

## Business Overview

- Incorporated on February 23, 2009, Gala Precision Engineering Limited is a precision component manufacturer of technical springs like disc & strip springs ("DSS") including wedge lock washers; coil & spiral springs ("CSS") and special fastening solution ("SFS") supplying to original equipment manufacturers ("OEMs"), Tier 1 and channel partners; used in sectors like renewable energy including wind turbine and hydro power plants, various industrial sectors such as electrical, off highway equipments, infrastructure and general engineering, mobility segments such as automotive and railways.
- The Company's CSS products are used in commercial vehicles, passenger vehicles, railways and industrial infrastructure. They have positioned themselves as a key import substitution for European springs suppliers and multinationals looking at PLI Schemes and other incentives offered by the Government. They have also entered in a new related product category called retractor springs. These springs are a critical component for safety of the passenger. They are mainly competing with Stumpp Schuele & Somappa Springs Private Limited, NHK Springs India Limited, and Muhr und Bender KG in the CSS market.
- Under the Company's SFS, they manufacture make to order fasteners in the form of studs, anchor bolts and nuts which has end use applications in renewable energy, railways, off-highway vehicles, electrical and heavy machinery industries. They are mainly competing with Cooper & Turner Limited, Rose Holm A/S, August Friedberg GmbH in the global SFS market and with Randack Fasteners India Private Limited, Sundram Fasteners Limited and Hiten Fasteners Private Limited in the Indian SFS market.
- The Company's business primarily comprises of (i) springs technology division, under which they manufacture DSS including wedge lock washers ("WLW"), CSS and (ii) SFS in which they manufacture anchor bolts, studs and nuts.



Disc Springs



Strip Springs



Wedge Lock Washers

- The Company's DSS products find applications in renewable energy, railways, automobiles, off highway vehicles, heavy machinery, electrical and power equipments.
- With a global clientele exceeding 175 customers, the Company exports to over 25 countries, encompassing major markets such as Germany, Denmark, China, Italy, Brazil, USA, Sweden, Switzerland, contributing 37.53% to total sales as of March 31, 2024. Further, they are adding new customers for springs and fasteners in high potential markets such as Europe and USA.

The following table sets forth the Company's revenue from operations across offerings for the period indicated:

(₹ in Million)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Springs technology	1,622.66	1,388.51	1,133.25
Fastening solutions	391.82	226.35	214.76
Surface engineering solutions*	10.97	39.79	104.76
<b>Total</b>	<b>2,025.45</b>	<b>1,654.65</b>	<b>1,452.77</b>

\* They have sold the intangible assets of the surface engineering solutions business to SM Systems Private Limited through a sale agreement dated May 30, 2022.

### Issue Details

Fresh Issue of up to 2,558,416 Equity Shares aggregating up to ₹[●] million and Offer for Sale of up to 616,000 Equity Shares aggregating up to ₹[●] million.

**Issue size:** ₹160 - 168 Cr

**No of Shares:** 3,174,416

**Face value:** ₹10/-

**Price band:** ₹503 - 529

**Bid Lot:** 28 shares and in multiples thereon

**Post Issue Implied Market Cap:**

₹637 - 670 Cr

**BRLMs:** PL Capital Markets Private Limited

**Registrar:** Link Intime India Private Limited

### Indicative Timetable

Activity	On or about
Anchor Investor Issue Opens	30-08-2024
Issue Opens	02-09-2024
Issue Closes	04-09-2024
Finalization of Basis of Allotment	05-09-2024
Refunds/Unblocking ASBA Fund	06-09-2024
Credit of equity shares to DP A/c	06-09-2024
Trading commences	09-09-2024

### Listing: BSE & NSE

### Issue Break Up

Retail	QIB	NII
35%	50%	15%

### Shareholding \*

	Pre Issue	Post Issue
Promoter & Promoter Group	74.56%	55.44%
Public - Selling Shareholder	20.43%	15.50%
Public - Other	5.01%	29.06%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

\* Calculated using data in RHP on pages - 1, 25 & 100.

