



सहायक प्रबंधक/ Assistant Manager

र. मं. प.-निर्गम एवं सूचीबद्धता प्रभाग-4 / RAC- Division of Issues and Listing-4

निगम वित्त विभाग/ Corporation Finance Department

ई-मेल/Email :- narendranp@sebi.gov.in

Extension - 022-40452306/022-26442306

SEBI/HO/CFD/RAC-DIL4/P/OW/2025/27708/1

October 30, 2025

Nirbhay Capital Services Private Limited

201, Maruti Crystal

Opp. Rajpath Club, S.G.Road

Ahmedabad – 380 054

Gujarat, India

Kind attention: Mr. Jitendra Gupta / Mr. Kunjal Soni

Sir/Madam,

विषय/ Sub: Rajputana Stainless Limited का प्रस्तावित आईपीओ/ Proposed IPO of Rajputana Stainless Limited

उपरोक्त से संबंधित प्रारूप प्रस्ताव दस्तावेज (ड्राफ्ट ऑफर डॉक्यूमेंट), भारतीय प्रतिभूति और विनियम बोर्ड (सेबी) द्वारा मांगे गए स्पष्टीकरणों और उसके संबंध में दिए गए उत्तरों के संदर्भ में, यह सूचित किया जाता है कि इनकी जाँच करने पर यह पाया गया है कि इनमें कमियाँ हैं। भारतीय प्रतिभूति और विनियम बोर्ड [पूँजी का निर्गमन (इश्यू) और प्रकटीकरण अपेक्षाएँ] विनियम, 2018 [सेबी (इश्यू ऑफ कैपिटल एंड डिस्क्लोजर रिक्वायरमेंट्स) रेग्यूलेशन्स, 2018] के प्रावधानों और दिए गए अनुदेशों का पालन नहीं किया गया है, और आपके लिए यह जरूरी है कि आप स्टॉक एक्सचेंज और/ या कंपनी रजिस्ट्रार के पास प्रस्ताव दस्तावेज दाखिल करने से पहले उन कमियों को दूर करें और संबंधित प्रावधानों तथा दिए गए अनुदेशों का पालन करें। उपरोक्त के संबंध में की गई टिप्पणियों का और जिन शर्तों आदि का पालन किया जाना है, उनका जिक्र संलग्नक 'I' और संलग्नक 'II' में किया गया है। कृपया यह भी नोट करें कि संलग्नक में जो कमियाँ बताई गई हैं/ कुछ और प्रकटीकरण (डिस्क्लोजर) करने की बात कही गई है, यह सब आपको केवल उदाहरण के तौर पर ही बताया गया है। यह सुनिश्चित करने की जिम्मेदारी आपकी है कि सभी और सही प्रकटीकरण किए जाएं।

With reference to the draft offer document in respect of captioned issue, clarifications sought by SEBI and the replies submitted therein, it is stated that on scrutiny of the same, deficiencies /instances of non-compliance of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred to as SEBI (ICDR) Regulations, 2018) and instructions have been observed, which are required to be rectified / complied with by you before filing the offer document with the Stock Exchange and/ or

ROC. Observations on the captioned issue and other conditions to be complied with are indicated in Annexure 'I' and 'II'. It may be noted that the deficiencies / requirement of additional disclosures listed in the Annexure are merely illustrative and not exhaustive. It is your responsibility to ensure full and true disclosures.

1. बुक रनिंग लीड मैनेजर होने के नाते, आप यह सुनिश्चित करेंगे कि स्टॉक एक्सचेंज / कंपनी रजिस्ट्रार के पास प्रस्ताव दस्तावेज दाखिल करने से पहले संलग्नक में दी हुई टिप्पणियों / शर्तों आदि के अनुसार प्रस्ताव दस्तावेज में बदलाव कर लिए जाएं। कंपनी रजिस्ट्रार / स्टॉक एक्सचेंज के पास अंतिम प्रस्ताव दस्तावेज दाखिल करने से पहले आपको हमें एक पत्र भेजकर इस बात की पुष्टि करनी होगी कि अपेक्षानुसार बदलाव कर लिए गए हैं और साथ ही यह भी बताना होगा कि प्रत्येक टिप्पणी / शर्त आदि के अनुसार बदलाव कैसे किए गए हैं। इसके अलावा और कोई भी बदलाव सेबी से लिखित सहमति लिए बिना नहीं किए जाएंगे।

As Book Running Lead Manager (LM), you shall ensure that all changes are effected based on the observations / conditions contained in the Annexure before you file the offer document with the stock Exchange / ROC. A letter confirming these changes and explaining, in seriatim, the manner in which each observation / condition has been dealt with along with your comments should be submitted to us, before filing the final offer document with ROC / Stock Exchange. **NO FURTHER CHANGES SHOULD BE EFFECTED WITHOUT SPECIFIC WRITTEN CONSENT OF SEBI.**

2. यह स्पष्ट किया जाता है कि भारतीय प्रतिभूति और विनियम बोर्ड (सेबी) के पास प्रस्ताव दस्तावेज (ऑफर डॉक्यूमेंट) दाखिल करने का अर्थ किसी भी तरह से यह न लगाया जाए कि सेबी द्वारा इसे मंजूरी प्रदान कर दी गई है। सेबी न तो इस बात की कोई जिम्मेदारी लेता है कि जिस स्कीम या परियोजना (प्रोजेक्ट) के लिए निर्गम (इश्यू) लाए जाने का प्रस्ताव है उसकी वित्तीय स्थिति अच्छी है और न ही इस बात की जिम्मेदारी लेता है कि प्रस्ताव दस्तावेज में दी गई जानकारी या व्यक्त की गई राय सही है। अग्रणी प्रबंधकों (लीड मैनेजर्स) ने यह प्रमाणित किया है कि प्रस्ताव दस्तावेज में जो प्रकटीकरण (डिस्क्लोज़र) किए गए हैं वे मोटे तौर पर पर्याप्त हैं और जो प्रकटीकरणों (डिस्क्लोज़र) तथा निवेशक संरक्षण के संबंध में उस समय लागू सेबी के विनियमों के प्रावधानों के अनुसार किए गए हैं। अग्रणी प्रबंधक यह भी सुनिश्चित करेंगे कि ऐसा भारतीय प्रतिभूति और विनियम बोर्ड [पंजी का निर्गमन (इश्यू) और प्रकटीकरण अपेक्षाएँ, विनियम, 2018 [सेबी (इश्यू ऑफ कैपिटल एंड डिस्क्लोज़र रिक्वायरमेंट्स) रेग्यूलेशन्स, 2018] के अनुसार भी किया जाए। ऐसा करना इसलिए जरूरी है, ताकि निवेशक प्रस्तावित निर्गम (इश्यू) में निवेश करने के संबंध में सोच-समझकर निर्णय ले सकें।

