, notice, requisition order, declaration form and registers, whether issued, sent or kept in pursuance of this or any other law for the time being in force or otherwise, maintained on paper or in electronic form;

(v) "**Equity Shares**"

"**Equity Shares**" mean the equity shares of the Company;

(w) **"Extraordinary General Meeting"**

"Extraordinary General Meeting" means general meeting of the members other than Annual General Meeting duly called and constituted and any adjourned holding thereof;

(x) **"Executor" or "Administrator"**

"Executor" or "Administrator" means a person who has obtained probate or Letters of Administration, as the case may be, from some competent Court having effect in India and shall include the executor or Administrator or the holder of a certificate, appointed or granted by such competent Court and authorized to negotiate or transfer the shares of the deceased member;

(y) "**Financial Statements"**

"Financial Statements" shall mean, the financial statements of the Company prepared in accordance with Applicable Law and shall include without limitation, the balance sheet as at the end of the financial year and profit and loss account for the financial year, the cash flow statement for the financial year, the notes to the financial statements, directors report, the auditor's report and all disclosures as prescribed in Schedule II of the Act, a statement of changes in equity; and any explanatory note annexed to, or forming part of any of these documents;

(z) **"Gender"**

Words importing the masculine gender also include, where the context requires or admits, the feminine gender;

(aa) **"INR or Rs"**

"INR or Rs" means the Indian Rupees;

(bb) **"Independent Director"**

"Independent Director" shall mean an independent director as defined in Section 2 (47) of the Companies Act read with Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent modifications or amendments thereto.

(cc) “**Listing Regulations**” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent modifications or amendments thereto.

(dd) **“Key Managerial Personnel”**

“Key Managerial Personnel” means the Chief Executive Officer or the Managing Director or Manager; the Company Secretary; Whole-Time director; Chief Financial Officer, such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and such other officer as may be notified from time to time in the Rules.

(ee) **“Managing Director”**

“Managing Director” means a Director who by virtue of an Agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management;

(ff) **“Meeting” or “General Meeting”**

“Meeting” or “General Meeting” means a meeting of Members;

(gg) **“Member”**

“Member” means (*i*) the subscriber to the memorandum of the Company who shall be deemed to have agreed to become member of the Company, and on its registration, shall be entered as member in its register of members; (*ii*) every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company; (*iii*) every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository;

(hh) **“Memorandum”**

“Memorandum” means the Memorandum of Association of the Company as originally framed or as altered from time to time;

(ii) **“Month”**

“Month” means a calendar month;

(jj) **“National Holiday”**

“National Holiday” means and includes a day declared as national holiday by the Central Government;

(kk) **Non-retiring Directors**

Non-retiring Directors” means a director not subject to retirement by rotation;

(ll) **“Office”**

“Office” means the Registered Office for the time being of the Company;

(mm) **“Ordinary Resolutions”**

A resolution shall be an ordinary resolution when at a general meeting of which the notice required under the Act has been duly given, the votes cast (whether on a show of hands or on a poll, as the case may be in favor of the resolution (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the resolution by members so entitled and voting;

(nn) **“Paid-Up Share Capital “or “Share Capital Paid-Up**”

“Paid-Up Share Capital “or “Share Capital Paid-Up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid-up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the Company, but does not include any other amount received in respect of such shares, by whatever name called;

(oo) “**Person**”

“**Person**” includes any individual, partnership, corporation, company, Governmental Authority, unincorporated organization, association, trust or other entity (whether or not having a separate legal entity);

(pp) **“Plural Number”**

Words importing the plural number also include, where the context requires or admits, the singular number, and vice-versa;

(qq) **“Proxy”**

“Proxy’ include attorney duly constituted under the power of attorney;

(rr) **“Register of Members”**

“Register of Members” means the Register of Members to be kept, pursuant to the Act maintained on paper or in electronic form;

(ss) **“Registrar”**

“Registrar” means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated;

(tt) **“Regulations” or “The Company’s Regulations”**

“Regulations” or the Company’s Regulations means the regulations for the time being for the management of the Company;

(uu) “**Rules**”

“Rules” means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

(vv) **“Seal”**

“Seal” means the Common Seal of the Company for the time being;

(ww) “**SEBI**”

“SEBI” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.

(xx) **“Secretary”**

“Secretary” means a Company Secretary within the meaning of Section 2(1) (c) of the Companies Secretaries Act, 1980, and includes any individual possessing the prescribed qualifications and appointed as Secretary of the Company to perform the duties which may be performed by the Secretary under the “Act” and other ministerial or administrative duties;

(yy) **“Section” or “Sections”**

“Section” or “Sections” means a Section of the Act for the time being in force;

(zz) **“Share”**

“Share” means share in the Share Capital of the Company, and includes stock except where a distinction between stock and share is expressed or implied;

(aaa) **“Significant Beneficial Owner”**

"Significant Beneficial Owner" shall mean the beneficial owner as defined in Rule 2(1)(h) of Companies (Significant Beneficial Owners) Rules, 2018.

(bbb) **"Special Resolution"**

A Resolution shall be a Special Resolution when –

(i) the intention to propose the resolution as a special resolution has been duly specific in the notice calling the general meeting or other intimation given to the members of the resolution;

(ii) the notice required under the Act has been duly given of the general meeting; and

(iii) the vote cast in favor of the resolution (whether on a show of hands, or no a poll, as the case may be) by members who, being entitled so to do vote in person, or where proxies are allowed by proxy, are not less than three times the numbers of the votes, if any, cast against the resolution by members so entitled and voting.

(ccc) **"Stock Exchanges"**

means National Stock Exchange of India Limited, BSE Limited or such other recognized stock exchange in India or outside of India;

(ddd) **"These Presents"**

"These Presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time;

(eee) **"Transfer**"

"Transfer" means (in either the noun or the verb form and including all conjugations thereof with their correlative meanings) with respect to the Shares, the sale, assignment, transfer or other disposition (whether for or without consideration, whether directly or indirectly) of any Shares or of any interest therein or the creation of any third party interest in or over the Shares, but excluding any renunciation of any right to subscribe for any shares offered pursuant to a rights issue to existing shareholders in proportion to their existing shareholding in the Company;

(fff) **"Variation" and "Vary"**

"Variation" shall include abrogation and "Vary" shall include abrogate;

(ggg) **"Written" and "In Writing"**

"Written" and "In Writing" include printing, lithography and any other mode or modes of representing or reproducing words in a visible form or partly one and partly the other;

(hhh) **"Year" and "Financial Year"**

"Year" means a calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act;

(iii) **"Expression in the Act to bear the same meaning in Articles"**

Save as aforesaid, any words or expressions defined in the Act shall, where the subject or context bids, bear the same meaning in these Articles.

Interpretation

I. In these regulations –

"the Act" means the Companies Act 2013.

i. "the seal" means the common seal of the company.

ii. 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.

3. **Articles to be contemporary in nature**

The intention of these Articles is to be in consonance with the contemporary rules and regulations prevailing in India. If there is an amendment in any Act, rules and regulations allowing what were not previously allowed under the statute, the Articles herein shall be deemed to have been amended to the extent that Articles will not be capable of restricting what has been allowed by the Act by virtue of an amendment subsequent to registration of the Articles.

4. **Copies of Memorandum and Articles to be Furnished by the Company**

Pursuant to Section 17 of the Act, Company shall, on being so required by a member, send to him within 7 (seven) days of the requirement and subject to the payment of a fee of ₹ 1,000/- or such other fee as may be specified in the applicable Rules, a copy of each of the following documents, as in force for the time being:

(i) The Memorandum;

(ii) The Articles;

(iii) Every other agreement and every resolution referred to in Section 117(1), of the Act, if and in so far as they have not been embodied in the Memorandum or Articles.

5. **Company's Funds may not be Applied in Purchase of or Lent for Shares of the Company pursuant to section 67 of the Companies Act**

(a) The Company shall not have the power to buy its own shares, unless the consequent reduction of capital is effected and sanctioned in pursuance Section 66 of the Companies Act at the time of application.

(b) The Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding Company.

Provided that nothing in this clause shall be taken to prohibit:

(i) the provision by the Company, in accordance with any scheme approved by the Company through special resolution for the time being in force, of money for the purchase of, or subscription for fully paid shares in the Company or its holding company, being a purchase or subscription by trustees of, or for shares to be held by or for the benefit of employees of the Company, including any Director holding a salaried office or employment in the Company; or

(ii) the making by the Company of loans, within the limit laid down in Sub-Section (3)(c) of Section 67 of the Act, to persons (other than Directors or Key Managerial Personnel) bonafide in the employment of the Company, with a view to enabling those persons to purchase or subscribe for fully paid shares in the Company or its holding Company to be held by themselves by way of beneficial ownership.

(c) No loan made to any person in pursuance of clause (b) of the foregoing proviso shall exceed in amount, his salary or wages at that time for a period of six months.

(d) Nothing in this Article shall affect the right of the Company to redeem any shares issued under this Act or under any previous Company Law.

6. **Buy Back of Securities**

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.

7. **Share Capital and Variation of Rights**

(a) The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of the Memorandum each with power to consolidate, increase, reduce, subdivide the capital for the time being and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, cumulative, convertible, preference, guaranteed, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, alter, modify, amalgamate or abrogate any such rights, privileges or conditions in such a manner as may for the time being be provided for by the Articles of Association of the Company or by the law in force for the time being.

The Share Capital of the Company shall be of two kinds, namely:-

i. Equity Share Capital

- with voting rights; or
- with differential rights as dividend, voting or otherwise in accordance with the Act.

ii. Preference share capital.

(b) Subject to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the equity shares in the event of winding up of the Company, the holders of the equity shares shall be entitled to be repaid the amounts of capital paid up or credited as paid up on such equity shares and all surplus assets thereafter shall belong to the holders of the equity shares in proportion to the amount paid up or credited as paid-up on such equity shares respectively at the commencement of the winding up.

(c) 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 of the Act, 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.

8. **Increase of Capital**

The Company may from time to time in general meeting increase its share capital by the issue of new shares of such amounts as it thinks expedient.

On what Conditions the New Shares may be Issued

(a) Subject to the provisions of Section 43 to 47, 55 and 62 of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto by the general meeting creating the same as shall be directed and if no direction be given then as the Directors shall determine and in particular such shares may be issued subject to the provisions of the said Sections with a preferential or qualified right to dividends and in distribution of assets of the Company and, subject to the provisions of Companies Act, with special right of voting and, subject to provisions of Section 55 of the Act, any preference shares may be issued on the terms that they are or at the option of the Company are liable to be redeemed.

Further Issue of Capital

(b) Where at any time it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules notified thereunder.

(i) such further shares shall be offered to the persons who at the date of the offer or such other date as specified under applicable law, are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (ii) to (iv) below;.

(ii) the offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than 15 days (or such lesser number of days as may be prescribed under the Act or the rules notified thereunder, or other applicable law) and not exceeding 30 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three (3) days before the opening of the issue;

(iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right.

(iv) After the expiry of the time specified in notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as they think most beneficial to the Company and members.

(v) Notwithstanding anything contained in the preceding sub-clause, the Company may:

(a) by a special resolution offer further shares to any person or persons, and such person or persons may or may not include the person/s who at the date of the offer, are the holders of the equity shares of the Company or to employees of the Company under the Scheme of employees' stock option; or

(b) to any person(s), if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (b)(i) or clause (v)(a) above either for cash or for a consideration other than cash, if the price of such Shares is determined in accordance with applicable law. Further, where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by Members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company

(i) Notwithstanding anything contained in sub-clause (a) above, but subject, however, to section 62(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares, or to subscribe for shares in the Company.

(c) Nothing in sub-clause (iii) of clause (b) shall be deemed:

(i) To extend the time within which the offer should be accepted; or

(ii) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the Shares compromised in the renunciation.

(d) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company (i) to convert such debentures or loans into Shares in the Company or (ii) to subscribe for Shares of the Company (whether such option is conferred in these Articles or otherwise). Provided that the terms of issue of such debentures or the raising of the loans or is in conformity with the rules made, if any, by the Government in this behalf; and (ii) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the Company in General Meeting before the issue of the loans.

(e) Notwithstanding anything contained in Article 11(3) hereof, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into Shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion. In determining the terms and conditions of conversion, the Government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

(c) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act, Rules and other applicable provisions of law.

Employee Stock Option Scheme

(d) The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules, and other applicable regulations framed by any regulator or authority, by whatever name called.

Debenture

(e) Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

Directors may Allot Shares otherwise than for cash

(f) Subject to the provisions of the Act and these Articles, the Directors may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or, machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash, and if so issued, shall be deemed to be fully paid up or partly paid up shares as the case may be.

Same as Original Capital

(g) Except so far as otherwise provided by the conditions of issue or by these presents any capital raised by the creation of new shares shall be considered as part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls, installments, transfers, transmission, forfeiture, lien, surrender voting and otherwise.

Issue of Depository Receipts

(h) Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.

Power to issue Shares with differential voting rights

(i) The Company shall have the power to issue Shares with such differential rights as to dividend, voting or otherwise, subject to the compliance with requirements as provided for the Companies (Share Capital and Debentures) Rules, 2014, SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 as amended, or any other law, circular, direction, guidelines as may be applicable to the Company from time to time.

Issue of Securities

(j) Subject to compliance with applicable provision of the Act and rules framed thereunder the Company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.

9. **Power to Issue Redeemable Preference Shares**

(a) Subject to the provisions of Section 55 of the Act, the Company may issue preference shares which are or at the option of the Company are to be liable to be redeemed:

Provided that:

(i) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of redemption;

(ii) no such shares shall be redeemed unless they are fully paid;

(iii) where such shares are proposed to be redeemed out of the profits of the company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the Capital Redemption Reserve Account, and the provisions of this Act relating to reduction of share capital of a company shall, except as provided in this section, apply as if the Capital Redemption Reserve Account were paid-up share capital of the company; and the premium, if any, payable on redemption shall have been provided for out of the profits of the company or out of the Company's securities premium account before the shares are redeemed;

(iv) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed; and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act, apply as if the capital redemption reserve account were paid up share capital of the Company.

(b) Subject to the provisions of Section 55 of the Act and subject to the provisions on which any shares may have been issued, the redemption of preference shares may be effected on such terms and in such manner as may be provided in these Articles or by the terms and conditions of their issue and subject thereto in such manner as the Directors may think fit.

(c) The redemption of preference shares under these provisions by the Company shall not be taken as reducing the amount of its authorized share capital.

(d) Where in pursuance of this Article, the Company has redeemed or is about to redeem any preference shares, it shall have power to issue shares up to the nominal amount of the shares redeemed or to be redeemed as if those shares had never been issued; and accordingly, the share capital of the Company shall not, for the purpose of calculating the fees payable under Section 403 of the Act, be deemed to be increased by the issue of shares in pursuance of this clause.

Provided that where new shares are issued before the redemption of the old shares, the new shares shall not so far as relate to stamp duty be deemed to have been issued in pursuance of this clause unless the old shares are redeemed within one month after the issue of the new shares.