## Competitive Strengths

**Well established manufacturer of precision engineering components with diversified product portfolio and diverse market:** The Company has experience in designing, manufacturing and application engineering of high-performance standardised and customised disc springs and strip springs. Their products include disc and strip springs, wedge lock washers, coil and spirals springs, fastening solutions like anchor bolts, nuts and studs, etc. Their precision components and high tensile fasteners are used in sectors like renewable energy (including wind turbine and hydro plants), in various industrial sector such as electrical, off highway equipment, infrastructure and general engineering, in mobility segments such as automotive and railways. Their disc springs are of high quality meeting German DIN 2093 standards. They cooperate with global research institutes in Germany and India for new product testing and new process validations. Their wedge lock washers which market under GALLOCK brand, have been tested by the German Institute and meet the requirements of standard DIN 25201-4 for mechanical and technological testing. Further, the railways coaches and locomotive and wind turbine manufacturers have also tested and approved their wedge lock washers. They host in-house tool design and development capacities, optimised heat treatment, along with inspection and quality control to ensure the delivery of high precision components to meet customer specifications and offer one-stop solutions to their customers. Their wide range of products and their varied applications have helped them to develop a broad customer base across geographies and across industries. With a global clientele exceeding 175 customers, they export to over 25 countries, encompassing major markets such as Germany, Denmark, China, Italy, Brazil, USA, Sweden, Switzerland, contributing to 37.53% to total sales as of March 31, 2024. They are adding new customers for springs and fasteners in high value markets such as Europe and USA.

**Long-standing customer relationships with both Indian and global OEM and Tier 1 players:** Over three decades of operations, the Company has established long standing relationships with their customers. Their business originally commenced in the year 1989 and subsequently taken over by the Company through a BTA in the year 2009. Their diverse product portfolio helps cater to a broad range of customers and they have served over 175 customers in 25 countries. Their long-standing relationships with their customers indicate their commitment to high quality products and comprehensive solutions. Key factors leading to strong customer relationships are high quality products, reliability in supplies, development collaboration and meeting international standards. They engage with their clients through the different stages of product development, from the design and validation stages, until testing, final manufacturing, and delivery. They also provide customised packaging and kitting solutions to their customers. This helps them identify their requirements better and results in increased customer satisfaction. With their substantial experience as precision component manufacturer of technical springs and high tensile fasteners, they are a qualified and established supplier to OEMs, Tier 1 and channel partners.

**Well-equipped manufacturing facilities along with in-house design and other capabilities which offer scale, flexibility, and comprehensive solutions:** The Company operates in two manufacturing facilities at Wada District Palghar, Maharashtra, which are equipped with capabilities to design, develop, and manufacture diverse product portfolio. Further, they are setting up new manufacturing facility in Vallam-Vadagal, SIPCOT, Sriperumbuddur, Tamil Nadu for developing various high tensile fasteners in order to add to their existing product portfolio and new products like bolts. Their in-house process includes tool design and development, blanking and forming, coiling, heat treatment, shot peening, surface finishing, springs grinding and chamfering, scragging, load testing along with inspection, quality control and surface treatments and coatings. This helps them to provide comprehensive solutions to their customers and manufacture high precision components with control over the processes. Their manufacturing facilities being in India, they hold a significant cost advantage in comparison to their European competitors. They are focused on undertaking dedicated design and development activity in their existing products and development of new products and designs in areas where there is significant growth potential and would cater to needs of their customers.

**Experienced management team supported by large, diverse and skilled work force:** The Company is led by their Promoter, Chairman and Managing Director, Kirit Vishanji Gala who has helped expand their operations within India and globally and has been associated with the Company since incorporation. They also have an experienced senior management team whose industry experience has enabled them to anticipate and capitalize on changing market trends, manage and grow their operations and leverage and deepen customer relationships. Their leadership team has strong understanding of customer requirements combined with technical know-how that enables product innovation and new product development.

**Track record of consistent financial growth and performance characterized by operational efficiency and high repeat business:** The Company has showcased a consistent track record of growth and profitability. During Fiscal 2022 to Fiscal 2024, their total income registered CAGR of 17.53% to reach ₹2043.77 million in fiscal 2024. From Fiscal 2022 to Fiscal 2024 their gross profit margins has remained consistent at 59.26 % in Fiscal 2022 to 59.15 % in Fiscal 2024.