It is to be distinctly understood that submission of offer document to SEBI should not in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the issue is proposed to be made or for the correctness of the statements made or opinions expressed in the offer

document. The LMs have certified that the disclosures made in the offer document are generally adequate and are in conformity with SEBI regulations for disclosures and investor protection in force for the time being. The LMs are advised to ensure the same with respect to SEBI (ICDR) Regulations, 2018. This requirement is to facilitate investors to take an informed decision for making investment in the proposed issue.

- यह भी पूरी तरह से स्पष्ट किया जाता है कि यद्यपि इस बात की जिम्मेदारी मुख्य रूप से निर्गमकर्ता (इश्युअर) कंपनी की होती है कि प्रस्ताव दस्तावेज में समस्त जरूरी जानकारी प्रकट की जाए और जो सही और पर्याप्त हो, फिर भी अग्रणी प्रबंधकों (लीड मैनेजर्स) से अपेक्षित है कि वे यह सुनिश्चित करने के लिए पूरी तत्परता (ड्यू डिलिजेंस) बरतें कि कंपनी अपनी जिम्मेदारियाँ सही ढंग से निभाए और इसी उद्देश्य से अग्रणी प्रबंधकों ने भारतीय प्रतिभूति और विनिमय बोर्ड (इश्यू ऑफ कैपिटल एंड डिस्क्लोजर रिक्वायरमेंट्स) रेग्यूलेशन, 2018 के अनुसार सेबी के पास पूरी तत्परता बरते जाने के संबंध में तारीख June 19, 2024 का प्रमाणपत्र (ड्यू डिलिजेंस सर्टिफिकेट) प्रस्तुत किया है।

It should also be clearly understood that while the Issuer Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the offer document, the LMs are expected to exercise Due Diligence to ensure that the Company discharges its responsibility adequately in this behalf and towards this purpose, the LMs have furnished to SEBI a Due Diligence Certificate dated **June 19, 2024** in accordance with SEBI (ICDR) Regulations, 2018.

- हालाँकि, कंपनी प्रस्ताव दस्तावेज दाखिल कर देने से ही कंपनी अधिनियम, 2013 की धारा 34 के तहत दी गई किसी भी बाध्यता से मुक्त नहीं हो जाती या वह कानूनी प्रावधानों के अनुसार ली जाने वाली मंजूरी या ऐसी कोई अन्य मंजूरी लेने से मुक्त नहीं हो जाती, जो प्रस्तावित निर्गम के संबंध में लेनी जरूरी हो। हालाँकि, सेबी प्रस्ताव दस्तावेज में कोई अनियमितता या कमी पाए जाने पर कभी भी अग्रणी प्रबंधकों के खिलाफ कार्रवाई कर सकता है।

The filing of offer document does not, however, absolve the company from any liabilities under Section 34 of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed issue. SEBI further reserves the right to take up, at any point of time, with the LMs any irregularities or lapses in offer document.

- किसी भी प्रचार सामग्री या विज्ञापन में ऐसा कुछ भी उल्लेख नहीं किया जाएगा, जो प्रारूप प्रस्ताव दस्तावेज (ड्राफ्ट ऑफर डाक्यूमेंट) में दी गई जानकारी से भिन्न हो। इस संबंध में आपका ध्यान विशेष रूप से कंपनी अधिनियम, 2013 की धारा 36 के प्रावधानों की ओर आकर्षित किया जाता है।

Any publicity materials / advertisements should not contain matters extraneous to the information contained in the draft offer document. **Attention is specifically drawn to the provisions of Section 36 of the Companies Act, 2013.**

6. अग्रणी प्रबंधक यह सुनिश्चित करें कि भारतीय प्रतिभूति और विनियम बोर्ड [पूँजी का निर्गमन (इश्यू) और प्रकटीकरण अपेक्षाएँ विनियम, 2018 के विनियम 25(1) और अनुसूची- III के अनुसार उपरोक्त निर्गम (इश्यू) के संबंध में फाइलिंग फीस की गणना किस प्रकार की गई है उसका एक विस्तृत विवरण, यथास्थिति, कंपनी रजिस्ट्रार के यहाँ प्रॉस्पेक्टस दाखिल किए जाने के सात दिनों के भीतर / स्टॉक एक्सचेंज के पास प्रस्ताव पत्र (लेटर ऑफ ऑफर) दाखिल किए जाने के सात दिनों के भीतर, सेबी के पास प्रस्तुत कर दिया जाए और साथ ही अब तक अदा की गई फाइलिंग फीस का ब्यौरा भी दिया जाए।

The LMs are advised to ensure that a detailed calculation of filing fees in relation to the captioned issue in terms of regulation 25(1) and Schedule III of the SEBI (ICDR) Regulations, 2018 is submitted to SEBI within seven days of filing the Prospectus with ROC/ within seven days of filing the Letter of Offer with the stock exchange, as the case may be, along with details of filing fees paid till date.

आपने जो फीस अदा की है, यदि वह वास्तव में अदा की जाने वाली फीस से कम हो, तो ऐसे में अग्रणी प्रबंधक यह सुनिश्चित करेंगे और इस बात की पुष्टि करेंगे कि सेबी को शेष फीस अदा किए जाने के संबंध में इन विनियमों की अनुसूची-III के प्रावधानों का पालन किया गया है।

If filing fees paid by you is less than the actual fees required to be paid, the LMs are advised to ensure and confirm compliance with the provisions of Schedule III of the said Regulations in regard to payment of the balance fees to SEBI.