(e) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

10. **Provision in Case of Redemption of Preference Shares**

The Company shall be at liberty at any time, either at one time or from time to time as the Company shall think fit, by giving not less than six months' previous notice in writing to the holders of the preference shares to redeem at par the whole or part of the preference shares for the time being outstanding by payment of the nominal amount thereof with dividend calculated up to the date or dates notified for payment (and for this purpose the dividend shall be deemed to accrue and due from day to day) and in case of redemption of part of the preference shares the following provisions shall take effect :

(a) The shares to be redeemed shall be determined by drawing of lots which the company shall cause to be made at its registered office or at such other place as the Directors may decide, in the presence of one Director at least; and

(b) Forthwith after every such drawing, the Company shall notify to the shareholder whose shares have been drawn for redemption its intention to redeem such shares by payment at the registered office of the Company or at such other place as the directors may decide at the time and on the date to be named against surrender of the Certificates in respect of the Shares to be redeemed and at the time and date so notified each such shareholder shall be bound to surrender and thereupon the Company shall pay the amount payable to such shareholders in respect of such redemption. The Shares to be redeemed shall cease to carry dividend from the date named for payment as aforesaid. Where any such certificate comprises any shares, which have not been drawn for redemption, the Company shall issue to the holder thereof a fresh certificate therefore.

(c) Subject to the provisions of the Articles, the Company shall be entitled to create and issue further Preference Shares ranking in all or any respects *pari passu* with the preference shares then outstanding. PROVIDED in the event of its creating and/or issuing further preference shares ranking *pari passu* with the Preference Shares then outstanding the Company would do so only with the consent of the holders of not less than three-fourths of the preference shares then outstanding.

(d) The Redeemable Preference Shares shall not confer upon the holders thereof the right to vote either in person or by proxy at any general meeting of the Company save to the extent and in the manner provided by Section 47 of the Act.

(e) The rights, privileges and conditions for the time being attached to the Redeemable Preference Shares may be varied, modified or abrogated in accordance with the provisions of these Articles and of the Act.

11. **Convertible Preference Shares**

Subject to the provisions of the Act and the guidelines issued by the Central Government from time to time under the Provisions of the Act, the Company may issue Convertible Preference Shares (CPS) in such manner as the Board of Directors of the Company may decide and specifically provide for:

(i) the Quantum of issue;

(ii) the terms of the issue with particular reference to the conversion of CPS into the equity shares of the company;

(iii) the rate of cumulative preferential dividend payable on CPS, the voting rights to be attached to CPS and any other terms and conditions which may be attached to the issue of CPS as permissible in law

12. **Reduction of Capital**

The Company may, by a Special Resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act—

(a) its share capital; and/or

(b) any capital redemption reserve account; and/or

(c) any share premium account

and, in particular, without prejudice to the generality of the foregoing power may by: (i) extinguishing or reducing the liability on any of its Shares in respect of share capital not paid-up; (ii) either with or without extinguishing or reducing liability on any of its Shares,

(a) cancel paid-up share capital which is lost or is unrepresented by available assets; or

(b) pay off any paid-up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its Shares accordingly

13. **Division, Sub-division, consolidation, Conversion and Cancellation of Shares**

Subject to the provisions of Section 61 of the Act, the Company in general meeting may alter the conditions of its Memorandum as follows, that is to say, it may:

(a) increase its authorized share capital by such amount as it as it thinks expedient;

(b) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares. Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall have effect unless it is approved by the Court or Tribunal as applicable;

(c) sub-divide its shares or any of them into shares of smaller amount than originally fixed by the Memorandum subject nevertheless to the provisions of the Act in that behalf and so however that in the sub-division the proportion between the amount paid and the amount, if any unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and so that as between the holders of the shares resulting from such sub-division one or more of such shares may, subject to the provisions of the sub-division one or more of such shares may, subject to the provisions of the Act, be given any preference or advantage over the others or any other such shares;

(d) convert, all or any of its fully paid up shares into stock, and re-convert that stock into fully paid up shares of any denomination;

(e) cancel, shares which at the date of passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. The cancellation of Shares shall not be deemed to be a reduction of the authorised share capital.

14. **Modification of Rights**

If at any time the share capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise provided by the terms of issue of the share of that class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound up, be varied, modified, commuted, affected or abrogated with the consent in writing of the holders of three-fourth in nominal value of the issued shares of that class or with the sanction of a Special Resolution passed at separate general meeting of the holders of the shares of that class. This Article shall not derogate from any power which the Company would have if this Article were omitted. The Provisions of these Articles relating to general meeting shall *mutatis mutandis* apply to every such separate meeting but so that if at any adjourned meeting of such holders a quorum as defined in Article 100 is not present, those persons who are present shall be the quorum.

15. **Conversion of Shares into Stock**

The Board may, pursuant to Section 61 of Act, with the sanction of a General Meeting, convert any paid up share into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth, transfer their respective interests therein or any part of such interest in the same manner as and subject to the same regulations, under which fully paid up share in the capital of the Company may be transferred or as near thereto as circumstances will admit, but the Board may, from time to time if it thinks fit, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, power nevertheless at their discretion to waive such rules in any particular case. Notice of such conversion of shares into stock or reconversion of stock into shares shall be filed with the Registrar of Companies as provided in the said Act.

16. **Rights of Stock-Holders**

The stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and for other purposes, as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted but no such privileges or advantages, except the participation in profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such equivalent part of, consolidated stock as would not, if existing in shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special holders of the share and authenticated by such evidence (if any) as the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares and the words “share” and “shareholder” in these presents shall include “stock” and “stock-holder”.

17. **Shares and Certificates**

(a) **Issue of Certificate**

Every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the Shares of each class or denomination registered in his name, or if the Board of Directors so approve (upon paying such fee as the Board of Directors so determine) to several certificates, each for one or more of such Shares and the Company shall complete and have ready for delivery such certificates, unless prohibited by any provision of law or any order of court, tribunal or other authority having jurisdiction, within two (2) months from the date of allotment, or within one (1) month of the receipt of application of registration of transfer, transmission, sub division, consolidation or renewal of any of its Shares as the case maybe or within such other period as any other legislation for time being in force may provide or within a period of six (6) months from the date of allotment in the case of any allotment of debenture or within such other period as any other legislation for time being in force may provide. In respect of any share or Shares held jointly by several persons, the Company shall not be bound to issue more than one (1) certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such joint holders.

Every certificate shall specify the Shares to which it relates and the amount paid-up thereon and shall be signed by two (2) directors or by a director and the company secretary, wherever the Company has appointed a company secretary and the common seal, if any, shall be affixed in the presence of the persons required to sign the certificate.

(b) **Rules to Issue Share Certificates**

The Act shall be complied with in respect of the issue, reissue, renewal of share certificates and the format, sealing and signing of the certificates and records of the certificates issued shall be maintained in accordance with the Act.

(c) **Issue of New Certificate in Place of One Defaced, Lost or Destroyed**

If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, 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 deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued upon payment of Rupees 20 for each certificate. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Board of Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules notified under the Act or the rules notified under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf.

The provision of this Article shall *mutatis mutandis* apply to issue of certificates for any other securities including debentures of the Company.

Except as required by Applicable Laws, no person shall be recognized 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 recognize (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 Articles or by Applicable Laws) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

(d) **Issue of Further Shares not to Affect Right of Existing Shareholders**

The right or privileges conferred upon the holders of the shares of any class issued with preference 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 or modified or affected by the creation or issue of further shares ranking *pari passu* therewith.

(e) **Provisions of Section 43, 45, 46 and 47 of the Act to apply**

The provisions of Section 43, 45, 46 and 47 of the Act in so far as the same may, be applicable shall be observed by the Company.

18. **Register of Members and Debenture holders**

(a) The Company shall cause to be kept a Register of Members and an Index of Members in accordance with Section 88 of the Act and Register and Index of Debenture holders in accordance with Section 88 of the Act. The Company may also keep foreign Register of Members and Debenture holders in accordance with Section 88 of the Act.

(b) The Company shall also comply with the provisions of Sections 92 of the Act as to filing of Annual Returns.

(c) The Company shall duly comply with the provisions of Section 94 of the Act with regards to keeping of the Registers, indexes, copies of Annual Returns and giving inspections thereof and furnishing copies thereof.

(d) Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.

19. **Register and Index of Beneficial owners**

A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time, or any statutory modification thereto or re-enactment thereof. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.

The Company shall also maintain a register and index of beneficial owners in accordance with all applicable provisions of the Act, and the Depositories Act, 1996 with details of shares held in dematerialized form in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any Country outside India a branch Register of beneficial owners residing outside India.

20. **Restriction on Allotment**

The Board shall observe the restriction as to allotment of shares to the public contained in Section 39 of the Act shall cause to be made the return as to allotment provided for in Section 39 of the Act.

21. **Shares to be Numbered Progressively and no share to be subdivided**

The shares in the capital shall be numbered progressively accordingly to the several denominations and except in the manner herein before mentioned no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

22. **Dematerialised Shares**

Notwithstanding anything contained herein, in the case of transfer of shares or other marketable securities where the Company has not issued any Certificates and where such shares or other marketable securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply. Further, the provisions relating to progressive numbering shall not apply to the shares of the Company which have been dematerialised.

23. **Shares at the Disposal of the Directors**

Subject to the provisions of Section 62 of the Act and these Articles the shares in the Capital of the Company for the time being shall be under the control of the 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 or (subject to compliance with the provisions of Section 53 of the Act) at a discount and at such time as they may from time think fit and with the sanction of the Company in General Meeting to give to any person the option to all for any shares either at par or at a premium during such time and for such consideration as the Directors may think, fit, and may issue and allot shares in the Capital of the Company on payment in full or part for any property sold and transferred or for services rendered to the Company in the conduct of its business, and any shares which may be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

24. **Every Shares Transferable etc.**

(i) The shares or other interest of any member in the Company shall be movable property, transferable in the manner provided by these Articles.

(ii) Each share in the Company shall be distinguished by its appropriate number.

(iii) A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be, *prima facie*, evidence of the title of the member of such shares**.**

25. **Application of Premium Received on Issue of Shares**

(a) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of value of the premium on these shares shall be transferred to an account to be called "the securities premium account", and the provisions of the Act relating to the reduction of the Share Capital of the Company shall except as provided in this Article, apply as if the securities premium account were paid up share capital of the Company.

(b) The securities premium account may, notwithstanding, anything in clause (a) above, be applied by the Company:

   (i) In paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares;

   (ii) In writing off the preliminary expenses of the Company;

(iii) In writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; or

(iv) In providing for the premium payable on the redemption of any redeemable preference shares or any debentures of the Company;

(v) For the purchase of its own shares or other securities as provided under Section 68 of the Act.

26. **Sale of Fractional Shares**

(i) If and wherever, as the result of issue of new or further shares or any consolidation or sub-division of shares, any shares are held by members in fractions, the Directors shall, subject to the provisions of the Act and these Articles if any, sell those shares, which members hold in fractions, for the best price reasonably obtainable and shall pay and distribute to and amongst to members entitled to such shares in due proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorize any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see the applications 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.

(ii) The Board shall have power 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.

27. **Acceptance of Shares**

An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose names is on the Register of Members shall for the purpose of these Articles be a member. The Directors shall comply with the provisions of Section 39 and 40 of the Act in so far as they are applicable.

28. **Deposits and Calls etc. to be a Debt Payable immediately**

The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, immediately, on the insertion of the name of the holder of such shares, become a debt, due to and recoverable by the Company from the Allottee thereof, and shall be paid by him accordingly.

29. **Company not Bound to Recognize any Interest in Shares other than of Registered Holder**

Save as herein provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof, and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognize any benami, or partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof and the provision of Section 88 of the Act shall apply.

30. **Declarations of Person Not Holding Interest in Shares**

When any declaration is filed with the Company under the provisions of Section 89 of the Act by any holder of shares who does not hold beneficial interest in such shares specifying the particulars of the person holding beneficial interest in such shares or by a person who holds beneficial interest in any shares of the Company but is not the registered holder thereof, the Company shall make a note of such declaration in its register of members and file, within 30 days from the date of receipt of the declaration by it, a return with the registrar with regard to such declaration.

When any declaration is filed with the Company under the provisions of Section 90 of the Act by any individual who is Significant Beneficial Owner shall file a declaration in the prescribed form to the Company within time period stipulated under the Act, the Company shall file a return in the prescribed format with the registrar in respect of such declaration within 30 days from the date of receipt of such declaration.

The Company shall maintain a register of Significant Beneficial Owner in Form No. BEN-3, which shall be open for inspection in accordance with the provisions of the Act.

For the purpose of this Article, beneficial interest in a share includes includes, directly or indirectly, through any contract, arrangement or otherwise, the right or entitlement of a person alone or together with any other person to—

(i) exercise or cause to be exercised any or all of the rights attached to such share; or

(ii) receive or participate in any dividend or other distribution in respect of such share

31. **Issue of Certificates of Shares to be Governed by Section 46 of the Act etc.**

(a) The issue of certificates of shares or of duplicate or renewal of certificates of shares and/or advices/certificates issued upon sub-division, split, consolidation and exchanges shall be governed by the provisions of Section 46 and other provisions of the Act, as may be applicable and by the Rules or notifications or orders, if any, which may be prescribed or made by competent authority under the Act or Rules or the as well as the Listing Regulations, as may be applicable or any other law. The Directors may also comply with the provisions of such rules or regulations of any Stock Exchange where the shares of the Company may be listed from the time being.

(b) The Certificate of title of shares shall be issued under the Seal of the Company, if any, and shall be signed by such Directors or Officers or other authorized persons as may be prescribed by Rules made under the Act from time to time and subject thereto shall be signed in such manner and by such persons as the Directors may determine from time to time.

(c) The Company shall comply with all rules and regulations and other directions which may be made by any competent authority under Section 46 of the Act and the Listing Regulations.

32. **Limitation of Time of Issue of Certificate**

(a) Every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the Shares of each class or denomination registered in his name, or if the Board of Directors so approve (upon paying such fee as the Board of Directors so determine) to several certificates, each for one or more of such Shares and the Company shall complete and have ready for delivery such certificates, unless prohibited by any provision of law or any order of court, tribunal or other authority having jurisdiction, within two (2) months from the date of allotment, or within one (1) month of the receipt of application of registration of transfer, transmission, sub division, consolidation or renewal of any of its Shares as the case maybe or within such other period as any other legislation for time being in force may provide or within a period of six (6) months from the date of allotment in the case of any allotment of debenture or within such other period as any other legislation for time being in force may provide. In respect of any share or Shares held jointly by several persons, the Company shall not be bound to issue more than one (1) certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such joint holders.

Every certificate shall specify the Shares to which it relates and the amount paid-up thereon and shall be signed by two (2) directors or by a director and the company secretary, wherever the Company has appointed a company secretary and the common seal, if any, shall be affixed in the presence of the persons required to sign the certificate.

(b) The Company may not entertain any application for split of share/debenture certificate for less than 100 shares/debentures (all relating to the same series) or marketable lots whichever is lower.