For further details, refer to 'Competitive Strengths' page 202 onwards of RHP

## Business Strategies

**Strengthening their core capabilities in precision engineering for sustainability:** The Company is a precision component manufacturer of technical springs and high tensile fasteners supplying to original equipment manufacturers ("OEMs"), Tier 1 and channel partners. They intend to continue to enhance their capabilities across the focus industries renewable energy, industrial and mobility by continuing to strengthen their core capabilities in precision engineering for sustainability. They are major disc springs manufacturer in domestic market and have ~10% market share in the Indian disc springs market. They have a significant presence in the DSS market for renewable industry with ~70% share in the domestic market and ~3% share in the global market. They are manufacturing disc springs for more than 15 years used in yaw brakes of wind turbine and supplied to global OEMs and brake manufacturers in India and overseas. Further, they have diversified their business almost 6 years ago and introduced fastening element products such as wedge lock washers and high tensile fasteners used in wind energy and hydro power plants.

**Moving up the value chain from niche markets to large addressable markets:** The Company's operations were commenced in the year 1989 by manufacturing disc and strip springs and have since diversified to include coil and spiral springs in 2015 and special fastening solution in 2018. As on date of the Red Herring Prospectus, they are a precision component manufacturer of technical springs and high tensile fasteners supplying to OEMs, Tier 1 and channel partners. They believe their experience and manufacturing capabilities will help them to address customers from niche markets to large addressable markets. CSS and SFS introduced by the Company were mainly focused in end industry segments like renewable energy, industrial and mobility sectors where they had strong presence decades of experience. CSS has major applications in automotive, transmission, brakes sitting and safety, in railways and industrial applications like flow control. Fastener industry is crucial across sectors, supplying essential components like screws, bolts, nuts, etc. for construction, renewables, aerospace, etc. They have widened their offering of fastening solutions for the wind segment and developed high tensile fasteners as an import substitute for leading global wind turbines manufacturers in India and increased their wallet by expanding product range and subsequently adding more OEMs including exports.

**Leverage in-house design and development capabilities to grow their product offerings and capitalize on future trends:** The Company is a technology driven company focused on using appropriate cost effective technologies for different volumes and varieties of products, to become single point solution provider to their customers for their different needs of type of technical springs and high tensile fasteners. Their design and development teams are focused on adopting emerging technologies, which improves their efficiency and their product portfolio in line with customer expectations and industry developments and standards. They plan to continue expanding their development, engineering, tool design and manufacturing, process improvements, lean manufacturing techniques, and automate them to optimize man-power to ensure zero defect products. Their dedicated product development team at their manufacturing facilities in Wada, Palghar, in Maharashtra has strengthened their ability to meet customer demands in accordance with delivery schedule. Over the past five years the product development and innovation centre has developed more than 200 products for different technical springs and high tensile fasteners.

**Strengthen relationships with their existing customers and expand customer base:** The Company has been expanding / developing new products leveraging existing customer relations in existing end industry segments. They intend to continue to expand their product portfolio by leveraging their relationship with their existing customers in India and globally, while simultaneously pursuing opportunities to develop new relationships. They aim to continue to maintain their strong track-record of repeat orders from their existing customers as well as expand and strengthen their relationships as part of their organic growth efforts. Further, they are intending to increase their focus on emerging sectors such as renewable energy including wind turbine and hydro power plants, other industrial sectors such as electrical, off highway equipments and mobility segments such as automotive and railways. They believe that this will result in adding new customers and in an increase in the wallet share of each existing customer, including their revenues, margins, and profitability. They plan to leverage their knowledge of the industry and engineering capabilities, in protecting and increasing their margins.

**Expand manufacturing capacity at their existing facilities and set-up additional strategically located facility:** As of June 30, 2024, the Company has two manufacturing facilities located in Wada, Palghar, Maharashtra. In order to support their growth strategy across India, they intend to set up an additional manufacturing facility at Vallam-Vadagal, SIPCOT, Sriperumbudur, Tamil Nadu for developing various high tensile fasteners in order to add to their existing product portfolio and new products like bolts and intend to utilise an amount of ₹370.00 million from the Net Proceeds. They believe their strategically located facility near Chennai will help them to cater to OEMs in renewable energy sector located in South India. Also their facility is near the port and help them to substantially reduce their transportation cost and ensure smooth delivery's to their export customers. They also intend to increase manufacturing capacity of DSS and CSS products at their existing manufacturing facilities at Wada, Palghar, Maharashtra and intend to utilise an amount of ₹110.69 million from the Net Proceeds.

