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ASK AUTOMOTIVE LIMITED



(Please scan this QR Code to view the RHP)

Our Company was incorporated on January 18, 1988 as a private limited company under the Companies Act, 1956, with the name "ASK Automotive Private Limited", pursuant to a certificate of incorporation granted by the Registrar of Companies, Delhi and Haryana ("RoC"). Upon the conversion of our Company into a public limited company, pursuant to resolutions passed by our Board of Directors on December 7, 2022 and our Shareholders on December 7, 2022 the name of our Company was changed to "ASK Automotive Limited" and a fresh certificate of incorporation dated January 6, 2023 was issued by the RoC. For details of changes in our name and the registered office of our Company, see "History and Certain Corporate Matters – Brief history of our Company" and "History and Certain Corporate Matters – Changes in the Registered Office" on page 249 of the red herring prospectus dated October 30, 2023 ("RHP" or "Red Herring Prospectus").

Registered Office: Flat No. 104, 929/1, Naiwala, Faiz Road, Karol Bagh, New Delhi 110 005, Delhi, India;
Corporate Office: Plot No. 13, 14, Sector 5, IMT Manesar, Gurugram 122 050, Haryana, India;
Contact Person: Rajani Sharma, Vice President (Legal), Company Secretary and Compliance Officer; Tel: +91 124 439 6907, E-mail: compliance@askbrake.com; **Website:** www.askbrake.com; **Corporate Identity Number:** U34300DL1988PLC030342

OUR PROMOTERS: KULDIP SINGH RATHEE AND VIJAY RATHEE

INITIAL PUBLIC OFFERING OF UP TO 29,571,390 EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH ("EQUITY SHARES") OF ASK AUTOMOTIVE LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE OF FACE VALUE OF ₹ 2 ("OFFER PRICE") AGGREGATING UP TO ₹ [•] MILLION, COMPRISING AN OFFER FOR SALE OF UP TO 20,699,973 EQUITY SHARES OF FACE VALUE OF ₹ 2 AGGREGATING UP TO ₹ [•] MILLION BY KULDIP SINGH RATHEE AND UP TO 8,871,417 EQUITY SHARES OF FACE VALUE OF ₹ 2 AGGREGATING UP TO ₹ [•] MILLION BY VIJAY RATHEE ("PROMOTER SELLING SHAREHOLDERS") (THE "OFFER FOR SALE" OR THE "OFFER"), THE OFFER SHALL CONSTITUTE [•]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION				
NAME OF SELLING SHAREHOLDER	TYPE	MAXIMUM NUMBER OF OFFERED SHARES	AGGREGATE PROCEEDS FROM OFFERED SHARES	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (₹)
Kuldip Singh Rathee	Promoter Selling Shareholder	Up to 20,699,973 Equity Shares of face value of ₹ 2 each	Up to ₹ [•] million	0.02
Vijay Rathee	Promoter Selling Shareholder	Up to 8,871,417 Equity Shares of face value of ₹ 2 each	Up to ₹ [•] million	0.02

ASK Automotive Limited specializes in advanced braking systems, aluminium lightweighting precision solutions, wheel assembly for 2W OEMs, and safety control cables, serving both the automotive (including 2 wheelers, 3 wheelers, passenger and commercial vehicles) and non-automotive sectors (like ATVs, power tools, and outdoor equipment).

The Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations.

QIB Portion: Not more than 50% of the Offer | Non-Institutional Portion: Not less than 15% of the Offer | Retail Portion: Not less than 35% of the Offer.

PRICE BAND: ₹268 TO ₹282 PER EQUITY SHARE OF FACE VALUE OF ₹2 EACH.

THE FLOOR PRICE IS 134 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 141 TIMES THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE TO EARNING RATIO BASED ON DILUTED EPS FOR FISCAL 2023 AT THE FLOOR PRICE IS 43.37 TIMES AND AT THE CAP PRICE IS 45.63 TIMES.