(c) Notwithstanding anything contained in Clause (a) above the Directors shall, however, comply with such requirements of the Stock Exchange where shares of the Company may be listed or such requirements of any rules made under the Act or such requirements of the Securities Contracts (Regulation) Act, 1956 as may be applicable.

33. **Issue of new Certificates in Place of one defaced Lost or Destroyed**

If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, 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 deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued upon payment of Rupees 20 for each certificate. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the directors shall comply with such Rules or Regulation or requirements of any Stock Exchange including the Listing Regulations or the Rules made under the Act or the Rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, on Rules applicable in this behalf.

The provisions of the Article under this heading shall *mutatis mutandis* apply to debentures of the Company.

34. **Unclaimed Securities**

The Company shall comply with the provisions of the Listing Regulations while dealing with securities that remain unclaimed and the corporate benefits attached thereto. The Company shall maintain appropriate unclaimed suspense accounts and demat suspense accounts, as may be required to hold unclaimed securities on behalf of allottees and issue such reminders to the allottees as may be required under the Listing Regulations. However, shares in respect of which unpaid or unclaimed dividend has been transferred to the account of the Company in terms of Section 124(5) of the Act shall also be transferred to the Company as per the provisions of Section 124(6) of the Act.

35. **Underwriting Commission and Brokerage**

(A) **Power to pay Certain Commission and Prohibition of Payment of All Other Commission, Discounts etc.**

The company may pay commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, subject to the following conditions, namely: -

(a) the payment of such commission shall be authorized in the company's articles of association;

(b) the commission may be paid out of proceeds of the issue or the profit of the company or both;

(c) the rate of commission paid or agreed to be paid shall not exceed, in case of shares, five percent of the price at which the shares are issued or a rate authorised by the articles, whichever is less, and in case of debentures, shall not exceed two and a half per cent of the price at which the debentures are issued, or as specified in the company's articles, whichever is less;

(d) the prospectus of the company shall disclose—

(i) the name of the underwriters;

(ii) the rate and amount of the commission payable to the underwriter; and

(iii) the number of securities which is to be underwritten or subscribed by the underwriter absolutely or conditionally. Lieu of Prospectus and filed before the payment of the commission with the Registrar and where a circular or notice not being a prospectus inviting subscription for the shares or debentures is issued is also disclosed in that circular or notice;

(e) there shall not be paid commission to any underwriter on securities which are not offered to the public for subscription;

(B) Save as aforesaid and save as provided in Section 53 of the Act, the Company shall not allot any of its shares or debentures or apply any of its moneys, either directly or indirectly, in payment of any commission, discount or allowance, to any person in consideration of:

(i) his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any sharers in, or debentures of the Company or;

(ii) his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in, or debentures of the Company whether the shares, debentures or money be so allotted or applied by, being added to the purchase money of any property acquired by the Company or to the contract price of any work to be executed for the Company, or the money be paid by as the nominal purchase money or contract price, or otherwise.

(C) Nothing in this Article shall affect the power of the Company to pay such brokerage as it has hereto before been lawful for the Company to pay.

(D) The commission may be paid or satisfied (subject to the provisions of the Act and these articles) in cash, or in shares, debentures or debenture-stocks of the Company.

36. **Calls**

(A) **Board to have Right to Make Calls on Shares**

The Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the Shares (whether on account of the nominal value of the Shares or by 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 (1) month from the date fixed for the payment of the last preceding call. A call may be revoked or postponed at the discretion of the Board. The power to call on Shares shall not be delegated to any other person except with the approval of the shareholders in a General Meeting and as maybe permitted by law.

(B) **Notice for Call**

Each Member shall, subject to receiving at least fourteen (14) 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.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call, in respect of one (1) or more Members, as the Board may deem appropriate in any circumstances.

(C) **Call when Made**

The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in installments.

(D) **Liability of Joint Holders for a Call**

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

(E) **Calls to Carry Interest**

If a Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.

(F) **Dues Deemed to be Calls**

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 Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(G) **Effect of Non-Payment of Sums**

In case of non-payment of such sum, all the relevant provisions of these Articles 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.

(H) **Payment in Anticipation of Call May Carry Interest**

The Board –

(a) may, subject to provisions of the Act, 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;

(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 as may be agreed upon between the Board and the Member paying the sum in advance. Nothing contained in this Article shall confer on the Member (i) any right to participate in profits or dividends; or (ii) any voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable by him.

The Members shall not be entitled to any voting rights in respect of the money so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

(I) **Provisions as to Calls to Apply Mutatis Mutandis to Debentures, Etc.**

The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities, including debentures, of the Company, to the extent applicable.

37. **Lien**

(A) **Company's Lien on Shares / Debentures**

The Company shall subject to applicable law have a first and paramount lien on every share / debenture (not being a fully paid-up share / debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share / debenture and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares /debentures. Unless otherwise agreed, the registration of transfer of Shares / debentures shall operate as a waiver of the Company's lien, if any, on such Shares / debentures.

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

The fully paid-up Shares shall be free from all lien and in the case of partly paid-up Shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such Shares.

(B) **Lien to Extend to Dividends, Etc.**

The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such Shares / debentures.

(C) **Enforcing Lien by Sale**

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—

unless a sum in respect of which the lien exists is presently payable; or until the expiration of fourteen (14) 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 to the person entitled thereto by reason of his death or insolvency or otherwise.

No Member shall exercise any voting right in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

(D) **Validity of Sale**

To give effect to any such sale, the Board may authorise some person to transfer the Shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the Shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

(E) **Validity of Company's Receipt**

The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case maybe) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

(F) **Application of Sale Proceeds**

The proceeds of any such 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 and 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.

(G) **Outsider's Lien not to affect Company's Lien**

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by law) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

(H) **Provisions as to Lien to Apply Mutatis Mutandis to Debentures, Etc.**

The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

38. **Forfeiture**

(A) **Board to have a Right to Forfeit Shares**

If a Member fails to pay the whole or any part of any call, or installment of a call or any money due in respect of any share 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 or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

(B) **Notice for Forfeiture of Shares**

The notice aforesaid shall:

(a) name a further day (not being earlier than the expiry of fourteen (14) 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.

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.

(C) **Receipt of Part Amount or Grant of Indulgence not to Affect Forfeiture**

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any Shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any Shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such Shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by applicable law.

(D) **Forfeited Share to be the Property of the Company**

Any share forfeited in accordance with these Articles, shall be deemed to be the property of the Company and may be sold, re-allocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board thinks fit.

(E) **Entry of Forfeiture in Register of Members**

When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting Member and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

(F) **Member to be Liable even after Forfeiture**

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, and shall 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. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the Shares at the time of forfeiture or waive payment in whole or in part. 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.

(G) **Effect of Forfeiture**

The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles expressly saved.

(H) **Certificate of Forfeiture**

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.

(I) **Title of Purchaser and Transferee of Forfeited Shares**

The Company may receive the consideration, if any, given for the share on any sale, re- allotment 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. The transferee shall thereupon be registered as the holder of the share and 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, re-allotment or disposal of the share.

(J) **Validity of Sales**

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the Shares sold and cause the purchaser’s name to be entered in the Register of Members in respect of the Shares sold and after his name has been entered in the Register of Members in respect of such Shares the validity of the sale shall not be impeached by any person.

(K) **Cancellation of Share Certificate in respect of Forfeited Shares**

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative Shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said Shares to the person(s) entitled thereto.

(L) **Board Entitled to Cancel Forfeiture**

The Board may at any time before any share so forfeited shall have them sold, reallotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions as it thinks fit.

(M) **Surrender of Share Certificates**

The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering them on such terms as they think fit.

(N) **Sums Deemed to be Calls**

The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

(O) **Provisions as to Forfeiture of Shares to apply Mutatis Mutandis to Debentures, Etc.**

The provisions of these Articles relating to forfeiture of Shares shall mutatis mutandis apply to any other securities, including debentures, of the Company.

39. **Register of Share Transfer**

The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

40. **Governing Law for Transfer and Transmission**

Notwithstanding anything containing in Article but subject to the applicable provisions of the Act, any transfer or transmission of Shares of the Company held in dematerialized form shall be governed by the provisions of the Depositories Act, 1996 and the rules and regulations made thereunder.

(A) **Endorsement of Transfer**

In respect of any transfer of Shares registered in accordance with the provisions of these Articles, the Board may, at its discretion, direct an endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or Officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate, in lieu of and in cancellation of the existing certificate in the name of the transferee.

(B) **Instrument of Transfer**

The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of Shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of Shares, where the Company has not issued any certificates and where the Shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.

The Board may decline to recognize any instrument of transfer unless-

(a) the instrument of transfer is in the form prescribed under the Act;

(b) the instrument of transfer is accompanied by the certificate of 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.

No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

(C) **Execution of Transfer Instrument**

Every such instrument of transfer shall be executed, by or on behalf of both the transferor and the transferee and the transferor shall be deemed to remain holder of the Shares until the name of the transferee is entered in the Register of Members in respect thereof.

(D) **Closing Register of Transfers and of Members**

Subject to compliance with the Act and other applicable law, the Board shall be empowered, on giving not less than seven (7) days' notice or such period as may be prescribed, to close the transfer books, the Register of Members, the register of debenture holders at such time or times, and for such period or periods, not exceeding thirty (30) days at a time and not exceeding an aggregate forty five (45) days in each year as it may seem expedient.

(E) **Board of Directors may Refuse to Register Transfer**

Subject to the provisions of Section 58 of the Act, Section 22A of the Securities Contracts (Regulations) Act, 1956, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may (at its own absolute and uncontrolled discretion) decline or refuse by giving reasons, whether in pursuance of any power of the Company under these Articles or otherwise, to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any securities or interest of a Member in the Company, after providing sufficient cause, within a period of thirty (30) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company. Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on Shares. Transfer of Shares /debentures in whatever lot shall not be refused.

(F) **Transfer of Partly Paid Shares**

Where in the case of partly paid-up Shares, an application for registration is made by the transferor alone, the transfer shall not be registered, unless the Company gives the notice of the application to the transferee in accordance with the provisions of the Act and the transferee gives no objection to the transfer within the time period prescribed under the Act.

(G) **Title to Shares of Deceased Members**

On the death of a Member, the survivor or survivors where the Member was a joint holder, and his nominee or nominees or legal representative where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the Shares. Nothing contained herein above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other person(s).

(H) **Transfers not Permitted**

No share shall in any circumstances be transferred to any infant, insolvent or a person of unsound mind, except fully paid-up Shares through a legal guardian.

(I) **Transmission of Shares**

Subject to the provisions of the Act and these Articles, any person becoming entitled to Shares in consequence of the death, lunacy, bankruptcy or insolvency of any Members, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of his title, elect to either be registered himself as holder of the Shares or elect to have some person nominated by him and approved by the Board, registered as such holder or to make such transfer of the share as the deceased or insolvent member could have made. 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. Provided, nevertheless, if such person shall elect to have his nominee registered, he shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the Shares. Further, all limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer 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.

(J) **Rights on Transmission**

A person becoming entitled to a share by reason of the death or insolvency of the holder shall, subject to the Board of Directors' right to retain such dividends or money, 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 a 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 (90) days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of such share, until the requirements of notice have been complied with.

(K) **Share Certificates to be Surrendered**

Before the registration of a transfer, the certificate or certificates of the share or Shares to be transferred must be delivered to the Company along with (save as provided in the Act) properly stamped and executed instrument of transfer.

(L) **Company not Liable to Notice of Equitable Rights**

The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable rights, title or interest in the said Shares, notwithstanding that the Company may have had notice of such equitable rights referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable rights, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

(M) **Transfer and Transmission of Debentures**

The provisions of these Articles, shall, *mutatis mutandis*, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the Company.

41. **Joint Holders**

Joint Holders

(a) Where two or more persons are registered as the holders of any share /debenture, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles.

(i) In the case of a transfer of share/ debenture held by joint holders, the transfer will be effective only if it is made by all the joint holders.

(ii) The Joint holder of any share/debenture shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share/debenture.

(iii) On the death of anyone or more of such joint holders the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share/debenture, but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on share/debentures held by him jointly with any other person.

(iv) Any one of such joint holders may give effectual receipts of any dividends, interest or other moneys payable in respect of such share/debenture.

(v) Only the person whose name stands first in the Register of Members/Debenture holders as one of the joint holders of any share/debentures shall be entitled to the delivery of the certificate relating to such share/debenture or to receive notice (which expression shall be deemed to include all documents as defined in Article (2) (A) hereof and any document served on or sent to such person shall be deemed service on all the joint holders.

(vi) Any one or two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney than that one or such persons so present whose name stands first or higher (as the case may be) on the Register of Members in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to be present at the meeting provided always that joint holder present at any meeting personally shall be entitled to vote in preference to a joint-holder present by Attorney or proxy although the name of such joint holder present by an Attorney or proxy stands first or higher (as the case may be) in the Register in respect of such shares.

(b) Several executors or administrators of a deceased member in whose (i.e. the deceased member's) sole name, any share stands, shall for the purpose of this clause, be deemed joint holders.

42. **Borrowing Powers**

Subject to the provisions of Section 73, 179, 180 of the Act and of these Articles and subject to any restriction imposed by Reserve Bank of India, Board of Directors, may from time to time at its discretion, by a resolution passed at a meeting of the Board, accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company, its free reserves and securities premium (not being reserves set apart for any specific purpose) or up to such amount as may be approved by the shareholders from time to time the Board of Directors shall not borrow such moneys without the sanction of the Company in General Meeting. No debt incurred by the Company in excess of the limit imposed by this Article shall be paid or effectual unless the tenderor proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.

43. **Bonds, Debentures etc. to be subject to control of Directors**

Any bonds, debentures, debenture-stocks or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

Provided that bonds, debentures, debenture-stock or other securities so issued or to be issued by the Company with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting.

44. **Power to issue shares at Discount**

The Company can only issue sweat equity shares at Discount as per Section 54 of the Act.

45. **Debentures with voting rights not to be issued**

(a) The Company shall not issue any debentures carrying voting rights at any meeting of the Company whether generally or in respect of particular classes of business.

(b) Certain charges mentioned in Section 77 of the Act shall be void against the liquidators or creditors unless registered as provided in Section 77 of the Act.

(c) The term `charge' shall include mortgage in these Articles.

(d) A contract with the Company to take up and pay for any debentures of the Company may be enforced by a decree or specific performance.

46. **Limitation of Time for Issue of Certificate**

The Company shall, within six months after the allotment of any of its debentures or debenture-stock, and within one month after the application for the registration of the transfer of any such debentures or debenture stocks have complete and deliver the Certificate of all the debentures and the Certificate of all debenture stocks allotted or transferred unless the conditions of issue of the debentures or debenture-stocks otherwise provide.

The expression `transfer' for the purpose of this clause means a transfer duly stamped and otherwise valid and does not include any transfer which the Company is for any reason entitled to refuse to register and does not register.

47. **Right to Obtain Copies of and Inspect Trust Deed**

(i) A copy of any Trust Deed for securing any issue of debentures shall be forwarded to the holders of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment of ₹ 10/- (Rupees Ten) for each Page of the copy of any Trust Deed.