For further details, refer to 'Strategies' page 206 onwards of RHP

## Profile of Directors

**Kirit Vishanji Gala** is the Chairman and Managing Director of the Company. He has been associated with the Company as its Managing Director since its incorporation. He became part of the Company pursuant to the BTA. He is also one of the Promoters of the Company. He holds a bachelor's degree in engineering (mechanical) from University of Bombay (1984). He also holds a master's degree in management studies from University of Bombay (1986). He has also completed a short course on Orchestrating Winning Performance from IMD, Switzerland (2022). He has received Pride of Welingkar Institute of Management award (2023). He regularly speaks on topics such as next generation of professional entrepreneurs, change management in VUCA world and strategy shastra. He currently oversees business strategies and marketing in the Company. He was promoter and Managing Director of Gala Precision Technology Limited which was funded by India value fund (private equity) in 2005. Subsequently, Gala Precision Technology Limited entered in to a Share Purchase Agreement in March 20, 2009 with Hoerbiger Deutschland Holding GmbH. In May 26, 2009, the Company entered in to a BTA with Gala Precision Technology Private Limited to acquire DSS, MFS Business and Thane Undertaking.

**Balkishan Jalan** is the Executive Director of the Company. He has been associated with the Company since its incorporation. He joined the Company pursuant to the BTA. He holds a bachelor's degree in commerce from University of Bombay (1989). He also qualified as a chartered accountant from the Institute of Chartered Accountants of India (1994). He is also a recipient of SAP ACE Excellence Awards (2010). He was previously associated with Gala Equipments Limited with effect from September 07, 1998, subsequently the name of Gala Equipments Limited was changed to Gala Precision Technology Private Limited where he has also held the position of chief operating officer. He has 25 years of experience in operations. He currently oversees operations, finance and overall management of the Company.

**Satish Kotwani** is the Whole time Director of the Company. He has been associated with the Company since its incorporation. He joined the Company pursuant to the BTA. He holds a diploma in mechanical engineering from Board of Technical Examinations, Maharashtra (1991). He also holds a diploma in management (materials) from N.G. Bedekar College of Commerce (1992). He further holds a diploma in marketing management from the Bombay Institute of Management Studies (1996). He has also participated in executive education programmes from Indian Institute of Management Bangalore and Indian School of Business. He was previously associated with Born Marketers Private Limited with effect from June 10, 1993. He then joined Gala Equipments Limited with effect from June 01, 1995 subsequently whose name was changed to Gala Precision Technology Private Limited where he has also held the position of senior manager (business development). He has 30 years of experience in marketing. He currently oversees global business development, marketing and sales in the Company.

**Rajendra Gogri** is a non-executive and non-independent Director of the Company. He has been associated with the Company since August 28, 2018. He is currently the chairman and managing director of Aarti Industries Limited. He holds a bachelor degree in chemical engineering from UDCT (now known as ICT), Mumbai (1981). He also holds a masters of science degree with a major in chemical engineering from Iowa State University of Science and Technology (1983). He is also recipient of recipient of UDCT distinguished alumnus award (1995).

**Snehal Shah** is an Independent Director of the Company. He has been associated with the Company since November 30, 2023. He holds a bachelor's degree in engineering (electrical) from University of Vallabh Vidyanagar, Gujarat (1992). He also holds a post graduate diploma in management from the Indian Institute of Management, Bangalore (1995). He has previously been associated with Fairwinds Asset Managers Limited as a consultant and ICICI Venture Funds Management Company Limited as a manager.

**Varsha Galvankar** is an Independent Director of the Company. She has been associated with the Company since November 30, 2023. She holds a bachelor's degree in commerce from the University of Bombay (1988) and she is also a registered income tax practitioner. She has over 31 years of experience across various financial domains at GBCA & Associates LLP, a chartered accountant firm. She also is an active member of the Chamber of Tax Consultants since 2004 and has been part of the managing council of the chamber during the years 2019-2020 and 2020-2021.

**Neha Gada** is an Independent Director of the Company. She has been associated with the Company since November 30, 2023. She holds a bachelor's degree in commerce from the University of Mumbai (1996). She has also qualified as a Chartered Accountant from the Institute of Chartered Accountants of India (1997) and further, she has passed the Limited Insolvency examination from the Insolvency and Bankruptcy Board of India (2017). Currently, she is on the board of directors at Dhhanish Advisors Private Limited. She is also a recipient of CA Woman Independent Director Award (first position) from the Institute of Chartered Accountant India in (2023).