BIDS CAN BE MADE FOR A MINIMUM OF 53 EQUITY SHARES AND IN MULTIPLES OF 53 EQUITY SHARES THEREAFTER.

IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST ONLY RELY ON THE INFORMATION INCLUDED IN THE RED HERRING PROSPECTUS AND THE TERMS OF THE OFFER, INCLUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE OFFER AVAILABLE IN ANY MANNER.

In accordance with the recommendation of the Independent Directors of our Company, pursuant to their resolution dated November 1, 2023, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the “Basis for Offer Price” section of the RHP vis-à-vis the weighted average cost of acquisition of primary and secondary transaction(s) disclosed in the “Basis for Offer Price” section on page 119 of the RHP and provided below in the advertisement.

RISKS TO INVESTORS

1. **Dependence on Indian Two-Wheeler (“2W”) Automotive Sector:** Our business primarily serves the 2W OEMs and the independent aftermarket for 2W in India, making us heavily reliant on the 2W automotive sector. The 2W automotive sector contributed 88.30%, 91.48%, 90.65%, 89.92% and 92.39% to our total revenue from operations for the three months ended June 30, 2023, June 30, 2022 and Fiscal 2023, 2022 and 2021 respectively.

2. **Customer Concentration:** We are dependent on our top three customers who contribute more than 50.00% of our revenue from operations with our single largest customer contributing approximately 30.00% or more of our revenue from operations in each of the last three Fiscals and in the three months ended June 30, 2023 and June 30, 2022.

3. **Dependence on Aluminium as Raw Material:** The majority of the raw material that we consume comprises Aluminium which is a commodity and is subject to fluctuation in commodity prices. The cost incurred towards Aluminium consumption, in the stated periods, is set out below:
- | Particulars | For the three months ended
June 30, 2023 | | For the three months ended
June 30, 2022 | | Fiscal 2023 | | Fiscal 2022 | | Fiscal 2021 | |
|----------------|---------------------------------------------|-----------------------------------|---------------------------------------------|-----------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
| | Amount
(₹ million) | % of cost of
material consumed | Amount
(₹ million) | % of cost of
material consumed | Amount
(₹ million) | % of cost of
material consumed | Amount
(₹ million) | % of cost of
material consumed | Amount
(₹ million) | % of cost of
material consumed |
| Aluminium cost | 2,127.17 | 45.66% | 2,076.14 | 46.15% | 7,681.26 | 42.71% | 5,913.78 | 42.13% | 3,833.68 | 37.75% |
4. **Geographic Concentration of Manufacturing Facilities in Haryana:** Nine out of our sixteen manufacturing units are located in Haryana, with a majority of our brake shoe products and pressure die casting processes and all of disc brake pads and safety control cables being manufactured at our facilities in Haryana. In addition, our Joint Venture also operates one manufacturing facility in Haryana.

5. **Losses incurred by our Joint Venture, ASK Fras-Le Friction Private Limited in the past:** Our Joint Venture AFFPL, in which we hold 49% of the paid-up share capital, has incurred losses in each of the last three Fiscals and has recently turned profitable in the three months ended June 30, 2023. The net worth of AFFPL has substantially eroded and AFFPL’s current liabilities exceeded its current assets by ₹237.79 million, ₹330.30 million, ₹294.69 million, ₹282.57 million and ₹127.21 million as at June 30, 2023, June 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021, respectively. We have provided in the past and may be required to continue to provide financial support to AFFPL by way of equity infusion, loans and a corporate guarantee to carry out its operations.

6. **Negative Net Worth Subsidiary:** As of June 30, 2023, the net worth of our wholly owned Subsidiary, ASK Automobiles Private Limited was ₹(53.76) million, as it is in its initial phase of operations, having been incorporated in Fiscal 2022. We have invested ₹7.50 million in our Subsidiary in Fiscal 2022, provided a letter of continued financial support in its favour in Fiscal 2023 and also extended corporate guarantees to enable it to meet its funding requirements.