आपने जो फीस अदा की है, यदि वह वास्तव में अदा की जाने वाली फीस से अधिक हो, तो ऐसे में आप सेबी को सूचित करेंगे कि कितनी फीस लौटाई जानी है, साथ ही आप यह भी बताएंगे कि आपने लौटाई जाने वाली फीस की रकम की गणना कैसे की है।

If filing fees paid by you are more than the actual fees required to be paid, you are advised to inform SEBI about the amount to be refunded, along with detailed calculation of amount refundable.

7. प्रस्तावित निर्गम (इश्यू) इस अभिमत पत्र के जारी होने की तारीख से 12 महीनों के भीतर पैसा लगाने (अभिदान करने/ सब्सक्रिप्शन) के लिए खोला जा सकता है।

The proposed issue can open for subscription within a period of 12 months from the date of issuance of this observation letter.

8. आपसे अनुरोध है कि इस पत्र की प्राप्ति के 15 दिवस के भीतर अपना उत्तर प्रस्तुत करें।

You are requested to submit your response within 15 days of the receipt of this letter.

स्थान / Place: मुंबई / Mumbai

नरेंद्रन पी / Narendran P

Annexure I

OBSERVATIONS

The following are observations of SEBI in respect of the Draft Red Herring Prospectus ('DRHP') of **Rajputana Stainless Limited**. While these observations refer to a specific chapter or point, the LM shall ensure to disclose the same across all pages/chapters where the same/similar matter occurs in the DRHP. The BRLM shall also ensure that these disclosures are made in all filings with SEBI.

1. Please refer to the initial clarification dated vide an e-mail dated **July 09, 2025**, the **second clarification vide mail dated September 30, 2025**, our **third clarification vide mail dated October 16, 2025**, your responses to our clarifications vide letter dated **July 23, 2025**, **letter dated October 07, 2025**, **letter dated October 18, 2025** and all other correspondences exchanged. Wherever the LM has undertaken to modify/delete/amend the risk factors or in other relevant section of the DRHP in its replies, the same shall be duly modified and incorporated in the updated DRHP ('UDRHP') and Red Herring Prospectus ('RHP') and Abridged Prospectus.
2. Wherever the LM has mentioned "*Complied with*" or "*Noted for compliance*" or "*Complied with and noted for compliance*" or "*Complied with to the extent applicable*" or "*Complied with, to the extent applicable and noted for compliance*" or "*Complied with and noted for compliance, to the extent applicable*" in its replies, LM shall ensure that the same are duly complied with.
3. Clause 24 (3) of SEBI (ICDR) Regulations, 2018 ('**ICDR Regulation**'), requires LM to exercise due diligence and satisfy itself about all aspects of the issue including the veracity and adequacy of disclosures in the offer document. In view of the same, LM is advised to ensure that:
 - i. The offer document shall not contain any information where no responsibility is taken by the BRLMs or the Issuer Company / Expert.
 - ii. The "Industry Overview" section represents a fair and true view of the comparable industry scenario and the same is neither exaggerated nor have any underlying assumptions been omitted for investors to make an informed decision. All statements that are not verifiable and substantiated with figures shall be deleted. The industry report disclaimers (if any) shall be removed from all places of the offer document.
4. Sequencing of the chapters in the offer document shall be strictly in terms of the Schedule VI of ICDR Regulations.



Annexure I

OBSERVATIONS

The following are observations of SEBI in respect of the Draft Red Herring Prospectus ('DRHP') of **Rajputana Stainless Limited**. While these observations refer to a specific chapter or point, the LM shall ensure to disclose the same across all pages/chapters where the same/similar matter occurs in the DRHP. The BRLM shall also ensure that these disclosures are made in all filings with SEBI.

1. Please refer to the initial clarification dated vide an e-mail dated **July 09, 2025**, the **second clarification vide mail dated September 30, 2025**, our **third clarification vide mail dated October 16, 2025**, your responses to our clarifications vide letter dated **July 23, 2025**, **letter dated October 07, 2025**, **letter dated October 18, 2025** and all other correspondences exchanged. Wherever the LM has undertaken to modify/delete/amend the risk factors or in other relevant section of the DRHP in its replies, the same shall be duly modified and incorporated in the updated DRHP ('UDRHP') and Red Herring Prospectus ('RHP') and Abridged Prospectus.
2. Wherever the LM has mentioned "*Complied with*" or "*Noted for compliance*" or "*Complied with and noted for compliance*" or "*Complied with to the extent applicable*" or "*Complied with, to the extent applicable and noted for compliance*" or "*Complied with and noted for compliance, to the extent applicable*" in its replies, LM shall ensure that the same are duly complied with.
3. Clause 24 (3) of SEBI (ICDR) Regulations, 2018 ('**ICDR Regulation**'), requires LM to exercise due diligence and satisfy itself about all aspects of the issue including the veracity and adequacy of disclosures in the offer document. In view of the same, LM is advised to ensure that:
 - i. The offer document shall not contain any information where no responsibility is taken by the BRLMs or the Issuer Company / Expert.
 - ii. The "Industry Overview" section represents a fair and true view of the comparable industry scenario and the same is neither exaggerated nor have any underlying assumptions been omitted for investors to make an informed decision. All statements that are not verifiable and substantiated with figures shall be deleted. The industry report disclaimers (if any) shall be removed from all places of the offer document.
4. Sequencing of the chapters in the offer document shall be strictly in terms of the Schedule VI of ICDR Regulations.