(ii) The Trust Deed referred to in item (i) above also be open to inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of these same fees, as if it were the Register of members of the Company.

48. **Mortgage of Uncalled Capital**

If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall, subject to the provisions of the Act and these Articles, make calls on the members in respect of such uncalled capital in trust for the person in whose favor such mortgage or security is executed.

49. **Indemnity May be given**

If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

50. **Registration of Charges**

(a) The provisions of the Act relating to registration of charges shall be complied with.

(b) In case of a charge created out of India and comprising solely property situated outside India, the provisions of Section 77 of the Act shall also be complied with.

(c) Where a charge is created in India but comprised property outside India, the instrument, creating or purporting to create the charge under Section 77 of the Act or a copy thereof verified in the prescribed manner, may be filed for registration, notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the property is situated, as provided by Section 77 of the Act.

(d) Where any charge on any property of the Company required to be registered to be registered under Section 77 of the Act has been so registered, any person acquiring such property or any part thereof or any share or interest therein shall be deemed to have notice of the charge as from the date of such registration.

(e) Any creditors or member of the Company and any other person shall have the right to inspect copies of instruments creating charges and the Company's Register of Charges in accordance with and subject to the provisions of Section 85 of the Act.

(f) The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.

51. **Trust not Recognized**

No notice of any trust, express or implied or constructive, shall be entered on the register of *Debenture* holders.

52. **General Meetings**

(A) **Annual General Meeting**

Subject to the provisions contained in Section 96 and 129 of the Act, as far as applicable, the Company shall in each year hold, in addition to any other meetings, a general meeting as its annual general meeting, and shall specify, the meeting as such in the notice calling it, and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next.

(B) **Time and Place of Annual General Meeting**

Every annual general meeting shall be called at any time during business hours that is between 9 am to 6 pm, on a day that is not a National Holiday, and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated, and the notice calling the meeting shall specify it as the annual general meeting.

(C) **Section 101 to 109 of the Act shall apply to Meeting**

Sections 101 to 109 of the Act with such adaptation and modifications, if any as may be prescribed, shall apply with respect to meeting of any class of members or debenture holders of the Company in like manner as they would with respect to general meetings of the Company.

(D) **Powers of Directors to Call Extraordinary General Meeting**

The Directors may call an extraordinary general meeting of the Company whenever they think fit. 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 (2) 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 of Directors.

(E) **Calling of Extra Ordinary General Meeting on requisition**

(a) The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified in clause (d) of this Article, forthwith proceed duly to call an Extra-ordinary general meeting of the Company.

(b) The requisition shall set out the matters for the considerations of which the meeting is to be called, shall be signed by requisitions, and shall be deposited at the registered office of the company.

(c) The requisition may consist of several documents in like forms, each signed by one or more requisitionists.

(d) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of the deposit of the requisition not less than one tenth of such of the paid up share capital of the Company as at that date carried the right of voting in regard to that matter.

(e) Where two or more distinct matters are specified in the requisition the provisions of clause (a) above, shall apply separately in regard to each such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that clause is fulfilled.

(f) If the Board does not, within twenty-one days from the date of deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters then on a day not later than forty five days from the date of the deposit of the requisition, the meeting may be called by the requisitionists themselves within a period of three months from the date of requisition.

Explanation: For the purpose of this clause, the Board shall in the case of a meeting at which Resolution is to be proposed as a special Resolution, be deemed not have duly convened the meeting if they do not give such notice thereof as is required by Section 114 of the Act.

(g) A meeting, called under Clause (f) above, by the requisitionists or any of them:

(i) shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board; but

(ii) shall not be held after the expiration of three months from the date of the deposit of the requisition.

Explanation: Nothing in Clause (g) (ii) above, shall be deemed to prevent a meeting only commenced before the expiry of the period of three months aforesaid, from adjourning to some day after the expiry of that period.

(h) Where two or more persons hold any shares or interest in the Company jointly, requisition, or a notice calling a meeting, signed by one or some of them shall, for the purpose of this Article, have the same force and effect as if it had been signed by all of them.

(i) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

(F) **Length of Notice for Calling Meeting**

(a) A general Meeting of the Company may be called by giving not less than clear twenty-one days' notice in writing or through electronic mode in such manner as may be prescribed by the Central Government.

(b) A General Meeting of the Company may be called after giving shorter notice than that specified in clause(a) if consent is accorded thereto:

(i) in the case of an Annual General Meeting, by not less than ninety-five per cent. of the Members entitled to vote thereat; and

(ii) in the case of any other general meeting, by Members holding majority in number of Members entitled to vote and who represent not less than ninety-five per cent. of such part of the paid-up share capital of the Company as gives a right to vote at the meeting;

Provided that where any members of the Company are entitled to vote only on such resolution or resolution to be moved at the meeting and not on the others, those members shall be taken into account for the purposes of this clause in respect of the former resolution or resolutions and not in respect of the latter.

(G) **Contents and Manner of Service of Notice and Persons on whom it is to be served.**

(a) Every notice of a meeting of the Company shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted there at.

(b) Notice of every meeting of the Company shall be given:

(i) to every member of the Company, in any manner authorized by Section 20 of the Act;

(ii) to the persons entitled to a share in consequence of a death or insolvency of a member, by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignees of the insolvent, or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred;

(iii) to the auditor or Auditors for the time being of the Company in any manner authorized by Section 20 of the Act in the case of any member or members of the Company; and

(iv) to all the Directors of the Company,

Provided that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighborhood of the Registered Office of the Company under Section 20 of the Act, the statement of the material facts referred to in Section 102 of the Act need not be annexed to the notice as required by that Section but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

(c) The accidental omission to give notice to, or the non-receipt of notice by any member or other person to whom it should be given shall not invalidate the proceedings at the Meeting.

(H) **Explanatory Statement to be Annexed to Notice**

(a) For the purpose of this Article:

(i) in the case of an annual general meeting, all business to be transacted at the meeting shall be deemed special with the exception of business relating to-

(a) the consideration of the financial statements and the reports of the Board of Directors and auditors.

(b) the declaration of a dividend.

(c) the appointment of directors in the place of those retiring, and

(d) the appointment of, and the fixing of the remuneration of, the auditors, and

(ii) in the case of any other meetings, all business shall be deemed special.

(b) Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including in particular the nature of the concern of interest, if any, therein of every promoter, Director, the manager, if any, and of every other Key Managerial Personnel as required under Section 102 of the Act.

Provided that where any item of special business as aforesaid to be transacted at a meeting of the Company relates to, or affects any other Company, the extent of shareholding interest in that other

Company of any such person shall be set out in circumstances specified in the provision to sub-section (2) of section 102 of the Act.

(c) Where any item of business consists of the according of approval to any document by the meeting, the time and place where the documents can be inspected shall be specified in the statement aforesaid.

(I) **Quorum for Meeting**

(a) In accordance with Section 103, the quorum for a General Meeting of the Company shall be as under:

(i) five members personally present if the number of members as on the date of meeting is not more than one thousand;

(ii) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;

(iii) Thirty members personally present if the number of members as on the date of the meeting exceeds five thousand.

(b) (i) If within half an hour from the time appointed for holding a meeting of the Company, a quorum is not present, the meeting, if called upon by requisition of members, shall stand cancelled.

(ii) In any other case, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Board may determine.

(c) No business shall be transacted at any general meeting unless the requisite quorum be present at the commencement of the business.

(J) **Adjourned Meeting to Transact Business**

(a) If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be the quorum.

(b) where a resolution is passed at an adjourned meeting of the Company, the resolution shall, for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

(K) **Chairman of General Meeting**

(a) No business shall be discussed or transacted at any general meeting except the election of a Chairman whilst the Chair is vacant.

(b) (i) The Chairman of the Board of Directors shall be entitled to take the Chair at every general meeting, if there be no Chairman or if at any meeting he shall not be present within 15 (fifteen) minutes after the time appointed for holding such meeting or is unwilling to act, the Director present may choose one of themselves to be the Chairman and in default of their doing so, the members present shall be willing to take the Chair, the members present shall choose one of themselves to be the Chairman.

(ii) If at any meeting a quorum of members shall be present, and the Chair shall not be taken by the Chairman or Vice-Chairman of the Board or by a Director at the expiration of 15 minutes from the time appointed for holding the meeting or if before the expiration of that time all the Directors shall decline to take the Chair, the members present shall choose one of their members to be the Chairman of the meeting.

(L) **Chairman with Consent may adjourn the Meeting**

The Chairman 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 in the city, town or village where the registered office of the Company is situated.

(M) **Business at the Adjourned Meeting**

No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(N) **Notice of Adjourned Meeting**

In case of adjournment of a meeting or of a change of day, time or place of meeting under, the Company shall give not less than three days' notice to the members.

53. **Proxies**

Proxies

Subject to the provisions of the Act and these Articles, any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

(A) **Instrument of Proxy**

An instrument appointing a proxy shall be in the form as prescribed under the Act for this purpose. The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorized in writing or if appointed by a body corporate either under its common seal or under the hand of its officer or attorney duly authorized in writing by it. Any person whether or not he is a Member of the Company may be appointed as a proxy.

The instrument appointing a proxy and power of attorney or other authority (if any) under which it is signed or a notarized copy of that power or authority must be deposited at the Office of the Company not less than forty eight (48) hours prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four (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.

(B) **Validity of Proxy**

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 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.

54. **E-Voting**

The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014 or any other Law, if applicable to the Company.

55. **Votes of Members**

Subject to any rights or restrictions for the time being attached to any class or classes of shares and in the manner prescribed under the Act and the rules made thereunder:

(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 the member's share in the paid –up equity share capital of the Company.

(A) **Voting by Poll**

(a) Before or on the declaration of the result of the voting on any resolution on show of hands, a poll may be ordered to be taken by the Chairman of the meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf. The Company shall comply with the procedure as regards voting by poll as may be prescribed under the Act and rules and regulations made thereunder.

(b) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

(B) **Restrictions on Exercise of Rights of Members who have not paid Calls etc.**

(a) No members shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right of lien.

(b) Where the shares of the Company are held in trust, the voting power in respect of such shares shall be regulated by the provisions of Section 89 of the Act.

(C) **Restriction on Exercise of Voting Right in Other cases to be void**

A member is not prohibited from exercising his voting right on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 54.

(D) **Equal Rights of Share Holders**

Any shareholder whose name is entered in the Register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class.

(E) **Service of Notice, Reports, Documents and other communications by electronic mode**

Notwithstanding anything mentioned in these Articles, the Company may send any communication including notice of general meeting, annual report etc. to any persons by electronic mode as may be permitted under applicable laws.

(F) **Voting rights of members of unsound mind and minors**

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 poll vote by proxy; if any member be a minor the vote in respect of his share or shares shall be by his guardians or any one of his guardians or, any one of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting.

(G) **Votes in respect of Shares of Deceased or Insolvent Members etc.**

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.

(H) **Custody of Instrument**

If any such instrument of appointment be confirmed to the object of appointing proxy or substitute for voting at meeting of the Company, it shall remain permanently or for such time as the Directors may determine in the custody of the Company; a copy thereof examined with the original, shall be delivered to the Company to remain in the custody of the Company.

(I) **Validity of Votes given by Proxy notwithstanding Death of Members etc.**

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or of any power of attorney under which such proxy was signed or the transfer of the share in respect of which the votes is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the registered office of the Company before the meeting or adjourned meeting.

(J) **Time for Objections for Vote**

No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by an agent or proxy or representative not disallowed at such meeting or poll shall be deemed valid for all purposes or such meeting or poll whatsoever.

(K) **Chairman of any Meeting to be the Judge of any Vote**

(a) 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.

(b) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision thereon shall be final and conclusive.

(L) **Representation of Body Corporate**

A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Act authorize such person by a resolution of its Board of directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.

(M) **Representation of the President of India or Governors**

(a) The President of India or the Governor of State if he is a member of the Company may appoint such person as he thinks fit to act, as his representative at any meeting of the Company or at any meeting of any class of members of the Company in accordance with provisions of Section 112 of the Act or any other statutory provision governing the same.

(b) A person appointed to act as aforesaid shall for the purposes of the Act be deemed to be a member of such a Company and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the Governor could exercise, as member of the Company.

(c) The Company shall observe the provisions of Section 112 of the Act, in regards to the Public Trustee.

56. **Passing Resolutions by Postal Ballot**

(a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.

(b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.

57. **Circulation of Members Resolution**

The Company shall comply with provisions of Section 111 of the Act, relating to circulation of members resolutions.

58. **Special Notice**

In pursuance of Section 115 of the Act, where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding not less than one per cent. of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees, as may be prescribed, has been paid-up, not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the meeting.

59. **Resolution Passed at Adjourned Meeting**

The provisions of Section 116 of the Act shall apply to resolution passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolution shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.

60. **Registration of Resolutions and Agreements**

The Company shall comply with the provisions of Section 117 of the Act relating to registration of certain resolutions and agreements.

61. **Minutes of Proceedings of General Meeting and of Board and Other Meetings**

(a) The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot, entries thereof in books for that purpose with their pages consecutively numbered.

(b) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed:

i. in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

ii. In the case of minutes of proceedings of the general meetings by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorized by the Board for the purpose.

(c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(e) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.

(f) In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes of the meeting.

(i) the names of the Directors present at the meetings, and

(ii) In the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from or not concurring in the resolution.

(g) Nothing contained in Clause (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:

(i) is, or could reasonably be regarded, as defamatory of any person.

(ii) is irrelevant or immaterial to the proceedings; or

(iii) is detrimental to the interests of the Company.

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusions of any matter in the minutes on the grounds specified in this clause.

(h) The minutes of meetings kept in accordance with the provisions of Section 118 of the Act shall be evidence of the proceedings recorded therein.

(i) The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

62. **Presumptions to be Drawn where Minutes duly drawn and Signed**

Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors of a Committee of the Board have been kept in accordance with the provisions of Section 118 of the act then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and in particular all appointments of directors or Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.

63. **Inspection of Minutes Books of General Meetings**

(a) The books containing the minutes of the proceedings of any general meeting of the Company shall:

(i) be kept at the registered office of the Company, and

(ii) be open, during 11:00 am to 1:00 pm to the inspection of any member without charge and by any other person on payment of fee of Rupees 50/- for each inspection, subject to such reasonable restrictions as the Company may, in general meeting impose.

(b) Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company, with a copy of any minutes referred to in Clause (a) above, on payment of ₹ 10/- for each page.

64. **Publication of Reports of Proceedings of General Meetings**

No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

65. **Report on annual general meeting**

The Company shall prepare a report on each annual general meeting including the confirmation to the effect that the meeting was convened, held and conducted as per the provisions of the Act and the rules made thereunder, and shall file the same with the Registrar within thirty days of the conclusion of the annual general meeting.

66. **Management of Subsidiaries and Group Companies**

The Board shall be responsible for compliance with all applicable law, regulations, rules and guidelines as well as the Listing Regulations in relation to the obligation of the Company towards the governance and management of its subsidiaries and group companies.