7. **Past Association of our Promoters with a Suspended/Voluntarily Delisted Company:** Our Promoters and current Directors, Kuldip Singh Rathee and Vijay Rathee, were promoters and directors of Som Datt Finance Corporation Limited (“Som Datt”). Som Datt’s equity shares were suspended from trading by the Calcutta Stock Exchange (“CSE”) between March 21, 2014 to August 18, 2021 due to certain non-compliances with the listing agreement. Post revocation of suspension, Som Datt applied for voluntary delisting before CSE and its equity shares were subsequently voluntarily delisted from the CSE on December 20, 2021.

8. **Evolving Electric Vehicle (“EV”) Market:** We have a short operating history of three years in the EV Two-Wheeler (“2W”) industry, which is continuously evolving. The EV sector contribution to the total revenue from operations was 4.55%, 1.55%, 2.03%, 0.56%, and 0.00% for the three-month periods ended June 30, 2023, and June 30, 2022, and Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively. There can be no assurance that our limited experience will result in sale of products at a comparable scale in the future, as the market for EVs is relatively new, rapidly evolving, and is characterized by rapidly changing technologies, price competition, additional competitors, evolving government regulation and industry standards, and frequent new vehicle announcements.

9. **Changing Regulatory Framework:** Changes in government, regulations, schemes and plans, could lead to new compliance requirements that are uncertain such as initiatives introduced in the past like the National Electric Mobility Mission Plan 2020, the FAME India Scheme, and the draft National Auto Policy, all aimed at advancing India’s automotive sector. The enforcement of Bharat Stage VI (“BS-VI Standards”) emission standards since April 1, 2020 has imposed stricter norms on OEM customers. These regulatory changes could increase our operational costs and demand significant management resources. Non-compliance may adversely affect our business operations and future prospects.

10. **Competition:** Competition in the two-wheeler industry has intensified across all categories over the past few years due to capacity additions, expansion of dealer network, and model launches at competitive price points. We compete with different companies under each of our business categories. Our key competitors include Endurance Technologies Limited, Uno Minda Limited, Suprajit Engineering Limited and Bharat Forge Limited, details of which are set out below:

(₹ in million, unless mentioned otherwise)

Particulars	As at and for the Fiscal Year ended March 31, 2023				
	ASK Automotive Limited	Endurance Technologies Limited	Uno Minda Limited	Suprajit Engineering Limited	Bharat Forge Limited
Revenue from Operations	25,551.67	88,040.46	112,364.90	27,523.55	129,102.59
EBITDA	2,475.45	10,816.93	12,908.70	3,512.66	19,403.80
EBITDA Margin (%)	9.65%	12.22%	11.44%	12.59%	14.83%
Profit after tax for the period/year (“PAT”)	1,229.53	4,795.75	7,002.30	1,521.09	5,083.87
PAT Margin (%)	4.79%	5.42%	6.20%	5.45%	3.89%
Return on average equity (RoAE) (%)	19.27%	13.92%	18.99%	14.54%	6.56%
Return on Average Capital Employed (RoACE) (%)	22.06%	14.61%	17.91%	18.74%	12.75%

11. **Lease of Land:** Our Registered Office and the land on which nine out of our 16 manufacturing facilities are located are leased. Out of such nine facilities, three facilities are located on land leased from Industrial Development Corporations with lease tenure ranging up to 99 years, two facilities are located on land leased from related parties and four on land leased from third parties with lease tenure ranging from three to five years. Our lease arrangements for two of our plants, ASK-14 and ASK-16, are due for renewal over the next one year. There is no assurance that we will be able to renew our leases on commercially acceptable terms or at all.
12. **Offer for Sale:** Given that the Offer comprises an Offer for Sale by the Selling Shareholders, our Company will not receive any part of the proceeds of the Offer.
13. The details of Price/Earnings Ratio, Enterprise Value/EBITDA Ratio, Earnings per share (Diluted), and Net Asset Value per Share as on and for the year ended March 31, 2023 are as follows:

Name of the company	P/E	EV/ EBITDA Ratio	EPS (Diluted) (₹)	Net Asset Value per Equity Share (₹)
ASK Automotive Limited	45.63 [#]	23.74 [#]	6.18	32.66
Listed peers**				
Endurance Technologies Limited	46.36	21.00	34.09	313.67
Uno Minda Limited	52.59	27.52	11.37	72.53
Suprajit Engineering Limited	35.49	17.18	10.98	88.48
Bharat Forge Limited	98.86	30.45	11.35	144.02

** All the financial information for listed industry peers is on a consolidated basis and is sourced from the financial information of such listed industry peer as at and for the year ended March 31, 2023 available on the website of the stock exchanges.

[#]Computed based on the upper end of the Price Band.

14. **Average cost of acquisition of equity shares for the Promoter Selling Shareholders** is ₹ 0.02 per equity share and offer price at upper end of the price band is ₹ 282 per equity share.
15. **Weighted Average Return on Net Worth for Fiscals 2023, 2022 & 2021** is 16.75%. The Return on Net Worth for the three months ended June 30, 2023 and June 30, 2022 are 5.13% and 3.45% respectively.
16. Details of weighted average cost of acquisition of all Equity Shares transacted in the last three years, 18 months and one year preceding the date of the Red Herring Prospectus

Period	Weighted average cost of acquisition (in ₹)	Cap Price is ‘X’ times the weighted average cost of acquisition	Range of acquisition price: lowest price - highest price (in ₹)
Last one year	0.00	N.A.	0*-240
Last 18 months	0.00	N.A.	0*-240
Last three years	0.00	N.A.	0*-240

^{*}Represents cost of Equity Shares issued/transferred pursuant to bonus issue/gift which are issued/acquired at nil consideration

17. Details of price at which equity shares were acquired by our Promoters (who are also the Promoter Selling Shareholders) and members of the Promoter Group in the last three years preceding the date of the Red Herring Prospectus:

Name	Face value (in ₹)	Date of acquisition	Number of Equity Shares of face value of ₹ 2 each	Acquisition price per Equity Share (in ₹)
Promoters*				
Kuldip Singh Rathee	2	August 23, 2023	18,528,012	Nil ⁽¹⁾
Kuldip Singh Rathee	2	March 30, 2021	65,841,300	Nil ⁽²⁾
Vijay Rathee	2	August 23, 2023	14,130,011	Nil ⁽³⁾
Vijay Rathee	2	March 30, 2021	47,757,150	Nil ⁽²⁾
Promoter Group				
Aman Rathee	2	March 30, 2021	17,842,500	Nil ⁽²⁾
Prashant Rathee	2	March 30, 2021	21,141,000	Nil ⁽²⁾
Sarla Chahal	2	November 22, 2022	1	240.00
Kanika Rathee	2	November 22, 2022	1	240.00
Vijeta Rathee	2	November 22, 2022	1	240.00

^{*} Also the Promoter Selling Shareholders

⁽¹⁾ Transfer from Prashant Rathee to Kuldip Singh Rathee pursuant to a gift deed dated August 23, 2023

⁽²⁾ Represents cost of Equity Shares issued pursuant to a bonus issue which are issued at nil consideration.

⁽³⁾ Transfer from Aman Rathee to Vijay Rathee pursuant to a gift deed dated August 23, 2023.