5. LM is advised to refrain from using adjectives and replace the words such as largest, biggest, leading, etc. or other such similar terms used at various places in the draft offer document.
6. LM is advised to disclose the name of Independent Chartered Accountant along with its FRN at all the relevant sections/ relevant footnotes in the offer document. Further, LM is advised to ensure that certificate issued by independent Chartered Accountant/ Statutory Auditor or any other expert shall form the part of Material Contracts and Documents available for inspection.
7. LM is advised to disclose the details of allotment of securities, if any, in violation of the provisions of the Companies Act in UDRHP / RHP.
8. LM is advised to provide a confirmation that there are no other agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already been disclosed in the offer document.
9. LM is advised to confirm that any of the investors of the company is not directly/indirectly related with BRLM and their associates. If yes, the same should be disclosed in the offer document. Further, LM is advised to disclose through a negative disclosure confirmation at all relevant sections of the offer document.
10. LM is advised to ensure that relevant disclosures as to all actions/complaints/pending litigations with other Regulatory Authorities are made in the RHP.
11. During the interim period of issuance of observation and listing, for all the complaints received by LM/Company and complaints forwarded by SEBI, LM is advised to ensure that there is adequate redressal of the complaint and relevant disclosures are made in the UDRHP/RHP and other Offer related material along with the disclosures of the Financial Impact of the same, if any. Such correspondence shall be made part of the material contracts and documents for inspection. Further, LM is advised to incorporate a prominent Risk Factor, if required, for such complaints received.
12. LM is advised to update the UDRHP / RHP in respect to all pending litigations including for any legal notices where the Company is in receipt of such notices post filing of DRHP.
13. **General:**
 - a) LM is advised to ensure that there are no discrepancies in the quantitative data provided in the DRHP/ UDRHP/RHP/LM's reply and other key documents.

- b) LM is advised to ensure that all quantitative information is provided in tabular form and are free from discrepancies/errors in all sections for the ease of reading.
- c) LM is advised to ensure that the offer document is made in lucid and simple language with limited usage of abbreviations. Abbreviations, if any, shall be used only with prior and appropriate disclosure of the corresponding term in the same page/heading. Jargons or nomenclatures, if any, shall be properly explained at each and every place where they are used. LM is advised to ensure that acronym used in the headings of risk factors or any other information is accompanied by its full form. LM is advised to ensure that all abbreviations used in the offer document should be described in "Definition and Abbreviations" section. Kindly note that merely writing the full form of abbreviations does not define the terms used in the offer document.
- d) LM is advised to confirm and disclose that no material clauses have been left out of the disclosure.
- e) LM is advised to ensure that the currency denomination is mentioned at all places and ensure compliance with point (g) under Instructions of Part A to Schedule VI of the ICDR Regulations.
- f) LM is advised to comply with the master circular no. SEBI/HO/CFD/PoD-1/CIR/2024/0154 dated November 11, 2024 with regard to disclosure on front outside cover page.
- g) LM is advised that reference to name of any place mentioned in the offer document may be followed by name of City / State, as the case may be.
- h) At 'Offer procedure' LM is advised to remove the following statement, if any or of similar nature:
"Our Company, the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus."
- i) LM is advised to ensure that the issuer will be in compliance with the minimum public shareholding requirements specified in the Securities Contracts (Regulation) Rules, 1957.
- j) LM shall confirm and disclose whether there has been a change in auditor(s) before completion of the appointed term (in any of the past three fiscal years), and the reasons thereof.
- k) LM is advised to verify the disclosure pertaining to underwriters in the offer document and ensure and confirm compliance with SEBI, ICDR Regulations.
- l) Under section "Monitoring of Utilization of funds", LM is also advised to make suitable disclosure on following points:

- i. The proceeds of the issue shall also be monitored by the Audit Committee till utilization of the proceeds.
- ii. For any investments in acquisitions or strategic partnership or any inorganic growth initiative, post IPO from the IPO proceeds, detailed disclosures of same shall be made in public domain at that time.
- iii. Issuer Company shall provide details / information / certifications obtained from statutory auditors on the utilization of the Net Proceeds to the Monitoring Agency.
- iv. Issuer Company shall, for the purpose of quarterly report by Monitoring Agency, provide item by item description for all the expense heads under each object of the issue.
- v. Issue Company shall in its quarterly Notes to Accounts of its Financial Statements include the employment of issue proceeds under various heads.

m) LM shall ensure that the details of past issues handled by BRLMs, which closed below the offer price on the listing date, is disclosed in the below mentioned format:

BRLMs	Total Issues	Issues closed below IPO Price on listing date
BRLM 1/ BRLM 2/ BRLM 3		
Common issues of BRLMs		
Total		

n) The DRHP suffers from numerous grammatical/language errors, repeated words/paragraph etc. LM is advised to check and correct all these errors.

14. Legal and Other Information-

- a. LM is advised to identify and include a risk factor for material litigation, if any, which may adversely affect the company.
- b. LM shall update the details of the status of litigation with the latest/ updated position of litigations against promoter/ promoter group entities/ company and the companies promoted by the issuer.
- c. LM is advised to ensure complete disclosure of all actions taken by the statutory and regulatory authorities.
- d. LM is advised to ensure and disclose that the existing litigations are not so major that the issuer's survival is dependent on the outcome of such litigations.



- e. The table of pending litigations should be arranged based on materiality. Also, the details of provisioning, if any, made by the company for the probable liabilities arising out of outstanding litigations to be disclosed. Also, the amount reflected as Contingent Liabilities with respect to the outstanding litigations, if any to be disclosed. The Contingent liabilities shall also be disclosed in terms of percentage of net worth.
- f. LM is advised to disclose whether the statutory dues to the Government such as PF, ESIC, GST, TDS, other statutory contributions etc. have been paid duly for the last three years and stub period. In case there are delays or defaults, LM is advised to disclose in detail all such instances of delay / default along with a risk factor.

15. LM is advised to adhere to the following conditions:

- I. UDRHP is filed with SEBI not less than seven working days prior to submission of the draft advertisement for announcement of price band advertisement.
- II. UDRHP shall contain necessary updated disclosures justifying the offer price under Section - "Basis for offer price", "Risk Factors" etc., particularly emphasising on appropriate Key Performance Indicators as applicable to the industry in which the issuer company operates in quantitative terms, (For illustration, Price to Earnings ratio and/or Market Cap to Total Revenue ratio etc.), with corresponding suitable explanations so as to justify the offer price".