**Sudhir Gosar** is an Independent Director of the Company. He has been associated with the Company since January 11, 2024. He holds a bachelor's degree in chemical engineering from Indian Institute of Technology, Bombay (1983). He has over 33 years of experience in various technology roles across companies such as Reliance Communications Limited, Sterlite Technologies Limited, IndusInd Media & Communications Limited and In2cable (India) Limited.

Given above is the abstract of data on directors seen on page 251-252 of the RHP

## Objects of the Offer

**Offer for Sale:** Since the Offer is an offer for sale, the Company will not receive any proceeds from the Offer.

**Fresh Issue:** The Net Proceeds are proposed to be used by the Company in accordance with the details set forth below:

Particulars	Estimated amount <sup>(1)</sup> (₹ in Million)
Setting up a new facility at Vallam-Vadagal, SIPCOT, Sriperumbuddur, Tamil Nadu for manufacturing high tensile fasteners and hex bolts	370.00
Funding capital expenditure requirements towards purchase of equipment, plant and machinery at Wada, Palghar, Maharashtra	110.69
Repayment/ prepayment, in full or part, of certain borrowings availed by the Company	454.30
General corporate purposes	[•]
<b>Total Net Proceeds</b>	<b>[•]</b>

Above data is obtained from page 24 of RHP

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

## Comparison with peers

The Companies identified to be a part of their “peer group” are all precision engineering companies. However, these companies are much larger in size as compared to the Company. The SEBI ICDR regulations require that if one to one comparison is not possible, appropriate notes to explain the differences may be included. Accordingly, they have provided explanations to explain why, despite differences in the size of the selected peer group companies, the said companies have been considered as part of the peer group. For details of the same please refer page 140 of RHP.

Company	Type of Financials	FV/Share (₹)	EPS (Basic)	RONW (%)	NAV (₹ per share)	P/E (times)
Gala Precision Engineering Limited (EPS & RoNW before exceptional items)	Consolidated	10	24.37	23.27	103.30	[•]
(EPS & RoNW after exceptional items)			22.09	21.38		
Harsha Engineers International Limited	Consolidated	10	12.24	9.48	129.09	44.33
SKF India Limited	Consolidated	10	111.6	20.57	542.63	48.50
Sundram Fasteners Limited	Consolidated	1	24.83	15.37	162.81	54.49
Rolex Rings Limited	Standalone	10	57.30	17.37	329.81	40.83
Sterling Tools Limited	Consolidated	2	15.37	12.38	124.11	24.70
Ratnaveer Precision Engineering Limited	Standalone	10	7.61	12.32	51.78	24.69

Above data is obtained from page 143 of RHP

### Notes:

The total number of Equity Shares outstanding for the Company is taken after the issue of bonus Equity Shares on September 27, 2023. With respect to the Company, the information above is based on the Restated Financial Statements for the year ended March 31, 2024. Financial information for listed industry peers mentioned above is for the twelve months period ended March 31, 2024 and is based on the respective annual report disclosed by these companies to the stock exchanges.

Rolex Rings Limited and Ratnaveer Precision Engineering Limited does not have any subsidiary and hence financial information for this company is referred to as “Standalone”.

- EPS refers to the earnings per share sourced from the audited financial statements of March 2024 of the respective company.
- RONW for peers is computed as net profit as a percentage of Net Worth at the end of the Fiscal year 2024.
- RONW for the Company is computed as Net Profit with exceptional item or without exceptional item as applicable, as a percentage of Net Worth at the end of the Fiscal year 2024.
- NAV is computed as the net worth at the end of the year divided by the closing outstanding number of equity shares.
- P/E Ratio has been computed based on the closing market price of the equity shares (Source: NSE) on August 09, 2024 divided by the EPS.