18. **Weighted average cost of acquisition, floor price and cap price**

Past Transactions	Weighted Average Cost of Acquisition per Equity Share (in ₹)	Floor price: ₹ 268	Cap Price: ₹ 282
Weighted average cost of acquisition (WACA) for primary issuances for the last 18 months	N.A.	N.A.	N.A.
Weighted average cost of acquisition (WACA) for secondary issuances for the last 18 months	N.A.	N.A.	N.A.
Since there were no primary or secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of the Red Herring Prospectus which were equivalent to or more than 5% of the fully diluted paid up share capital of our Company, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where our Promoters/members of our Promoter Group or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction, during the three years prior to the date of filing of the Red Herring Prospectus irrespective of the size of the transaction, is as below:			
(a) WACA of Equity Shares based on primary issuances undertaken during the three immediately preceding years	Nil	N.A.	N.A.
(b) WACA of Equity Shares based on secondary transactions undertaken during the three immediately preceding years	0.00 [#]	N.A.	N.A.

[#]Negligible

19. Pursuant to gift deeds (i) dated August 23, 2023 by Prashant Rathee in favour of Kuldip Singh Rathee and (ii) dated August 23, 2023 by Aman Rathee in favour of Vijay Rathee, the following transfers of Equity Shares were undertaken by the members of our Promoter Group, Prashant Rathee and Aman Rathee, to our Promoters, Kuldip Singh Rathee and Vijay Rathee:

S. No.	Date of transaction/ transfer	Name of the Transferor	Name of Transferee	Nature of Transfer	Number of Equity Shares	Percentage of pre-Offer share capital of the Company	Transfer price (in ₹)
1.	August 23, 2023	Prashant Rathee	Kuldip Singh Rathee	Gift	18,528,012	9.39%	Nil
2.	August 23, 2023	Aman Rathee	Vijay Rathee	Gift	14,130,011	7.16%	Nil

For further details, please refer to “Capital Structure - Build-up of our Promoters’ shareholding in our Company” on page 106 of the RHP.

20. The 4 BRLMs associated with the issue have handled 88 public issues in the past three financial years, out of which 28 issues closed below the issue price on listing date:

Name of the BRLMs	Total Public Issues	Issues Closed below the issue price on listing date
JM Financial Limited	5	-
Axis Capital Limited	6	2
ICICI Securities Limited	8	1
IIFL Securities Limited	14	6
Common issues handled by the BRLMs	55	19
Total	88	28

BID/OFFER PERIOD

**ANCHOR INVESTOR BIDDING DATE:
MONDAY, 6 NOVEMBER 2023**

**BID/OFFER OPENS ON:
TUESDAY, 7 NOVEMBER 2023**

**BID/OFFER CLOSES ON:
THURSDAY, 9 NOVEMBER 2023***

^{*}UPI mandate end time and date shall be at 5.00 pm on the Bid/ Offer Closing Date.

BASIS FOR OFFER PRICE

The Price Band and Offer Price will be determined by our Company and Promoter Selling Shareholders, in consultation with the Book Running Lead Managers (“BRLMs”), on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the quantitative and qualitative factors described below. The face value of the Equity Shares is ₹ 2 each and the Offer Price is 134 times the face value at the lower end of the Price Band and 141 times the face value at the higher end of the Price Band.

Investors should also refer to the sections “*Risk Factors*”, “*Our Business*”, “*Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 33, 198, 287 and 368 respectively, of the RHP to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