16. Price Band Advertisement, UDRHP and RHP:

- a. LM is advised to ensure compliance with all the directions given to Association of Investment Bankers of India (AIBI).
- b. LM shall submit the draft advertisement for announcement of Price Band with SEBI before its publication in the newspapers for our comments, if any.
- c. LM is advised to disclose major risk factors concisely in the "Risk to investors" section of the Price Band Advertisement.
- d. Price band Ad should contain risk factors related to business and financials.
- e. The portion pertaining to "Risks to Investors" shall constitute at least 33% of the price band advertisement space.
- f. The font size for price band and "Risk to investors" should be increased to match the font of BID/Offer Programme.
- g. Matters related to ASBA and UPI may be brought after Price Band, Risks to Investors, Bid/Offer Programme and other offer details, and can be of smaller font.



- h. The portion pertaining to “BRLMs” shall not constitute more than 10% of the price band advertisement space.
- i. Mention market value at issue price to total turnover and P/E ratio at issue price. Total market valuation of the company considering the higher and lower price band may also be disclosed.
- j. LM is advised to ensure that the processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.
- k. LM shall ensure that the range of acquisition price (lowest price-highest price), as disclosed in the RHP and Price Band advertisement, should not be ‘Nil’ and be computed exclusive of bonus and gift.
- l. The Lead Manager (LM) is advised to ensure that all disclosures relating to the Offer Price and Price Band are made strictly in accordance with the provisions of Part VII of Chapter II of the SEBI (ICDR) Regulations, 2018. The LM should ensure that no statements are included in the offer document which are inconsistent with the said Regulations, particularly those suggesting that the Offer Price will be determined by the Company and the Selling Shareholders, in consultation with the BRLMs, after the closure of the Bid/Offer period.
- m. LM is advised to ensure following disclosures in the Issue advertisement for announcement of Price Band and all further advertisements as a box item below the price band:
“Risks to Investors:
i. *The [to be disclosed] Merchant Bankers associated with the issue have handled [to be disclosed] public issues in the past three years out of which [to be disclosed] issues closed below the issue price on listing date.”*
ii. *Any adverse data in the basis for issue price should be disclosed. For example:*
iii. *“The Price/Earnings ratio based on diluted EPS for [latest full financial year] for the issuer at the upper end of the Price band is as high as [to be disclosed] as compared to the average industry peer group PE ratio of [to be disclosed].”*
iv. *[if average industry peer group PE ratio is not available, then P/E of Nifty Fifty may be disclosed]*
v. *“Weighted Average Return on Net Worth for [last three full financial years] is [to be disclosed]%. ”*
- n. Details of issue price and allottees of the pre-IPO placement from the date of filing of DRHP till the date of issuance of Price Band Advertisement.





- o. The data on above disclosures shall be updated and disclosed prominently (in the same font size as the price band) in Price Band advertisements and all other advertisements, website of the company and the stock exchange. Further, any adverse ratio / data in basis for issue price should be disclosed.
- p. The risks to investors shall include weighted average cost of acquisition of all shares transacted in last 3 years and 1 year, from the date of RHP, in the following format:

Period	Weighted Average Cost of Acquisition (in Rs.)	Cap Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price - Highest Price (in Rs.)
Last 1 year			
Last 3 years			

- q. The details of the Pre-IPO viz., price, name of the allottee etc. shall be a part of the Price Band Advertisement.
- r. LM is advised to ensure that the recommendation of the Committee of Independent Directors stating that the price band is justified vis-à-vis the last round of fund raising, along with quantitative factors / key performance indicators (KPIs) supporting such justification, is appropriately disclosed in the price band advertisement and in the offer documents, in accordance with the SEBI (ICDR) Regulations, 2018.
- s. LM is advised to ensure that requisite steps are taken by the Company to comply with the compliance requirements pursuant to the listing including corporate governance norms, disclosure requirements, transactions with related parties, etc. as specified under SEBI (LODR) Regulations, 2015.
- t. The LM is advised to ensure that the disclosures in abridged prospectus and front cover page of the offer document are in compliance with the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023.
- u. LM is advised to disclose inter-se agreements/ arrangements between the shareholders in the UDRHP/RHP, if any.
- v. LM is advised to suitably incorporate the comments of the stock exchanges, if any in the UDRHP/RHP.

17. Summary of the offer Document:

- a) LM is advised to ensure that information is updated and not more than six months old.

- b) LM is advised to verify and disclose correct disclosures under the aggregate pre-issue shareholding of Promoter and Promoter group in line with details provided in the section – Capital Structure and ensure removal of discrepancies, if any. LM is also advised to include appropriate footnotes wherever applicable.
- c) LM is advised to ensure that the primary business of the company shall be disclosed in simple and lucid language. The disclosure shall specify the industry, sector, activity, products etc. in clear sentences.
- d) LM is advised to disclose financial figures for last 3 financial years and stub period, if any. Further, LM is advised to ensure that all financial and operational KPIs being disclosed in the offer document are certified as per SEBI (ICDR) (Fourth Amendment) Regulations, 2022.
- e) LM is advised to verify and confirm that there is no round tripping of sales between related parties, and all transactions between the related parties are conducted at arm's length. LM is required to ensure that the value of related party transactions to be disclosed as a percentage of revenue for each period. LM is also advised to disclose a separate risk factor, if the Company derives revenue significantly from the related parties.
- f) Page 26 – LM is advised to give cross reference to the industry data mentioned under 'Summary of Industry'. LM is also advised to summarize the business and industry concisely in not more than 100 words, as prescribed in the ICDR Regulations.
- g) Page 30 & 393 – LM is advised to mention the aggregate value of Contingent Liability and also express it as a % of net worth and the same to be updated in page 393 and RF 11 at page 51. This Risk Factor shall be moved to top 10.

18. Objects of the Issue:

- a) LM is advised to provide an undertaking that the net proceeds from the issue if utilized for repayment of borrowings/loans are not being indirectly routed to promoters, promoter group, group companies, and associates.
- b) Page 141 & 27 (Summary of Offer Document) – LM is advised to redraft the object no 1 by clearly specifying that the proceeds are to be used for expansion of the existing manufacturing facility at Panchmahal district, Gujrat through forward integration and diversification of product portfolio i.e., Stainless Steel Seamless Pipes.
- c) Page 150 – LM is advised to disclose in table also the deployment schedule of IPO proceeds for the object no 1.