67. **Managerial Personnel**

(A) **Managerial Personnel**

(a) Subject to the provisions of the Act, a chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board of Directors 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. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

(b) Any provision of the Act or these Articles requiring or authorizing 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.

(c) The Company shall duly observe the provisions of Section 196 and Section 203 of the Act regarding prohibition of simultaneous appointment of different categories of managerial personnel therein referred to.

(B) **Remuneration of key managerial personnel**

The remuneration of Key Managerial Personnel shall from time to time, be fixed by the Board and may be by way of salary or commission or participation in profits or by any or all of these modes or in any other form and shall be subject to the limitations prescribed in Schedule V along with Sections 196 and 197 of the Act.

(C) **Board of directors**

Until otherwise determined by the Company in general meeting, the number of Directors shall not be less than 3 (three) and more than 15 (fifteen). The appointment of the Directors exceeding 15 (fifteen) will be subject to the provisions of Section 149 of the Act. The Board shall have the power of appoint the Chairman. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the Listing Regulations.

(D) **First Directors**

The First Directors of the Company are:

1. Mr. Vishal Kanodia;
2. Mr. Gautam Kanodia;
3. Smt. Manju Devi Kanodia; and
4. Mr. Kamal Nayan Poddar

(E) **Debenture Directors**

Any Trust Deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person or persons to be a Director or Directors of the Company and may empower such Trustees or holders of Debentures or debenture-stocks from time to time, to remove and reappoint any Director/s so appointed. The Director/s so appointed under this Article is herein referred to as **"Debenture Director"** and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director(s) shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

(F) **Nominee Director**

The Board may appoint any person as a director nominated by any institution, in pursuance of the provisions of any law for the time being in force or of any agreement to which the Company is a party or by the Central Government or the State Government(s) by virtue of its shareholding in the Company and such person or persons or Directors is / are hereinafter referred to as "Nominee Director/s", on the Board of the Company and such persons may be remove from such office any person or persons "so appointed and to appoint any person or persons" in his or their place/s. The Board may also agree that any such Nominee Director, or Nominee Directors may be removed from time to time by the institution/Central Government/State Government(s) entitled to appoint or nominate them and such institution/Central Government/State Government(s) may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatever.

At the option of such institution/Central Government/State Government(s) such Nominee Director/s shall not be required to hold any share qualification in the Company. Also, at the option of such institution/Central Government/State Government(s) such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director(s) shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to such institution or so long as such institution holds Debentures in the Company as a result of direct subscription or private placement or so long as such institution holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of any Guarantee the moneys owing by the Company to such institution is paid off.

The Nominee Director/s appointed under this Article will be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. Such institution/Central Government/State Government(s) shall also be entitled to receive all such notices and minutes.

The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to such institution/Central Government/State Government(s) and the same shall accordingly be paid by the Company directly to such institution/Central Government/State Government(s). Any expenses that may be incurred by such institution/Central Government/State Government(s) or such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to such institution/Central Government/State Government(s) or as the case may be to such Nominee Directors.

Provided that if any such Nominee Director is an officer of such institution/Central Government/State Government(s) the sitting fees, in relation to such Nominee Director shall also accrue to such institution and the same shall accordingly be paid by the Company directly to such institution/Central Government/State Government(s).

(G) **Special Director**

(a) In connection with any collaboration arrangement with any company or corporation or firm or person for supply of technical know-how and/or machinery or technical advice, the Directors may authorize such Company, Corporation, firm or person (hereinafter in this clause referred to as "Collaborator") to appoint from time to time, any person or persons as Director or Directors of the Company (hereinafter referred to as "Special Director") and may agree that such Special Director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for the office of such Director, so however, that such Special Director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such Collaborator under the collaboration arrangements or any time thereafter.

(b) The Collaborator may at any time and from time to time remove any such Special Director appointer by it and may at the time of such removal and also in the case of death or resignation of the person so appointed at any time, appoint any other person as a Special Director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.

(c) It is clarified that every collaborator entitled to appoint a Director under this Article may appoint one or more such person or persons as a Director(s) and so that if more than one Collaborator is so entitled there may at any time be as many Special Director as the Collaborators eligible to make the appointment.

(H) **Limit on Number of Non-Retiring Directors**

Subject to the provisions of Section 152 of the Act, the number of Directors appointed under Articles 137, 138 and 139 shall not exceed in the aggregate one-third of the total number of Directors, excluding Independent Directors, for the time being in office.

(I) **Appointment of Independent Director**

Subject to the provisions of Section 149 (6) of the Act, Board of Directors shall have power at any time to appoint any person as an Independent Director to the Board. The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, such appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under Listing Regulations.

(J) **Appointment of Whole-Time Director**

Subject to the provisions of Section 152 of the Act, Board of Directors shall have power at any time to appoint any person as a Whole-Time Director to the Board.

(K) **Appointment of Alternate Director**

The Board may appoint an alternate Director not being a person holding any alternate directorship for any other directors in the Company or holding directorship in the Company, to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from India. An alternative Director so appointed shall not hold office as such for a period longer than that permissible to the Original Director in whose place he had been appointed and shall vacate if and when the Original Director returns to India.

(L) **Appointment of Additional Director**

Subject to the provisions of Section 161 of the Act, Board of Directors shall have power at any time to appoint any person as an additional Director to the Board, but so that the total number of Directors shall not exceed the maximum number fixed by the Articles. Any Director so appointed shall hold the office only up to the next annual general meeting of the Company or the last date on which the annual general meeting should have been held, whichever is earlier and shall then be eligible for reappointment.

(M) **Appointment of Women Director**

The Company shall have such number of Woman Director on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable.

(N) **Appointment of Director to fill the Casual Vacancy**

Subject to the provisions 161 of the Act, the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the nominal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid but he shall then be eligible for re-election.

(O) **Individual Resolution for Director Appointment**

At a general meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. Resolution moved in contravention of this article shall be void whether or not objection was taken at the time of its being so moved. Provided that where a resolution so moved is passed no provision for the automotive reappointment of retiring director by virtue of these articles and the Act in default of another appointment shall apply.

(P) **Qualification of Director**

A Director need not hold any shares in the Company to qualify him for the office of a Director of the Company.

(Q) **Remuneration of Directors**

(a) Subject to the provisions of Act, a Managing Director or a director who is in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by the other.

(b) Subject to the provisions of the Act, a Director, who is neither in the whole-time employment nor a Managing Director may be paid remuneration either:

(i) by way of monthly, quarterly or annual payment, or

(ii) by way of commission if the Company by a special resolution has authorized such payment

(c) Every Director shall be paid such amount of remuneration by way of fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time, as may be determined by the Board for each meeting of the Board or Committee thereof attended by him.

(d) The Board shall recommend the fees/compensation to be paid to non-executive directors including independent directors. Such fees/compensation shall also be approved by the shareholders of the Company in a general meeting. However, such approval will not be required in case of sitting fees paid to non-executive directors which are within the limits prescribed under the Act and for which no Central Government approval is required. In terms of Section 149 (9) of the Act, if the Company has no profits or its profits are inadequate, an independent director may receive remuneration, exclusive of any fees payable under sub-section (5) of section 197 of the Act, in accordance with the provisions of Schedule V of the Companies Act, 2013.

(R) **Traveling and Other Expenses**

The Board may allow and pay to any Director for the purpose of attending a meeting such sum either as fixed allowance and/or actual as the Board may consider fair compensation for traveling, board and lodging and incidental and/or actual out of pocket expenses incurred by such Director in addition to his fees, for attending such meeting to and from the place at which the meetings to and from the place at which the meetings of the Board Committees thereof or general meetings of the Company are held from time to time or any other place at which the Director executes his duties.

(S) **Remuneration for Extra Services**

If any Director, being willing shall be called upon to perform extra services or to take any special exertions for any of the purposes of the Company and in that event the Company may, subject to the provisions of the Act, remunerate such Director either by a fixed sum or by a percentage of profit or otherwise, as may be determined by the Directors but not exceeding that permitted under Section 197 of the Act and such remuneration may be either in addition to or in substitution for his share in the remuneration above provided.

(T) **Increase in Remuneration of Directors to require Government Sanction**

Any provision relating to the remuneration of any Director including the Managing Director or Joint Managing Director or whole time Director or executive Director whether contained in his original appointment or which purports to increase or has the effect of increasing whether directly or indirectly the amount of such remuneration and whether that provisions are contained in the articles or in any agreement entered into by the Board of Directors shall be subject to the provisions of Section 196, 197 and 203 of the Act and in accordance with the conditions specified in Schedule V and to the extent to which such appointment or any provisions for remuneration thereof is not in accordance with the Schedule V, the same shall not have any effect unless approved by the Central Government and shall be effective for such period and be subject to such conditions as may be stipulated by the Central Government and to the extent to which the same is not approved by the Central Government, the same shall become void and not enforceable against the Company.

(U) **Director Not to Act when Number Falls Below Minimum**

When the number of Directors in Office falls below the minimum fixed above, the Directors, shall not act except in emergencies or for the purposes of filling up vacancies or for summoning a general meeting of the Company and so long as the number is below the minimum they may so act notwithstanding the absence of the necessary quorum.

(V) **Eligibility**

A person shall not be capable of being appointed a Director if he has the disqualifications referred to in Section 164 of the Act.

(W) **Directors Vacating Office**

(a) The office of a Director shall be vacated if:

(i) he is found to be of unsound mind by a Court of competent jurisdiction;

(ii) he applied to be adjudicated an insolvent;

(iii) he is adjudicated an insolvent;

(iv) he is convicted by a Court, of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the expiry of the sentence; Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;

(v) he fails to pay any call-in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government by Notification in the Official Gazette removes the disqualification incurred by such failure;

(vi) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;

(vii) he is removed in pursuance of Section 169 of Act;

(viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;

(ix) he acts in contravention of the provisions of Section 184 of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested;

(x) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184.

(b) **Resignation of Directors**

A Director who holds office or other employment in the company shall, when he resigns his office, provide a notice in writing to the company.

(X) **Removal of Directors**

(a) The Company may (subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles) remove any director other than ex-officio directors or Special Directors or Debenture Directors or a Nominee Director or a director appointed by the Central Government in pursuance of Section 242 of the Act, before the expiry of his period of office.

(b) Special notice as provided by Section 115 of the Act shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.

(c) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.

(d) Whether notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the Company, the Company shall unless the representations are received by it too late for it do so:

(i) In the notice of the resolution given to members of the Company state the fact of representations having been made, and

(ii) send a copy of the representation to every member of the Company whom notice of the meeting is sent (whether before or after receipt of the representations by the company), and if a copy of representations, is not sent as aforesaid because they were received too late or because of the company’s default, the Director may (without prejudice to his right to be provided orally) require that the representations be read out at the meeting, provided that copies of the representations need not be sent or read out at the meeting if so directed by the Court.

(e) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in general meeting or by the Board in pursuance of Section 161 of the Act be filled by the appointment of another Director in his stead by the meeting at which he is removed, provided special notice of the intended appointment has been under clause (b) hereof. A Director so appointed shall hold office until the date up to which his predecessor would have held office if he had not been removed as aforesaid.

(f) if the vacancy is not filled under clause (e) above it may be filled as a casual vacancy in accordance with the provisions, in so far as they may be applicable, of Section 161 of the Act, and all the provisions of that Section shall apply accordingly;

(g) Nothing contained in this Article shall be taken:

(i) as depriving a person removed there under of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as director; or

(ii) as derogating from any power to remove a Director which may exist apart from this Article.

(h) The Company shall take steps to fill the vacancy caused by the resignation/removal of an independent director by replacing such independent director with a new independent director within three months of the occurrence of such vacancy or at the immediate next meeting of the of the Board, whichever is later or as may otherwise be prescribed by the Listing Regulations.

(Y) **Directors may Contract with Company**

Subject to the restrictions imposed by these Articles and by Section 179, 180, 185, 186, 188, 189, 196 and any other provisions of the Act, no Director, Managing Director, or other officer or employee of the Company shall be disqualified from holding his office by contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director, managing director, Joint Managing Director, Executive Director other officer or employee shall be in any way interested, be avoided, nor shall be Director, Managing Director or any officer or employee so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason only of such Director, officer or employee holding that office or of the fiduciary relation thereby established, but the nature of his or their interest must be disclosed by him or them in accordance with provisions or Section 184 of the Act where that section be applicable.

(Z) **Disclosure of Directors' Interest**

(1) Every Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into, by or on behalf of the Company, shall disclose the nature of his concern of interest at a meeting of the Board of Directors, in the manner provided in Section 184 of the Act.

(2) (a) In the case of proposed contract or arrangement, the disclosure required to be made by a Director under clause (1) shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not, at the date of that meeting, concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he be so concerned or interested.

(b) In case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.

(3) Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between the Company and any other company where any one or two or more of Directors together holds or hold not more than two percent of the paid up share capital in other company.

68. **Board Resolution necessary for Certain Contracts**

(1) Except with the consent of the Board of Directors of the Company and of the Shareholders as applicable, in terms of the provisions of Section 188 of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014, the Company, shall not enter into any contract with a Related Party;

a. for the sale, purchase or supply of any goods, materials or services; or

b. selling or otherwise disposing of, or buying, property of any kind;

c. leasing of property of any kind;

d. availing or rendering of any services;

e. appointment of any agent for purchase or sale of goods, materials, services or property;

f. such Related Party's appointment to any office or place of profit in the Company, its subsidiary company or associate company;

g. underwriting the subscription of any securities or derivatives thereof, of the Company:

(2) Nothing contained in clause (1) shall affect any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis or affect transactions entered into between the Company and its wholly owned subsidiaries whose accounts are consolidated with the Company and placed before the Shareholders at a Shareholders Meeting for approval

(3) Notwithstanding anything contained in clauses (1) and (2) a Related Party may, in circumstances of urgent necessity enter, without obtaining the consent of the Board or the approval of shareholders of the Company as required under the Act, into any contract with the Company; but in such a case the consent of the Board or

the approval of shareholders of the Company as required under the Act as the case may be, shall be obtained at a meeting within three months of the date of which the contract was entered into or such other period as may be prescribed under the Act.

(4) Every consent of the Board required under this Article shall be accorded by a resolution of the Board and the consent required under Clause (1) shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into or such other period as may be prescribed under the Act.

(5) If the consent is not accorded to any contract under this Article anything done in pursuance of the contract will be avoidable at the option of the Board.

(6) The audit committee of the Board may provide for an omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed by applicable law.

69. **Disclosure to the Members of Appointment of Manager, Whole-Time Directors, Managing Director or Secretaries and Treasures**

(a) The company shall keep a copy of contract of service with managing or whole–time director in writing. Where the contract is not in writing, a written memorandum setting out terms of contract shall be kept.

(b) The copies of the contract or the memorandum shall be open to inspection by any member of the company without payment of fee.