- Well established manufacturer of safety systems and critical engineering solutions for some of India’s largest original equipment manufacturers (“OEMs”):** (i) we supplied our products to all of the top six two-wheeler (“2W”), OEMs (in terms of production volume and value) in India during Fiscal 2023 (Source: CRISIL Report); (ii) we are the largest manufacturer of brake-shoe and advanced braking (“AB”) systems for 2Vs in India with a market share of approximately 50% in Fiscal 2023 in terms of production volume for OEMs and the branded independent aftermarket (“IAM”), on a combined basis (Source: CRISIL Report); and (iii) We were among the prominent players in the safety control cables (“SCC”) products and Aluminium lightweighting precision (“ALP”) solutions for 2W OEMs in India, based on production volume in Fiscal 2023 (Source: CRISIL Report). Our market share in ALP solutions was 9% by production volume for 2W OEMs in India in Fiscal 2023 (Source: CRISIL Report);
- Robust production model driven by research and development (“R&D”) and design with an emphasis on:** (i) advanced material knowledge to customize systems and products based on customer specifications and (ii) engineering lighter precision products: (i) as of June 30, 2023, our total staff (i.e., workforce excluding shop-floor personnel) comprised 365 engineering graduates of which 76 were full-time employees of our R&D and engineering department, which represented 5.84% of our staff and 20.82% of the engineers employed as part of our staff; (ii) as of June 30, 2023, we had a portfolio of 52 proprietary formulations (out of which seven had been licensed to us) that we use in the production of AB systems for 2Ws, three wheelers (“3Ws”), passenger vehicles (“PVs”) and commercial vehicles (“CVs”), meeting stringent safety, durability and performance specifications of EV and ICE OEMs; and (iii) We have rolled out, and are in the process of rolling out, products and solutions for 45 programs for the automotive industry and nine programs for the non-automotive industry between the second and fourth quarter of Fiscal 2024, as stipulated in the customer agreements entered into by us;
- Technology and innovation-driven manufacturing process, with an extensive suite of systems and solutions for electric vehicle (“EV”) as well as internal combustion engine (“ICE”) sectors:** (i) we have a demonstrated track record of developing technologically advanced products as per the requirements of our customers; (ii) we have introduced automation in our manufacturing processes. Furthermore, our production line configurations are fungible, allowing us to interchange capacity and product mix between product categories within and across automotive and nonautomotive sectors, based on customer and operational requirements; and (iii) our offerings in the automotive sector are powertrain-agnostic, catering to the EV as well as ICE OEMs;
- Long-standing customer relationships with both Indian and global OEM players:** (i) globally, our customers include players such as Stanley Black & Decker, Polaris,

and MTD Products. In India, our customers include the top six 2W OEMs (in terms of production volume and value for Fiscal 2023) (Source: CRISIL Report); (ii) we have been serving each of the top six 2W OEMs in India for more than 16 years as of June 30, 2023, and some of them since 1994; and (iii) we have been successful in developing customer relationships and supply to EV based 2W OEMs in India;

- Financial and return metrics demonstrating growth and efficient use of capital:** (i) Our revenue from operations has grown at a compound annual growth rate (“CAGR”) of 28.64% between Fiscals 2021 and 2023 and by 8.74% from ₹6,037.35 million in the three months ended June 30, 2022 to ₹6,565.08 million in the three months ended June 30, 2023 and (ii) Our Return on Average Capital Employed (“RoACE”) increased from 21.98% in Fiscal 2021 to 22.06% in Fiscal 2023 and from 4.63% in three months ended June 30, 2022 to 5.31% in three months ended June 30, 2023; and
- Professional management and board:** (i) our Promoter, Chairman and Managing Director, Mr. Kuldip Singh Rathee, has more than three decades of experience in the automotive industry; (ii) our experienced Board of Directors, Key Managerial Personnel and members of Senior Management comprise professionals with knowledge, understanding and experience in the automotive industry; and (iii) our Promoters and certain of our Key Management Personnel and members of Senior Management have been with us for more than 10 years.

For further details, please see “*Our Business – Our Strengths*” on page 200 of the RHP.

Quantitative factors

Some of the information presented in this section relating to our Company is based on and derived from the Restated Consolidated Financial Information. For details, see “*Restated Consolidated Financial Information*” beginning on page 287 of the RHP.

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

1. **Basic and Diluted Earnings Per Equity Share (“EPS”) of face value of ₹ 2 each:**

Financial Year/Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Financial Year ended March 31, 2023	6.18	6.18	3
Financial Year ended March 31, 2022	4.09	4.09	2
Financial Year ended March 31, 2021	5.22	5.22	1
Weighted Average	5.32	5.32	
For the three months ended June 30, 2023*	1.77	1.77	
For the three months ended June 30, 2022*	1.12	1.12	-

^{*}Not annualized.