19. Pre-IPO placement:

- I. LM is advised to add relevant disclosures comparing Pre-IPO placement price and IPO price, variation between two, details of investors to whom shares have been allotted in Pre-IPO placement, information about selling of shares by selling shareholders through secondary sale at a price lower than IPO price, if applicable, etc. in Summary of the offer document, Risk Factors, Capital Structure and other relevant sections of the offer document. In case, if company does not undertake Pre-IPO placement, the same should be disclosed in the offer document including the fact that it made a provision of Pre-IPO placement at the time of filing of Offer Document.
- II. LM is advised to ensure that the utilization of Pre-IPO proceeds being discretionary in nature, if raised, shall be completely attributed/adjusted towards GCP portion; unless auditor certified disclosures are made with regards to its utilization towards the disclosed specific objects of the issue. A confirmation to this effect should be submitted at the time of filing of updated DRHP with the Board and the confirmation should form part of material contracts and documents for inspection.
- III. LM is advised to confirm that the issuer/LM has appropriately written / intimated in letter to the prospective investor (Pre-IPO investors) that there is no guarantee that the IPO may come through or listing shall happen and the investment is being done solely at the risk of the investor. Further such disclosure to be made part of the DRHP as well, in all places where Pre-IPO Placement is mentioned.
- IV. LM is advised to prominently disclose the price and the name of the shareholder on the day of the allotment in case if any Pre-IPO placement is done, through public advertisement.
- V. LM is advised to ensure that the amount of pre-IPO shall be utilized only towards the stated objects and shall be subject to monitoring by the monitoring agency. LM is advised to make suitable disclosures w.r.t. price to stock exchanges and also in the price band advertisement.
- VI. LM is advised to ensure that employee reservation shall be only to eligible employees.

20. Risk Factors –

- a. Every risk factor shall be provided with a cross-reference to the relevant sections having the detailed disclosures, wherever applicable.
- b. In all risk factors, wherever either percentage alone or the absolute values alone are mentioned, LM shall ensure to disclose both the absolute values and percentages adequately.



- c. LM is advised to include past instances of occurrence of the risk in the last 3 years or else give negative confirmation.
- d. LM is advised to ensure that the risk factors are arranged in the order of materiality, and wherever applicable, the risks are quantified with adequate information. Further, LM is advised to ensure that all risk factors are provided with a cross reference to the relevant sections for a detailed disclosure.
- e. LM is advised to provide the details and specific disclosures with respect to the adverse remarks/ qualifications/ matter of emphasis/ statements by the Statutory Auditor in reports to financial statements, in the Risk Factor. Further, provide the current status of such adverse remarks/ qualifications/ matter of emphasis/ statements by the Statutory Auditor.
- f. With respect to acquisitions/slump sale/business transfer agreement made by/entered into by the issuer company (if any), mention whether an independent valuation report was obtained for the same. If so, the same may be disclosed and included as a material contracts and document for inspection. If not, a Risk factor to this effect may be stated along with the fact whether the consideration paid is higher than the valuation obtained, if so, reason thereof. If such transaction happened with related party, same may be stated so. Also, provide details of unsuccessful instances of strategic investment, if any, in past 3 years and effect of the same on profit shall be disclosed.
- g. Disclose a separate Risk Factor, if any rent, interest, royalty or such other amounts payable/ paid by the issuer company / subsidiaries to Promoter Group / Directors or amount payable under any material agreement.
- h. Disclose a risk factor with respect to the existing financing arrangements, if the Company has violated any of the restrictive covenants of the loan agreements or the company has defaulted its payments or the Company has undergone rescheduling in the past.
- i. LM is advised to incorporate a risk factor in top 10 (if applicable) disclosing that average P/E of the listed peer set is [•] while our company's P/E will be at premium of [•] times at the higher price band and [•] times at the lower price band.
- j. LM is advised to disclose a risk factor related to the experience of the promoters, if first generation entrepreneur or without sufficient business experience.
- k. Page 43 & 44 – RF 1 – LM is advised to make additional disclosure of details of year wise repeat customers in absolute numbers and % of revenue, and also the past instances of cancellation of orders over the years.
- i. Page 44 – RF 2 - LM is advised to include the aggregate outstanding amount of litigations in absolute value and as a % of net worth in the title of this RF itself.

- m. Page 48 & 49 – RF 6 – LM is advised to split this RF into two viz., market factors affecting the demand for steel products, and the risk involving market acceptance for the proposed stainless seamless pipes, and arrange them in suitable order of materiality.
- n. Page 51 – RF10 – The status of building approval is to be mentioned in the RF.
- o. Page 52 – RF 12 – LM is advised to include the Implementation schedule of the project in this RF. Also, LM is advised to modify the heading of the RF with the clarity of implying various project risks – cost run, delay implementation, statutory approvals etc.
- p. Page 57 – RF 19 – LM is advised to disclose % of sales made by the company from related parties in the table for the last 3 years + stub period.
- q. Page 58 – RF 20 – LM is advised to present in a summary table – the details of instances of accidents, quantifying the losses incurred (in absolute value) and the insurance claimed over the period.
- r. Page 58 – RF 21 – LM is advised to present all the instances of non-compliance suitably in a tabular format including nature of non-compliance, period, current status, penalty / regulatory action imposed (if any) etc. for better clarity.
- s. Page 60, 61 – RF 23 – LM is advised to comprehensively cover the forex risk by quantifying the forex revenue, import of raw materials, forex receivables, etc., preferably in a table. LM to mention in the title that its forex exposures are unhedged, if so. It is advised to move this RF to top 15.
- t. Page 62, 63 – RF 25 – LM is advised to supplement this information with the past penalty imposed / paid for various lapses in payment of statutory due. The other reasons for persistent and high level of statutory dues may be disclosed in the RF, as the reason of technical issue doesn't explain persistent delay. This RF may be moved to top 20.
- u. LM is advised to disclose a separate risk factor (in top 10) stating that the company's equity shares in past had experienced deep devaluation and sold at very low price along with details sought in observation 15 a & b.