70. **Loans to Director etc.**

(a) Save as otherwise provided in the Act, the Company shall not, directly or indirectly, advance any loan, including any loan represented by a book debt to, or give any guarantee or provide any security in connection with any loan taken by,-

(a) any director of company, or of a company which is its holding company or any partner or relative of any such director; or

(b) any firm in which any such director or relative is a partner

(b) The Company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the Company is interested, subject to the condition that—

(i) a special resolution is passed by the company in general meeting:

Provided that the explanatory statement to the notice for the relevant general meeting shall disclose the full particulars of the loans given, or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security and any other relevant fact; and

(ii) the loans are utilised by the borrowing company for its principal business activities

(c) However, nothing contained in this Article 161 (a) and (b) shall apply to -

(a) giving of any loan to the managing or whole-time director—

(i) as a part of the conditions of service extended by the company to all its employees; or

(ii) pursuant to any scheme approved by the members by a special resolution; or

(b) in the ordinary course of its business provide loans or gives guarantees or securities for the due repayment of any loan and in respect of such loans an interest is charged at a rate not less than the rate of prevailing yield of one year, three years, five years or ten years Government security closest to the tenor of the loan.

(c) any loan made by the Company to its Wholly-owned Subsidiary or any guarantee given or security provided by the Company in respect of any loan made to its Wholly-owned Subsidiary; and

(d) any guarantee given or security provided by the Company in respect of loan made by any bank or financial institution to its subsidiary company.

Provided that the loans made under clauses (c) and (d) are utilised by the subsidiary company for its principal business activities

71. **Loans to Companies**

The Company shall observe the restrictions imposed on the Company in regard to making any loans, giving any guarantee or providing any security directly or indirectly to the Companies or bodies corporate as provided in Section 186 of the Act, exceeding sixty per cent. of its paid-up share capital, free reserves and securities premium account or one hundred per cent. of its free reserves and securities premium account, whichever is more.

72. **Interested Director not to Participate or vote in Board's Proceedings**

No Director of the Company shall as a Director take any part in the discussion of or vote on any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way whether directly or indirectly concerned, or interested in such contract or arrangement nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote on any contract of indemnity against any loss which it or any one of more of its number may suffer by reason of becoming or being sureties or surety for the Company. Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of one company or two or more of them together holds or hold not more than two percent of the paid up share capital of the other company

This Article is subject to the provisions of Section 184 of the Act.

73. **Register of Contracts in which Directors are interested**

The Company shall keep one or more Registers in which it shall be entered separately particulars of all contracts and arrangements to which Sections 184 and 188 of the Act apply.

ROTATION AND APPOINTMENT OF DIRECTORS

74. **Director may be Director of Companies Promoted by the Company**

A Director may be or become a Director of any Company or which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 197) or Section 188 of the Act may be applicable.

Subject to provisions of Section 152 of the Act, not less than two thirds of the total number of Directors shall:

(a) be persons whose period of office is liable to determination by retirement of Directors by rotation, and

(b) save as otherwise expressly provided in the Act, be appointed by the Company in general meeting.

The remaining Directors shall, in default of and subject to any regulations in the Articles of the Company, also be appointed by the Company, in general meeting.

75. **Ascertainment of Directors Retiring by Rotation and Filling up Vacancy**

(a) At every annual general meeting one-third of such directors for the time being as are liable to retire by rotation, or if their number is not three or multiple of three, then the number nearer to one-third, shall retire from office.

The Debenture Directors, Corporate Directors, Special Directors, Independent Directors, and Managing Director if any, shall not be subject to retirement under this Article and shall not be taken into account in determining the number of Directors to retire by rotation. Thus, Whole time Directors shall be liable to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.

(b) The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot. A Retiring Director shall be eligible for re-election.

(c) At the annual general meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.

(d) I. if the place of the retiring Director is not so filled up and that meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.

II. if at the adjourned meeting also, the place of the retiring Director is not filled up and that the meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless-

(a) At that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;

(b) The retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so reappointed;

(c) He is not qualified or is disqualified for appointment;

(d) A resolution, whether special or ordinary, is required for his appointment or re-appointment in virtue of any provisions of the Act, or

(e) The proviso to Section 162 of the Act is applicable to the case.

76. **Consent of Candidates for Directorship to be Filed with the Registrar**

Every person who is proposed as a candidature for the office of Director of the Company shall sign and file with the Company and with the Registrar, his consent in writing to act as a Director, if appointed, in accordance with the provisions of Section 152 of the Act in so far as they may be applicable.

77. **Company may Increase or Reduce the Number of Directors or Remove any Director**

Subject to the provisions of Sections 149, 151 and 152 of the Act, and these Articles the Company may, by special resolution, from time to time, increase or reduce the number of Directors and may prescribe or alter qualifications.

78. **Appointment of Directors to be Voted individually**

(1) No motion at any general meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.

(2) A resolution moved in contravention of clause (1) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided that for the automatic re-appointment of retiring Director in default of another appointment as hereinabove provided shall apply.

(3) For the purpose of this Article, a motion for approving a person’s appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.

79. **Notice of Candidature for Office of Directors Except in Certain Cases**

(1) No person, not being a retiring Director, shall be eligible for election to the office of Director at any general meeting unless he or some other member intending to propose him has, at least fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of a Director or the intention of such member to propose him as a Director for office as the case may be along with a deposit of One lakh Rupees which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than twenty-five per cent of total votes cast.

Provided that requirements of deposit of amount shall not apply in case of appointment of an Independent Director or a director recommended by the Nomination and Remuneration Committee, if any, constituted under sub-section (1) of Section 178 of the Act.

(2) The Company shall inform its members of the candidature of the person for the office of Director or the intention of a member to propose such person as a candidate for that office by serving individual notices on

the members not less than seven days before the meeting. Provided that it shall not be necessary for the Company to serve individual notices on the members as aforesaid if the Company advertises such candidature or intention not less than seven days before the meeting in at least two newspapers circulating in the place where the Registered Office of the Company is located, of which one is published in the English language and the other in the regional language of that place.

(3) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company his consent in writing to act as a Director if appointed.

(4) A person, other than-

(a) a Director, re-appointed after retirement by rotation or immediately on the expiry of his term of office, or

(b) an additional or alternate Director or a person filling a casual vacancy in the office of a Director under Section 160 of the Act, appointed as a Director or re-appointed as an additional or alternate Director immediately on the expiry of term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director

80. **Register of directors and Notification of Change to Registrar**

(1) The Company shall keep at its Registered Office a Register containing the particulars of its Directors and key managerial personnel and other persons mentioned in Section 170 of the Act which shall include the detail of securities held by each of them in the Company or its holding, subsidiary of Company's holding company or company and shall send to the Registrar a Return containing the particulars specified in such Register and shall otherwise comply with the provisions of the said Section in all respects.

(2) Such Register shall be kept open for inspection by any member or debenture holder to the Company as required by section 171 of the Act.

81. **Disclosure by Director of Appointment to any other Body Corporate**

Every Director (including a person deemed to be a Director of the Company Managing Director, Key Managerial Personnel, Manager or Secretary of the Company who is appointed to or relinquishes office of Director, Managing Director, Manager or Secretary of any other body corporate shall within thirty days of his appointment to, or as the case may be, relinquishment of such office disclose to the Company the particulars relating to the office in the other body corporate which are required to be specified under Section 170 of the Act.

82. **Disclosure by Directors of their Holdings of Shares and Debentures of the Company**

Every director and every person deemed to be a Director of the Company shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

83. **Meeting of Directors**

(a) The Directors may meet together as a Board for transaction of business from time to time and shall so meet at least four times in every year in such manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board and they may adjourn and otherwise regulate their meetings and proceedings as they deem fit. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that meeting of the Board, which had been called in compliance with the terms herein mentioned, could not be held for want of quorum.

(b) The participation of directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognizing the participation of the directors and of recording and storing the proceedings of such meetings along with date and time:

Provided that the Central Government may, by notification, specify such matters which shall not be dealt with in a meeting through video conferencing or other audio visual means.

Provided further that where there is quorum in a meeting through physical presence of directors, any other director may participate through video conferencing or other audio visual means in such meeting on any matter specified under the aforementioned proviso.

(c) Every director present at any meeting of the Board of Directors or a committee there of shall sign his name in a book to be kept for that purpose, to show his attendance there at

84. **When Meeting to be Convened**

Any Director of the Company may and the Manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.

85. **Directors Entitled to Notice**

Notice of every meeting of the Board of the Company shall be given in writing to every Director for the time being in India and at his usual address in India.

86. **Appointment of Chairman**

The Board may elect a Chairman of its meetings and determine the period for which he is to hold office. If no such Chairman is elected, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman of the Meeting, or if no Director has been so designated, the directors present may choose one of their number to be the Chairman of the meeting.

87. **Board may Appoint Managing Director**

(a) Pursuant to Section 203 of the Act, the Managing Director of the Company shall be appointed by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration.

(b) Any Managing Director/s or whole time Director/s so appointed shall not be required to hold any qualification shares.

(c) Subject to the provisions of Sections 196, 197, and 203 of the Act and also subject to the limitations, conditions and provisions of Schedule V to the Act, the appointment and payment of remuneration to the above Director/s shall be subject to approval of the members in general meeting and of the Central Government, if required.

(d) Subject to the superintendence, control and direction of the Board, the day to day management of the Company shall be vested with the Managing Director/s or Whole-time Director/s Manager, if any, with Power to the Board to distribute such day to day management functions in any manner as deemed fit by the Board subject to the provisions of the Act and these Articles.

88. **Meeting of Committee, how to be Governed**

(a) The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors.

(b) A committee may elect a Chairperson of its meetings. 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.

89. **Resolution by Circular**

No Resolution by circular shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless such Resolution has been circulated in draft form, together with necessary papers, if any, to all the Directors, or to all the members for the Committee, as the case may be, at the respective addresses registered with the Company or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution and has been approved by the majority of the Directors or Members of the Committee or by a majority of such of them as are entitled to vote on the Resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board. A resolution by circular shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

90. **Directors May Appoint Committees**

The Board shall constitute such committees as may be required under the Act, applicable provisions of Law and the Listing Regulations. Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of their powers to Committees of the Board consisting of two or more members of its body as it thinks fit and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. A director shall not be a member of more than ten committees or act as a chairperson of more than five committees across all listed entities in which he is a director as determined by the Listing Regulations. The Chairman shall have a casting vote at committee meetings and the Board may from time to time, revoke and discharge such Committee of the Board either wholly or in part and either as to persons or purposes, but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may, from time to time, be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of its appointment but not otherwise, shall have the like force and effect as if done by the Board.

91. **Acts of Board or Committee Valid Notwithstanding Defect of Appointment**

Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. All acts done by any meeting of the Directors or by a Committee of Directors, or by any person acting as a Director, shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or they or any of them were or was disqualified or that their or his appointment had terminated by virtue of any provisions contained in the Articles or the Act, be as valid as if every such person has been duly appointed and was qualified to be a Director.

92. **Power of Directors**

(A) **Certain Powers to be Exercised by the Board**

(a) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board –

(i) to make calls on shareholders in respect of money unpaid on their shares;

(ii) to authorize buy-back of securities under Section 68 of the Act;

(iii) to issue securities, including debentures, whether in or outside India;

(iv) to borrow monies;

(v) to invest the funds of the Company;

(vi) to grant loans or give guarantee or provide security in respect of loans;

(vii) to approve financial statement and the Board’s report;

(viii) to diversify the business of the Company;

(ix) to approve amalgamation, merger or reconstruction;

(x) to take over a company or acquire a controlling or substantial stake in another company;

(xi) to make political contributions;

(xii) to appoint or remove key managerial personnel (KMP);

(xiii) to appoint internal auditors and secretarial auditor;

(xiv) such other business as may be prescribed by the Act and rules made thereunder

Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (iv) to (vi) to the extent specified in clauses (b), (c) and (d) respectively on such conditions as the Board may prescribe.

(b) Every resolution delegating the power referred to sub-clause (iv) of clause (a) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate,

(c) Every resolution delegating the power referred to in sub-clause (v) of clause (a) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.

(d) Every resolution delegating the power referred to in sub-clause (vi) of clause (a) shall specify the total amount up to which loans may be made by the delegates, the purpose for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual case.

(e) Nothing in this article contained shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in sub-clauses (i) to (x) of clause (a) above.

(B) **Restriction on Powers of Board**

(a) The Board of Directors of the Company shall not except with the consent of the Company in general meeting:

(i) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company more than one undertaking of the whole or substantially the whole of any such undertaking;

(ii) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;

(iii) borrow moneys, where the money to be borrowed, together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of its paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the Company's bankers in the ordinary course of business; or

(iv) remit, or give time for the repayment of, any debt due from a director;

(v) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees any amount, the aggregate of which in any financial year, exceed five percent of its average net profits as determined in accordance with the provisions of Section 198 of the Act during the three financial years, immediately preceding, whichever is greater.

(b) Nothing contained in sub-clause (a) above shall affect:

(i) the title of a buyer or other person who buys or takes a lease of any property, investment or undertaking as is referred to in that clause in good faith and after exercising due care and caution, or

(ii) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, comprises such selling or leasing.

(c) Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (a) (i) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorize the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.

(d) No debt incurred by the Company in exercise of the limit imposed by sub-clause (iii) of clause (a) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.

(e) Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in sub-section (1) Section 180 of the Act and in regard to the limitations on the power of the Company contained in Section 181 of the Act.

(C) **Directors May Appoint Committees**

Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of their powers to Committees of the Board consisting of two or more members of its body as it thinks fit. A director shall not be a member of more than ten committees or act as a chairperson of more than five committees across all listed entities in which he is a director as determined by the Listing Regulations. The Chairman shall have a casting vote at committee meetings and the Board may from time to time, revoke and discharge such Committee of the Board either wholly or in part and either as to persons or purposes, but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may, from time to time, be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of its appointment but not otherwise, shall have the like force and effect as if done by the Board.

(D) **Acts of Board or Committee Valid Notwithstanding Defect of Appointment**

All acts done by any meeting of the Directors or by a Committee of Directors, or by any person acting as a Director, shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or they or any of them were or was disqualified or that their or his appointment had terminated by virtue of any provisions contained in the Articles or the Act, be as valid as if every such person has been duly appointed and was qualified to be a Director.

(E) **General Powers of the Company vested in Directors**

Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorized to exercise and do and not hereby or by the statue or otherwise directed or required to be exercise or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other and act and of the Memorandum of Association and these articles and to any regulations, but being inconsistent with the Memorandum of Association and these articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

(F) **Specific Powers Given to Directors**

Without prejudice to the general powers conferred by Article 187 and the other powers conferred by these presents and so as not in way to limit any or all of these powers, but subject however to provisions of the Act, it is hereby expressly declared that the Directors shall have following powers.

(G) **To pay Registration Expenses**

To pay the costs, charges and expenses preliminary and incidental to the promotion, formation establishment and registration of the Company;

To pay and charge to the capital account of the Company any interest lawfully payable thereon under the provisions of Section 40 of the Act;

(H) **To Acquire Property**

Subject to the provisions of the Act and these articles to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, or Company carrying on the business which this company is authorized to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may deliver or may be advised to be reasonably satisfactory.

(I) **To Purchase Lands, Buildings, Etc.**

Subject to the provisions of the Act to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;

(J) **To Construct Buildings**

To effect, construct, enlarge, improve, alter, maintain, pull down rebuild or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purpose of the Company and to acquire lands for the purposes of the Company.