## Financials (Restated):

(₹ in Million unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Equity Share Capital	101.11	25.24	25.28
Other Equity	946.74	811.27	567.88
Non Controlling Interest	(3.37)	0.03	-
Total Equity	1,044.48	836.54	593.16
Total Borrowings	550.27	585.98	568.92
Revenue from Operations	2,025.45	1,654.65	1,452.77
EBITDA	405.89	289.41	223.51
EBITDA Margin	19.86%	17.32%	15.11%
Profit before Tax	252.78	274.57	112.28
Profit for the Year	223.32	242.12	66.31
PAT margin	10.93%	14.49%	4.48%
Return on Net Worth	21.38%	28.94%	11.18%
Basic EPS	22.09	23.98	6.56

Above data obtained from pages 25-26, 68-74 & 144-145 of RHP

### Notes:

- EBITDA = PAT + (finance Costs+ depreciation and amortization expenses+ total tax expense) - exceptional items.
- EBITDA Margin is EBITDA as a percentage of total income.
- Profit for the year refers to Profit after tax and exceptional items.
- PAT Margin refers to PAT Margin after exceptional items (%) and is calculated as profit/ (loss) for the year / period after exceptional items as a percentage of total income.
- Return on Net worth represents Return on Net Worth after exceptional Item (%) = Restated Profit for the year/ period after exceptional item as a percentage of the Net worth as at the end of the year.
- Basic EPS (₹) refers to Basic earnings per share (with exceptional items) calculated by dividing the Restated Profit for the year by the number of Equity Shares outstanding at the year-end, after considering impact of bonus issuance retrospectively, for all periods presented.

## Key Risk Factors

- The loss of any of the Company's key customers or significant reduction in their productions and sales of, or demand for their products from their significant customers may adversely affect their business, results of operations and financial condition.
- The Company's Business and revenue from operations of the Company is dependent on demand of customer's products. Any loss of, or a significant reduction in purchases by such customers due to the reduction in demand of their customers products could adversely affect their business.
- The Company does not have any Exclusivity Arrangements with the customers and with the suppliers.
- The Company is involved in a patent infringement suit, and an adverse outcome in this proceeding may adversely affect their business, financial condition and growth strategy.
- The Company's revenue is dependent on the springs technology segment of their business. Any downturn in the spring technology segment can adversely impact their business, results of operations, cash flow and financial condition of the Company.
- The Company does not have long term contracts or exclusive arrangements with any of their suppliers, and a significant increase in the cost of, or a shortfall in the availability, or deterioration in the quality, of such input materials could have an adverse effect on their business and results of operations.
- The Company's business is dependent on the performance of the application industries with a large portion of revenue being derived from a select few of application industries. Any downturn in the application industries can adversely impact their business, results of operations, cash flow and financial condition of the Company.
- The Company is involved in certain legal proceedings, and an adverse outcome in any such proceedings may adversely affect their business, financial condition and growth strategy.
- The Company has entered into transactions with related parties. These or any future related party transactions may potentially involve conflicts of interest and there can be no assurance that they could not have achieved better terms, had such arrangements been entered into with unrelated parties.
- The Company's operations are subject to varied business risks and the Company's insurance cover may prove inadequate to cover the economic losses of the Company.
- The Company is dependent on third party transportation for the delivery of raw materials and finished products and any disruption in their operations or a decrease in the quality of their services could adversely affect their business and results of operations.
- The Company's business is manpower intensive. Their business may be adversely affected by work stoppages, increased wage demands by their employees, or increase in minimum wages across various states, and if they are unable to engage new employees at commercially attractive terms.
- The Company has a high working capital requirement and if the Company is unable to raise sufficient working capital the operations of the Company will be adversely affected.
- The Company's Promoters have provided personal and corporate guarantees for certain borrowings obtained by the Company and any failure or default by the Company to repay such loans could trigger repayment obligations on their Promoters which may impact their ability to effectively service their obligations and thereby, adversely impact their business and operations.
- The Company exports their products to various countries including, Germany, Switzerland, Finland, Italy, Denmark, USA, China, Brazil. Any adverse events affecting these countries including any exchange rate fluctuations, depreciation in the India Rupee and compliance with a wide range of regulatory requirement and foreign laws could have an adverse impact on their business, financial condition and results from operations.
- The Company faces competition from both domestic as well as international players and their inability to compete effectively may have a material adverse impact on their business and results of operations.
- The Company's contingent liabilities could adversely affect their financial condition if they materialise.
- The Red Herring Prospectus contains information from industry sources including the industry report commissioned from Lattice Technologies Private Limited. Prospective investors are advised not to place undue reliance on such information.

Please read carefully the Risk Factors given in detail in section II (page 37 onwards) of RHP

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### Registration details:

JM Financial Services Ltd.  
Stock Broker – Registration No. - INZ000195834  
Corporate Identity Number: U67120MH1998PLC115415

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