21. Capital Structure:

- i. LM is advised to confirm whether there has been any instance of issuance of equity shares/preferential shares in the past by the issuer Company, the Group Companies or entities forming part of the Promoter Group to more than 49/200 investors and ensure compliance to the guideline on Deemed Public Issue.
- ii. LM is advised to ensure compliance w.r.t. lock-in requirements of minimum promoters' contribution as per ICDR Regulations, 2018.



- iii. Page 112, 113 & 115 - LM is advised to explain the reason for allotment of shares at Rs. 40 & Rs. 15, that is, at a discounted prices compared to earlier valuation of Rs. 100 to some shareholders on March 30, 2009, May 15, 2009, and March 22, 2014 along with
- confirmation of the shareholder's approval & date of approval
 - reasons for such a deep devaluation.
 - All these information are to be disclosed in the offer document along with a separate risk factor (in top 10) which shall include a statement that no formal valuation is taken in this regard.
- iv. Page 118 to 123 – LM is advised to disclose the background of all those secondary transactions dated September 30, 2009, September 25, 2012 and March 31, 2014 whose transfer price is far below the purchase price / prevailing valuation of the company. LM is advised to explain why nearly 76 secondary transactions were carried out on the same day (September 30, 2009) by several shareholders at a price (Rs. 10) lower than the purchase price / prevailing valuation. LM to clearly establish the nature of these transactions and confirm whether these transactions were carried out at arm's length. A clear picture to be provided for the bulk secondary transfers by classifying them among promoter to promoter, promoter to public, promoter to promoter group etc. All this information shall be disclosed in the offer document with the help of following tabulation.

Date of transaction	Name of Transferor	Details of Transferor (Promoter/Promoter Group/Others) & relationship if any	Name of Transferee	Details of Transferee (Promoter/Promoter Group/Others) & relationship if any	Cost of acquisition by transferors (Rs.) per share	Price (Rs.) per share to the transferors

Name of Transferor	Shareholding (%) prior to transfer	Shareholding (%) post transfer	Name of Transferee	Shareholding (%) prior to acquisition	Shareholding (%) post acquisition	Total acquisition (%) made through secondary transfer



--	--	--	--	--	--	--

- v. Page 123 & 138 – LM is advised to disclose the nature of gift transactions dated November 18, 2024 and May 21, 2025. It is observed that the transferors Bhaguben Babulal Mehta, Nirmalaben Natvarlal Pithva, Hetal Jayesh Pithva, Kalpesh Babulal Mehta, Girish Babulal Mehta, and Rameshkumar Deepchand have exited the company through these gift transactions prior to the filing of DRHP. This raises a question of pre-IPO structuring. Given that these people held more than 1% shareholding in the company prior to the gift transfers, LM is advised to disclose additionally the details of relationship between the transferors and the transferees (preferably in table), and their eligibility of belonging to promoter group. LM is advised to categorically confirm that the satisfactory due diligence of these transferees without any adversity. All this information shall be disclosed in the offer documents.

22. Industry and Business Overview:

- a) Page 219, 224 – LM is advised to mention the expansion and meaning of Non-BIFR (Board for Industrial and Financial Reconstruction).
- b) Page 250 – LM is advised to disclose the reason for increasing attrition rate over the years.
- c) Page 252 – LM is advised to disclose the list of objections raised by the Intellectual Property (IP) authority and update in RF 37 accordingly.

23. History and Certain Corporate Matters:

- d) LM is advised to verify and disclose if the name of any of the directors, promoter and promoter group members appear in the list of directors of struck-off companies by ROC/ MCA. Also verify and disclose if the name of the promoter group companies and group companies appear in the list of struck-off companies by ROC/ MCA.
- e) LM is advised to confirm and disclose that no revenue is generated from the sub-clauses mentioned regarding trading, settlement, etc.
- f) LM is advised to confirm that AoAs are in conformity with the SEBI laws and Companies Act and there are no special rights in any manner to any person.
- g) LM is advised to confirm whether any instance of promoter's personal guarantees and/or company guarantees have been invoked in the past 3 fiscal years and/or loan defaults.



- h) Page 265 – As per the standalone financials of Rajputana Stainless Limited (in page 216), the revenue declined in FY2024 to Rs. 909.08 Crore from Rs. 947.67 Crore in FY2023 which is not correct as per the statement “2024 - Our Company achieved highest ever yearly turnover”. LM is advised to provide the correct information.
- i) Page 266 – LM is advised to make following additional disclosure with respect to the default of the loan by the company and consequently being classified under BIFR by Government of Gujrat.
- The details of promoters / management at the time of default and their relationship with the current promoters / management.
 - The details of credit facilities.
 - A brief about BIFR framework.
 - Year of default & classification under BIFR, year of settlement of bank default and drawing out from BIFR.
 - Reasons for the default – whether willful or financial distress.
 - The risk factor 7 (page 49) may be updated accordingly with all the above mentioned information.

24. Management and Promoters:

- i. Page 275 – LM is advised to disclose in the offer document
- Year of Strike off, reason for Strike off (non-filing, dormancy, regulatory breach etc.), material non-compliance (if any) and the same to be disclosed separately for each company.
 - The reason for disqualification of Mr. Prashant B. Patel who is involved in Squad Management Services Private Limited and Shreeji Agrotech Private Limited.
- ii. Page 286 – LM is advised to disclose additionally the relationship between the individuals from promoter / promoter group mentioned in column 1 and the entities in column 2.
- iii. Page 287 – LM is advised to disclose the reason for strike off of Metal Test Laboratory Private Limited and Kanungo Impex Private Limited.

25. Financial information:

- LM is advised to ensure that the financial information provided in UDRHP/RHP is not more than 6 months old from the issue opening date.
- LM is further advised to comply with the conditions specified in the Schedule VI of SEBI (ICDR) Regulations, 2018 while disclosing the financial information in UDRHP/RHP.