(K) **To Mortgage, Charge Property**

To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Act, any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit.

(L) **To Pay for Property Etc.**

At their discretion to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture-stocks or other securities of the Company, and any such shares stock of other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture-stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;

(M) **To Insure**

To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, store, produce and other movable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;

(N) **To Open Accounts**

Subject to Section 179 of the Act, open accounts with any bank or bankers or with any Company, firm or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;

(O) **To Secure Contracts**

To secure the fulfillments of any contracts of engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;

(P) **To Attach to Shares such Conditions**

To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;

(Q) **To Accept, Surrender, of Shares**

To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or any part thereof subject to the provisions of the Act;

(R) **To appoint Attorney**

To appoint any person or persons (whether incorporated or not), to accept and hold in trust for the Company any property belonging to the Company or in which it is interested for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;

(S) **To Bring and Defend Actions**

To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Act to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;

(T) **To Refer to Arbitration**

To refer, subject to the provisions of Section 180 of the Act, any claims or demands by or against the Company to arbitration and observe and perform the awards;

(U) **To Act on Insolvency Matters**

To act on behalf of the company in all matters relating to bankrupts and insolvents;

(V) **To Give Receipts**

To make and give receipts, release and other discharges for moneys payable to the Company and for the claims and demands of the Company subject to the provisions of Section 180 of the Act;

(W) **To Authorize Acceptance**

To determine from time to time as to who shall be entitled to sign bills, notes, receipts, acceptances, endorsements, cheques, dividend/interest warrants, release, contracts and documents on the Company's behalf;

(X) **To Invest Moneys**

Subject to the provisions of Sections 179, 180 and 186 of the Act, to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such shares, securities, or investments (not being shares in this Company) and in such manner as they may think fit, and from time to time to vary or release such investments;

(Y) **To Provide for Personal Liabilities**

To execute in the name and on behalf of the Company in favor of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they may think fit and any such mortgage may contain a power of sale and such other powers, covenants' and provisions as shall be agreed on;

(Z) **To Give to Directors etc. An Interest in Business**

Subject to such sanction as may be necessary under the Act or the articles, to give to any Director, Officer, or other persons employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.

(AA) **To Provide for Welfare of Employees**

To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, defendants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to payment by creating and from time to time subscribing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;

(BB) **To Subscribe to Charitable and Other Funds**

To subscribe, or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public or any other useful institutions, object or purposes for any exhibition;

(CC) **To Maintain Pension Funds**

To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such Subsidiary Company, or who are or were at any time Directors or Officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institutions, associations, clubs or funds collected to be for the benefit of or to advance the interest and well-being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid.

To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.

(DD) **To Create Reserve Fund**

Before recommending any dividend, to set aside out of profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund or Reserve Fund or Sinking Fund or any other special fund to meet contingencies or to repay redeemable preference shares, debentures, or debenture stock or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any part of the property of the Company, and for such other purposes as the Directors may, in their absolute discretion, think conducive to the interests of the Company and to invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed by Section 179 and 180 and other provisions of the Act) as the directors may think fit, and from time to time, to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which the Capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Directors think fit, and to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in repayment or redemption of redeemable preference shares, debentures or debenture-stock and that without being bound to keep the same separate from other assets or to pay interest on the same, with power, however to the Directors at their discretion, to pay or allow to the credit of such fund interest at such rate as the Directors may think proper.

(EE) **To Appoint Officers Etc.**

The Board shall have specific power to appoint officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants.

(FF) **To Authorize by Power of Attorney**

At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to the conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favor of any Company or the members, directors, nominees, or managers of any company or firm or otherwise in favor of an fluctuating body or person whether nominated, directly or indirectly by the Directors and any such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretions for the time being vested in them.

(GG) **To Authorize, Delegate**

Subject to the provisions of the Act, generally and from time to time and at any time to authorize empower or delegate to (with or without powers of sub-delegation) and Director, Officer or Officers of Employee for the time for the time being of the Company and/or any other person, firm or Company all or any of the powers authorities and discretions for the time being vested in the Directors by these presents, subject to such restrictions and conditions, if any as the Directors may think proper.

(HH) **To Negotiate**

To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company.

(II) **To make bye-laws**

From time to time to make vary any legal bye-laws for the regulations of the business of the Company, its officers and servants.

The Company shall provide the option to its shareholders to exercise their right to vote in meetings of the shareholders through electronic mode in accordance with Section 108 of the Act and shall vote only once·

(JJ) **Secretary**

Subject to the provisions of Section 203 of the Act, the Directors may, from time to time appoint and, at their discretion remove any individual (hereinafter called `the Secretary' who shall have such qualifications as the authority under the Act may prescribe to perform any functions, which by the Act or these Articles are to be performed, by the Secretary, and to execute any other purely ministerial or administrative duties which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company.

93. **Seal**

Custody of Common Seal

The Board shall provide for the safe custody of the common seal for the Company and they shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.

Seal How Affixed

The Board of Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Board of Directors shall provide for the safe custody of the seal for the time being and the seal shall never be used except by or under the authority of the Board of Directors or a committee of the Board previously given, and in the presence of atleast two Directors and of the company secretary or such other person duly authorised by the Board of Directors or a committee of the Board, who shall sign every instrument to which the seal is so affixed in his presence.

The Company may exercise the powers conferred by the Act with regard to having an official seal for use abroad and such powers shall accordingly be vested in the Board of Directors or any other person duly authorized for the purpose

94. **Dividends Out of Profits Only**

Company in General Meeting may Declare Dividends

The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

Interim Dividends

Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends of such amount on such class of Shares and at such times as it may think fit and as appear to it to be justified by the profits of the Company.

Right to Dividend and Unpaid or Unclaimed Dividend

Where capital is paid in advance of calls on Shares, such capital, whilst carrying interest, shall not confer a right to dividend or to participate in the profits.

Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account" or having such other nomenclature as may be prescribed under the applicable laws.

Transfer to IEPF Account

The Company shall, within a period of ninety days of making any transfer of an amount, as stated above to the unpaid dividend account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed.

If any default is made in transferring the total amount referred above or any part thereof to the unpaid dividend account of the Company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent. per annum and the interest accruing on such amount shall ensure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company, along with interest accrued, if any, thereon to the fund known as Investor Education and Protection Fund established under the section 125 of the Act established by the Central Government, subject to the provisions of the Act and the rules. Any person claiming to be entitled to an amount may apply to the authority constituted by the Central Government for the payment of the money claimed.

All shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of the Investors Education and Protection Fund subject to the provisions of the Act and Rules

No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

Division of Profits

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.

Dividends to be Apportioned

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.

Reserve Funds

The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall at the discretion of the Board, be applied 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.

The Board may also carry forward any profits when it may consider necessary not to divide, without setting them aside as a reserve.

Deduction of Arrears

Subject to the Act, no Member shall be entitled to receive payment of any interest or dividend in respect of his share or Shares whilst any money may be due or owing from him to the Company in respect of such share or Shares of or otherwise howsoever whether alone or jointly with any other person or persons and the Board may deduct from any dividend payable to any Members all sums of money, if any, presently payable by him to the Company on account of the calls or otherwise in relation to the Shares of the Company.

Retention of Dividends

The Board may retain dividends payable upon Shares in respect of which any person is, under Article 40 hereinbefore contained, entitled to become a Member, until such person shall become a Member in respect of such Shares.

Receipt of Joint Holder

Any one of two or more joint holders of a share may give effective receipt for any dividends, bonuses or other moneys payable in respect of such Shares.

Dividend how Remitted

Any dividend, interest or other monies payable in cash in respect of Shares may be paid by electronic mode or 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. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

Dividends not to Bear Interest

No dividends shall bear interest against the Company.

Transfer of Shares and Dividends

Subject to the provisions of the Act, any transfer of Shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

95. **Capitalisation of Profits**

Capitalisation of Profits

The Company in General Meeting, may, on 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 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 the sub-clause (b) amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportion.

The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in sub-clause (c) below, either in or towards:

(i) paying up any amounts for the time being unpaid on Shares held by such Members respectively;

(ii) paying up in full, unissued share of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid; or

(iii) partly in the way specified in sub-clause (i) and partly that specified in sub- clause (ii).

A securities premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued Shares to be issued to Members of the Company as fully paid-up bonus Shares.

The Board shall give effect to the resolution passed by the Company in pursuance of these Articles.

96. **Accounts**

(A) **Accounts**

The provisions of Sections 128 to 138 of the Act and the relevant accounting standards shall be complied with in so far as the same is applicable to the Company.

(B) **Books of Accounts to be kept**

(a) The Company shall keep at its Registered Office proper books of accounts as required by Section 128 of the Act with respect to :

(i) All sums of money received and expected by the Company and the matters in respect of which the receipt and expenditure take place;

(ii) All sales and purchases of goods and services by the Company;

(iii) The assets and liabilities of the Company; and

(iv) The items of cost as may be prescribed under Section 148 of the Act and applicable to the Company.

Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors so decide, the Company shall, within seven days of the decision file with the Registrar a notice in writing giving full address of that other place.

(b) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transaction effected at that office shall be kept at that office and proper summarized returns made up to date at intervals of not more than three months, shall be sent by the branch office to the Company at its Registered Office or other place in India, as the Board thinks fit, where the said books of the Company are kept.

(c) All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch office as the case may be with respect to the matters aforesaid and explain the transactions.

(d) The books of account shall be open to inspection by any Director during business hours as provided by Section 128 of the Act.

(e) The books of account of the Company relating to a period of not less than eight years immediately preceding the current year together with the vouchers relevant to any entry in such books of accounts shall be preserved in good order.

(C) **Inspection by Members**

The Directors shall from time to time determine whether and to what extent and at what times and place and under what conditions or regulation the account, books and documents of the Company or any of them, shall be open to the inspection of the members, and no member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by statute or authorized by the Directors or by a resolution of the Company in general meeting.

(D) **Statement of Account to be furnished to General Meeting**

The Board of Directors shall lay before each annual general meeting a Financial Statements for the financial year of the Company which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar of Companies under the provisions of the Act.

(E) **Financial Statement**

Subject to the provisions of Section 129 of the Act, every Financial Statement of the Company shall be in the forms set out in Schedule II of the Act, or as near there to as circumstances admit.

So long as the Company is a holding Company having a subsidiary the Company shall conform to Section 129 and other applicable provisions of the Act.

If in the opinion of the Board, any of the current assets of the Company have not a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that option shall be stated.

(F) **Authentication of Financial Statement**

(a) The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act.

(b) The Financial Statement, shall be approved by the Board of Directors before they are submitted to the auditors for report thereon.

(G) **Profit and Loss Accounts to be Annexed and Auditors' Report to be attached to the Balance Sheet**

The Profit and Loss Account shall be annexed to the Balance and the Auditors' Report including the Auditor's separate, special or supplementary report, if any, shall be attached thereon.

(H) **Board's Report to be Attached to Financial Statement**

(a) Every Financial Statement laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the State of the Company's affairs and such other matters as prescribed under Section 134 of the Act and the Rules made thereunder.

(b) The Report shall so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries deal with any changes which have occurred during the financial year in the nature of the Company of Company's business, or of the Company's subsidiaries or in the nature of the business in which the Company has an interest.

(c) The board shall also give the fullest information and explanation in its Report or in cases falling under the proviso to Section 129 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditor's Report.

(d) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorized in that behalf by the Board; and where he is not so authorized shall be signed by such number of Directors as are required to sign the Financial Statements of the Company by virtue of sub-clauses (a) and (b) of Article 211 and in accordance with the Listing Regulations, as applicable.

(e) The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of sub-clauses (a) and (b) of this Article are complied with.

(f) Every Financial Statement of the Company when audited and approved and adopted by the members in the annual general meeting shall be conclusive except as regards in matters in respect of which modifications are made thereto as may from time to time be considered necessary by the Board of Directors and or considered proper by reason of any provisions of relevant applicable statutes and approved by the shareholders at a subsequent general meeting.

(I) **Right of Members to copies of Financial Statement and Auditor's Report**

A copy of every Financial Statement and the auditor's report and every other document required by law to be annexed or attached, as the case may be; to the balance sheet which is to be laid before the Company in General Meeting, shall be made available for inspection at the Registered Office of the Company during the working hours for a period of 21 days before the date of the meeting. A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid as may be permitted by Section 136 of the Act and as the Company may deem fit, will be sent to every member of the Company and to every Trustees for the holders of any debentures issued by the Company, not less than 21 days before the meeting as laid down in Section 136 of the Act. Provided that it shall not be necessary to send copies of the documents aforesaid to:

(a) to a member or holder of the debenture of the Company who is not entitled to have the notice of general meeting of the Company sent to him and whose address the Company is unaware;

(b) to more than one of the joint holder of any shares or debentures some of whom are and some of whom are not entitled to have such notice sent to them, by those who are not so entitled.

(J) **A copy of the Financial Statement etc. to be filed with Registrar**

After the Financial Statements have been laid before the Company at the annual general Meeting, a copy of the Financial Statement duly signed as provided under Section 137 of the Act together with a copy of all documents which are required to be annexed there shall be filed with the Registrar so far as the same be applicable to the Company.

97. **Audit**

(A) **Financial Statement to be audited**

Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.

(B) **Appointment of Auditors**

The Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 148 of the Act, alongwith the Rules made thereunder.

(C) **Audit of Branch Office**

The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of branch offices of the Company, except to the extent to which any exemption may be granted by the Central Government, in that behalf.

(D) **Auditors to have access to the Books of the Company**

The Auditor/s of the Company shall have a right of access at all times to the books and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditor/s.

All notice of and other communications relating to, any general meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditors of the Company and the Auditor shall be entitled to attend any general meeting and to be heard at any general meeting which he attends to any part of the business which concerns him as Auditor.

(E) **Financial Statement When Audited and Approved to be Conclusive**

Every Financial Statement when audited and approved by a General Meeting shall be conclusive except where it appears to the directors that—

(a) the financial statement of the Company; or

(b) the report of the Board,

do not comply with the provisions of Section 129 or Section 134 they may prepare revised Financial Statement or a revised report in respect of any of the three preceding financial years after obtaining approval of the Court or Tribunal as applicable on an application made by the Company in such form and manner as may be prescribed by the Central Government and a copy of the order passed by the Court or the Tribunal as applicable shall be filed with the Registrar:.

(F) **Authentication of Documents and Proceedings**

Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Key Managerial Personnel or an officer or an employee of the Company duly authorized by the Board in this behalf and need not be under its Seal.

98. **Documents and Notices**

(A) **Service of Documents on Members by the Company**

(i) A document or notice may be served by the Company on any member thereof either personally or by sending it, by registered post or speed post or by courier service or electronic means or such other modes as may be prescribed under the Act from time to time, to him at his registered address or if he has no registered address in India, to the address if any, within India, supplied by him to the Company for serving documents or notices to him

(ii) Where a document or notice is sent by post or courier service:

(a) Service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or the notice provided that where a member has intimated to the Company in advance that documents should be sent to him by specified manner and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents or notice shall not be deemed to be affected unless it is sent in the manner intimated by the members; and

(b) Such service shall be deemed to have been affected:

(i) In the case of a notice of meeting at the expiration of forty-eight hours after the letter containing the same is posted; and

(ii) in any other case at the time at which the letter would be delivered in the ordinary course of post.