- iii. LM is advised to ensure that Restated Consolidated Financial Statements are prepared as per relevant Indian Accounting Standards and calculation of Operating Profit to check the eligibility under Regulation 6 of ICDR Regulations are in line with established practices.
- iv. Page 379 – LM may disclose the reason for increasing proportion of import of raw material over the years.
- v. Page 388 & 389 - It is submitted that the business is a high volume-low margin business (Page 50, 282). However, the PAT is on increasing trend despite declining turnover. LM is advised to elaborate on the factors contributing to the increasing trend of PAT, especially in the light of anomalous increase in inventory in FY2024 & FY2025 (indicating over stating of inventory / overvaluation). LM to note that significant increase in profit margin without corresponding changes in the business fundamentals prior to the IPO raises a concern of accounting-driven gains. LM to ensure the disclosure of these information in the offer document.
- vi. Page 387 & 388 – LM is advised to disclose the specific macro & micro factors (like market demand, competition etc.) contributing to the sluggishness of revenue in FY2024 and FY2025.

26. Government and other approvals:

- i. LM is advised to clearly disclose whether all approvals which are required to be sought in relation to the business of the company are in place. If no, LM is advised to include a separate risk factor with respect to the same.
- ii. Further, LM is advised to include and suitably update the details of pending licenses / approvals and permits (expired or under renewal) from statutory and regulatory authorities.
- iii. LM may be advised to confirm and disclose if all the necessary approvals with respect to deployment of net proceeds for setting up of manufacturing facility are in place.
- iv. Page 408 - Building approval is obtained from the Panchayat authority. LM is advised to confirm whether building approval is obtained duly from the competent authority.
- v. LM is advised to disclose that the company has obtained valid Consent to Operate certificate for its existing operations.



Annexure II

General Observations

1. LM is advised to ensure that prior to filing of RHP with Registrar of Companies, the Issuer Company has received crucial clearances / licenses / permissions / approvals from the required competent authority which are necessary for commencement of the activity for which the issue proceeds are proposed to be utilized.
2. LM is advised to ensure that the 'Observation Letter' issued by SEBI is included among the material contracts and documents for inspection.
3. LM is advised to ensure that cover page to be strictly in compliance with the ICDR Schedule VI- all extra texts may be avoided to ensure that the focus remains on the statutory texts mentioned in the Schedule.
4. LM is advised to ensure compliance of relevant circulars issued by SEBI in addition to circulars specifically mentioned in this observation letter.
5. LM is advised to ensure that prior to proceeding with the issue, "No Objection Certificates" are obtained from all the lenders with whom the company has entered into an agreement and the terms of such agreement require an approval to be taken.
6. LM is advised to ensure that adequate disclosures are made to disclose any material development which may have a material effect on the Issuer Company between the date of registering final prospectus or the RHP or the letter of offer, with the Registrar of Companies or designated stock exchange, as the case may be, and the date of allotment of specified securities, while ensuring compliance with Regulation 42 and Schedule IX of SEBI (ICDR) Regulations, 2018.
7. LM is advised to ensure that exact cross-referencing of page numbers is provided in the offer document instead of general cross-referencing.
8. In terms of SEBI Circulars No. SEBI/CIR/ISD/03/2011, No. SEBI/CIR/ISD/05/2011 and SEBI/CIR/ISD/01/2012 dated June 17, 2011, September 30, 2011 and March 30, 2012 respectively, LM is advised to ensure that 100% promoter holding is in demat form prior to listing.

9. LM is advised to ensure that SCORES authentication is taken by the issuer company prior to listing.
10. In pursuance of Sub-Regulation 9(a) of Regulation 25 of SEBI (ICDR) Regulations, 2018, LM is advised to certify while submitting the in-seriatim reply that all amendments, suggestions and observations advised by SEBI have been complied with and duly incorporated in the offer document, while also indicating the page number for the same.
11. LM shall confirm to SEBI that as on the date of the offer document, the clauses/ covenants of Articles of Association (AoA) of the issuer company are in compliance with the Companies Act and the Securities Laws, as applicable.

12. ASBA:

- i) LM is advised to ensure that sufficient number of Physical ASBA forms are printed and dispatched directly to all designated branches of SCSBs which are located in places of mandatory collection centers as specified in Schedule XII of SEBI (ICDR) Regulations, 2018, Syndicate Members and Registered Brokers of Stock Exchanges, the Registrars to an Issue and Share Transfer Agents (RTAs) and Depository Participants (DPs) registered with SEBI, at least two days before the opening of the issue. This shall be in addition to ASBA forms which shall be sent to controlling branch of SCSBs for sending to designated branches other than those located in mandatory collection center.
- ii) LM is advised to ensure that the ASBA mode of payment is highlighted in bold in all the advertisement / communication informing about the issue. Further, LM is also advised to ensure that the following is suitably incorporated in all advertisements / communications regarding the issue issued by the issuer:

- a. The following may appear just below the price information of the issue as shown below:

“PRICE BAND: RS. xx TO RS. xx PER EQUITY SHARE OF FACE VALUE OF RS. xx EACH

THE FLOOR PRICE IS xx TIMES OF THE FACE VALUE AND THE CAP PRICE IS xx TIMES OF THE FACE VALUE



BID CAN BE MADE FOR A MINIMUM OF xx EQUITY SHARES AND IN MULTIPLES OF xx EQUITY SHARES THEREAFTER.

ASBA *

(APPLICATION SUPPORTED BY BLOCKED AMOUNT)

Simple, Safe, Smart way of Application !!!

Mandatory in public issue .No cheque will be accepted



now available in ASBA for retail individual investors.

** ASBA is a better way of applying to issues by simply blocking the fund in the bank account.*

For further details check section on ASBA below.”

- b. The following paragraph on ASBA may be inserted in the advertisement/Communications:

“ASBA has to be availed by all the investors except anchor investors. UPI may be availed by Retail Individual Investors.

For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section “Issue Procedure - Issue Procedure of ASBA Bidders” beginning on page xxx of the Red Herring Prospectus. The process is also available on the website of AIBI and Exchanges in the General Information Document.”

ASBA bid-cum application forms can be downloaded from the websites of Bombay Stock Exchange and National Stock Exchange and can be obtained from the list of banks that is





*displayed on the website of SEBI at www.sebi.gov.in. ** List of banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in**.*