(iii) A document or notice advertised in a newspaper circulation in the neighborhood of the Registered Office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.

(iv) A document or notice may be served by the Company on the joint holders of a share by serving it to the joint holder named first in the Register in respect of the share.

(v) A document or notice may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a pre-paid letter, addressed to them by name, or by title of representatives of the deceased, or assignees of the insolvent or by any like description, at the address if any, in India supplied for the purpose by the person claiming to be so entitled or until such an address has been so supplied, by serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.

(vi) The signature to any document or notice to be given by the Company may be written or printed or lithographed.

(B) **To Whom Documents must be Served or Given**

Document of notice of every general meeting shall be served or given in the same manner herein before authorized on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member, c) directors and (d) the auditor or auditors for the time being of the Company, PROVIDED that when the notice of the meeting is given by advertising the same in newspaper circulation in the neighborhoods of the office of the Company under Article 98, a statement of material facts, referred to in Article 99 need not be annexed to the notice as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

(C) **Members Bound by Documents or Notice Served on or Given to Previous Holders**

Every person, who by operation of law, transfer or other means whatsoever, has become entitled to share shall be bound by every document or notice in respect of such share which prior to his name and address being entered on the Register of Members, shall have duly served on or given to the person from whom he derived his title to such share.

(D) **Service of Documents on Company**

A document may be served on the Company or an Officer thereof by sending it to the Company or Officer at the Registered Office of the Company by Registered Post or by speed post or by courier services or by electronic means or by leaving it at its Registered Office or such other modes as may be prescribed under the Act from time to time.

(E) **Service of Documents by Company on the Registrar of Companies**

Subject to provisions in the Act, a document may be served on the Registrar of Companies by sending it to him at his office by Registered Post, or speed post or by courier services or by delivering it to or leaving it for him at his office or address or by such electronic or other mode as may be prescribed under the Act from time to time.

99. **Registers and Documents**

(A) **Registers and Documents to be Maintained by the Company**

The Company shall keep and maintain Registers, Books and documents as required by the Act or these Articles.

(B) **Maintenance and inspection of documents in electronic form**

Without prejudice to any other provisions of this Act, any document, record, register, minutes, etc., —

(a) Required to be kept by a company; or

(b) Allowed to be inspected or copies to be given to any person by a company under this Act, may be kept or inspected or copies given, as the case may be, in electronic form in such form and manner as may be determined by central government by the Central Government.

(C) **Inspection of Registers**

Subject to provisions of the Act and the provisions in the Articles, the Registers maintained under the Act and the minutes of all proceedings of General Meetings shall be open to inspection during any working day during business hours and extracts may be taken there from and copies thereof may be required by any member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company i.e., by any member, debenture holder, other security holder or beneficial owner without payment of fee and by any other person on payment of fee of ₹ 50/- for each inspection. Subject to provisions of the Act and the provisions in the Articles, the copies of entries in the Registers maintained under the Act shall be furnished to the persons entitled to the same on payment of ₹ 10/- for each page.

100. **Operation of Bank Account**

All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments and all receipts for moneys 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 of Directors may, from time to time, by resolution determine.

101. **WINDING UP**

(A) **Distribution of Assets**

(a) 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.

(b) 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.

(c) 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.

(d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in accordance with the provisions of the Act.

(B) **Distribution in Specie or Kind**

Subject to the provisions of the Act:

(a) If the Company shall be wound up whether voluntarily or otherwise, the liquidators may with the sanction of a special resolution and any other sanction required by the Act, divide amongst the contributories, in specie or kind the whole or any part of the assets of the Company, and may, with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them as the liquidators with the like sanction shall think fit.

(b) If thought expedient, any such division may, subject to the provisions of the Act, be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given (subject to the provisions of the Act) preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined or any contributory who would be prejudiced thereby shall have the right; if any to dissent and ancillary rights as if such determination were a special resolution,pursuant to Section 494 of the Companies Act, 1956 or Section 319 of the Companies Act as applicable at the time of application.

(c) In case any shares to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution but notice in writing direct the liquidators to sell his proportion and pay him the net proceeds and the Liquidators shall, if practicable act accordingly.

102. **Secrecy Clause**

(A) **Secrecy Clause**

(a) Every Director, Key Managerial Personnel, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Director, before entering upon his duties sign a declaration pleading himself to observe a strict secrecy respecting all transactions and affairs of the company with the customers and the state of the accountants with individuals and in matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

(b) No Member or other person (not being a Director) shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading, or any matter which may relate to the conduct of the business of the company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

103. **Indemnity and Responsibility**

(A) **Directors and Others Right to Indemnity**

Every Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorised representative of the Company shall be indemnified by the Company and for this purpose may have relevant third party insurances procured by the Company in their favour, for all costs, fees, penalty, deposit, losses and expenses (including travelling expenses) which such Director, Manager, Secretary, Officer or employee or authorized representative may suffer or is likely to suffer in any way during the course of discharge of his duties including expenses and the amount for which such indemnity is provided, shall immediately attach as a lien on the property of the Company and have priority between the members over all other claims. Provided that no Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorized representative of the Company shall be entitled to be indemnified by the Company or have insurance procured therefor in circumstances where any amounts directly or indirectly arise out of or in connection with any fraud, gross negligence, breach of trust or material and willful default on the part of such Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorized representative of the Company.

(B) **Director and Other Officers Not Responsible for the Acts of Others**

Subject to the provisions of the Act, no Director, Managing Director, Whole-time Director or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the nominees of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, within whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties or in relation thereto, unless the same happens through his own dishonesty.

An Independent Director, and a non-executive director not being a promoter or a Key Managerial Personnel, shall be liable only in respect of acts of omission or commission, by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently.

104. **Social Objective**

(A) **Social Objective**

The Company shall have among its objectives the promotion and growth of the national economy through increased productivity, effective utilization of material and manpower resources and continued application of modern scientific and managerial techniques in keeping with the national aspirations and the Company shall be mindful of its social and moral responsibilities to the consumers, employees, shareholders, society and the local community.

(B) **General Power**

Where any provisions of the said Act or the Rules or any other applicable laws provide that the Company shall do such act, deed, or thing or shall have a right, privilege or authority to carry out a particular transaction, only if it is so authorised in its Articles, in respect of all such acts, deeds, things, rights, privileges and authority, this Article hereby authorises the Company to carry out the same, without the need for any specific or explicit Article in that behalf

At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Listing Regulations, the provisions of the Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations, from time to time.

Names, Addresses, Occupations and description of Subscribers	No. of share taken by each Subscriber	Signature of Subscribers	Name and address and description of witness to the signature
Mr. Vishal Kanodia, S/o Sri Ashok Kumar Kanodia, R/o B-38/3A, Tulsipur, Mahmoorganj, Varanasi, UP (Business)	750	Sd/-	Awadhesh Singhal S/o Sri A.K Agarwal R/o 165 Vindhyavashini Nagar Colony, Orderly Bazar, Varanasi, UP
Smt. Khushboo Kanodia W/o Sri Vishal Kanodia R/o B-38/3A, Tulsipur, Mahmoorganj, Varanasi, UP (Business)	700	Sd/-	
Mr. Ashok Kumar Kanodia S/o Late Banarsi Lal Kanodia R/o Ward No.9, Bhikhampur Road, Deoria, UP(Business)	700	Sd/-	
Smt Manju Kanodia W/o Sri Ashok Kumar Kanodia R/o Ward No.9, Bhikhampur Road, Deoria, UP (Business)	700	Sd/-	
Mr. Gautam Kanodia S/o Sri Ashok Kumar Kanodia R/o Ward No. 9, Bhiknampur Road, Deoria, UP Business	700	Sd/-	
Smt. Pooja Poddar D/0 Sri Ashok Kumar Kanodia R/o B-38/3A, Tulsipur, Mahmoorganj, Varanasi, UP(Business)	750	Sd/-	
Mr. Kamal Nayan Poddar S/o Radhey Shyam Poddar R/o B-38/3A Tulsipur, Mahmoorganj, Varanasi, U.P (Business)	700	Sd/-	

We the several persons whose names and addresses are subscribed herein below, are desirous of being formed into a company in pursuance of this Articles of Association and we respectively agree to take the number of shares in the capital of the company set opposite our respective names –

Dated: 17th day of July 2009

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, delivered to the Registrar of Companies for filing and also the documents for inspection referred to hereunder, may be inspected at our Registered and Corporate Office from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, except for such contracts and documents that will be executed subsequent to the completion of the Bid/Offer Closing Date. These contracts and documents will also be available at the following web-link – http://www.kanodiacement.co.in/

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

Material Contracts for the Offer

1. Offer Agreement dated May 22, 2025 between our Company, the Selling Shareholders and the BRLMs.
2. Registrar Agreement dated May 21, 2025 between our Company, the Selling Shareholders and the Registrar to the Offer.
3. Cash Escrow and Sponsor Bank Agreement dated [●] among our Company, the Selling Shareholders, the BRLMs, the Escrow Collection Bank(s), Public Offer Account Bank(s), Refund Bank(s), the Sponsor Banks, Syndicate Members and the Registrar to the Offer
4. Share Escrow Agreement dated [●] between the Company, the Selling Shareholders and the Share Escrow Agent.
5. Syndicate Agreement dated [●] among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members and the Registrar to the Offer.
6. Underwriting Agreement dated [●] among our Company, the Selling Shareholders and the Underwriters

Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.
2. Certificate of incorporation dated August 3, 2009, issued to our Company, under the name of ‘Kanodia Cement Limited’ by the Deputy Registrar of Companies, Uttar Pradesh and Uttarakhand at Kanpur.
3. Certificate of commencement of business dated September 1, 2009, issued to our Company, under the name of ‘Kanodia Cement Limited’ by the RoC.
4. Resolutions of the Board of Directors dated March 22, 2025 authorising the Offer.
5. Resolution dated March 22, 2025 passed by the Board taking on record the participation of the Selling Shareholders in the Offer for Sale and other matters.
6. Resolutions of the Board dated May 22, 2025, approving this Draft Red Herring Prospectus.
7. Consent letter of the Selling Shareholders for participation in the Offer for Sale, as detailed in “*The Offer*” on page January 8, 2025.
8. Report titled “*Market Review of Indian Cement Sector”* dated May 22, 2025 issued by CRISIL Limited.
9. Consent letter dated May 22, 2025 issued by CRISIL, with respect to the CRISIL Report.
10. Engagement letter entered into between our Company and CRISIL Limited on August 2, 2024.
11. The examination report dated May 22, 2025 of the Statutory Auditors, on our Company’s Restated Consolidated Financial Statements, included in this Draft Red Herring Prospectus along with the Restated Consolidated Financial Statements.

12. Resolution dated May 22, 2025, passed by the Audit Committee approving the key performance indicators and certain other related matters.

13. Certificate dated May 22, 2025 from M/s Singhi & Co., Chartered Accountants, Statutory Auditor, certifying the KPIs of our Company.

14. Copies of annual reports of our Company for Fiscal Years 2022, 2023 and 2024.

15. The statement of special tax benefits available to our Company and its shareholders under direct and indirect tax laws in India from our Statutory Auditor, dated May 22, 2025.

16. Final observation letter bearing number [●] dated [●] issued by SEBI.

17. Written consent of the Directors, Promoters, Promoter Group, the BRLMs, the Syndicate Members, Legal Counsel to our Company, Legal Counsel to the BRLMs as to Indian Law, Registrar to the Issue, Escrow Collection Company(s), Public Offer Account Company(s), Refund Company(s), Sponsor Company, Share Escrow Agent, Company Secretary and Compliance Officer as referred to in their specific capacities.

18. Written consent dated May 22, 2025 from the Statutory Auditors namely, M/s Singhi & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this DRHP, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their examination report, dated May 22, 2025, on Restated Consolidated Financial Information and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act.

19. Written consent dated May 22, 2025 through their certificate dated May 22, 2025, from Shobhit Tandon, independent Practicing Company Secretaries, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their certificate in connection with the Offer and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act.

20. Due diligence certificate dated May 22, 2025, addressed to SEBI from the BRLMs.

21. Valuation report dated March 15, 2025 issued Sumedha Fiscal Services Limited, a merchant banker having registration number INM000008753.

22. Valuation report from Vikas Singh & Associates, Chartered Accontant, dated August 20, 2019 in connection with the scheme of amalgamation which was sanctioned by the National Company Law Tribunal, Allahabad by its order dated January 13, 2021.

23. In principle listing approvals dated [●] and [●], issued by BSE and NSE, respectively.

24. Tripartite agreement dated July 12, 2022, between our Company, NSDL and the Registrar to the Offer.

25. Tripartite agreement dated July 14, 2022, between our Company, CDSL and the Registrar to the Offer.

26. Shareholders' agreement dated March 22, 2025 between our Company, Promoters and Baring Private Equity India Fund 6.

27. Share Purchase Agreement dated March 22, 2025 between Nupoor Kanodia Beneficiary Trust, Baring Private Equity India Fund 6 and our Company.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without notice to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosure or undertaking in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Vishal Kanodia
Chairman and Managing Director

Place: Noida
Date: May 22, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosure or undertaking in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Saurabh Lohia
Executive Director

Place: USA
Date: May 22, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosure or undertaking in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Santosh Ramanuj Tiwari
Non – Executive Independent Director

Place: Delhi
Date: May 22, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosure or undertaking in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Sanjay Banthia
Non – Executive Independent Director

Place: USA
Date: May 22, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosure or undertaking in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Preeti
Non – Executive Independent Director

Place: Ghaziabad
Date: May 22, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosure or undertaking in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Roop Narain Maloo
Chief Financial Officer and Executive Director

Place: Mumbai
Date: May 22, 2025

DECLARATION

I, Gautam Kanodia, hereby confirm that all statements, disclosures and undertakings specifically made by me in this Draft Red Herring Prospectus about and in relation to myself, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Gautam Kanodia
Date: May 22, 2025
Place: Noida

DECLARATION

I, Swati Kanodia, hereby confirm that all statements, disclosures and undertakings specifically made by me in this Draft Red Herring Prospectus about and in relation to myself, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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Swati Kanodia
Date: May 22, 2025
Place: Noida

DECLARATION

We, Gautam Kanodia HUF, hereby confirm that all statements, disclosures and undertakings specifically made by us in this Draft Red Herring Prospectus about and in relation to ourselves, as a Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Authorised Signatory

Signed by and on behalf of Gautam Kanodia HUF

Name: Gautam Kanodia
Date: May 22, 2025
Place: Noida

DECLARATION

We, Nupoor Kanodia Beneficiary Trust, hereby confirm that all statements, disclosures and undertakings specifically made by us in this Draft Red Herring Prospectus about and in relation to ourselves, as a Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Authorised Signatory

Signed by and on behalf of Nupoor Kanodia Beneficiary Trust

Name: Vishal Kanodia
Date: May 22, 2025
Place: Noida