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2. Price to Earnings Ratio (“P/E Ratio”) in relation to the Price Band of ₹ 268 to ₹ 282 per Equity Share:

Particulars	P/E Ratio at the lower end of the Price Band (number of times)	P/E Ratio at the higher end of the Price Band (number of times)
Based on Basic EPS for the financial year ended March 31, 2023	43.37	45.63
Based on Diluted EPS for the financial year ended March 31, 2023	43.37	45.63

Notes:

- (1) The industry P/E ratio mentioned above has been computed based on the closing market price of the peer group’s equity shares on BSE as on October 16, 2023, divided by the diluted EPS for the year ended March 31, 2023.

4. Return on Net Worth (“RoNW”)

Financial Year/Period	RoNW (%)	Weight
Financial Year ended March 31, 2023	19.10%	3
Financial Year ended March 31, 2022	13.08%	2
Financial Year ended March 31, 2021	17.07%	1
Weighted Average	16.75%	-
For the three months ended June 30, 2023*	5.13%	-
For the three months ended June 30, 2022*	3.45%	-

*Not annualized.

5. Net Asset Value (“NAV”) per Equity Share of face value of ₹ 2 each

Fiscal/ Period Ended	NAV derived from the Restated Consolidated Financial Information (₹)
As on March 31, 2023	32.66
For the three months ended June 30, 2023	34.41
After the completion of the Offer	
- At the Floor Price:	34.41
- At the Cap Price:	
Offer Price*	●

*Offer Price will be determined on conclusion of the Book Building Process.

6. Enterprise Value (“EV”) Earnings Before Interest, Taxes, Depreciation, and Amortization (“EBITDA”) Ratio in relation to the Price Band of ₹ 268 to ₹ 282 per Equity Share:

Particulars	EV/ EBITDA Ratio at the lower end of the Price Band (number of times)	EV/ EBITDA Ratio at the higher end of the Price Band (number of times)
Based on EBITDA for the year ended March 31, 2023	22.63	23.74

Notes:

- (1) The industry EV/EBITDA ratio is computed as the market capitalization of the peer group on BSE Limited (“BSE”) as on October 16, 2023, plus the total debt of the respective peer group as on March 31, 2023, divided by the EBITDA for Fiscal 2023.

7. Comparison of Key Accounting Ratios with Listed Industry Peers

Name of the company	Face value per equity share (₹)	P/ E	EV/ EBITDA Ratio	Revenue from operations (in ₹ million)	EPS (Basic) (₹)	EPS (Diluted) (₹)	Total Equity (in ₹ million)	RoNW (%)	Net Asset Value per Equity Share (₹)
ASK Automotive Limited*	2	[*]	[*]	25,551.67	6.18	6.18	6,437.71	19.10%	32.66
Listed peers**									
Endurance Technologies Limited	10	46.36	21.00	88,040.46	34.09	34.09	44,121.29	10.87%	313.67
Uno Minda Limited	2	52.59	27.52	112,364.90	11.42	11.37	41,558.60	15.73%	72.53
Suprajit Engineering Limited	1	35.49	17.18	27,523.55	10.99	10.98	12,244.80	12.42%	88.48
Bharat Forge Limited	2	98.86	30.45	129,102.59	11.35	11.35	67,055.26	7.88%	144.02

* Our financial information has been derived from the Restated Consolidated Financial Information for the financial year ended March 31, 2023.

**Source for listed peers information included above:

- (i) All the financial information for listed industry peers is on a consolidated basis and is sourced from the financial information of such listed industry peer as at and for the year ended March 31, 2023 available on the website of the stock exchanges.
- (ii) P/E Ratio for the listed industry peers has been computed based on the closing market price of equity shares on BSE as on October 16, 2023 divided by the diluted EPS for the year ended March 31, 2023.
- (iii) EV / EBITDA Ratio is computed as the market capitalization of the listed industry peer on BSE as on October 16, 2023 plus the total debt (non-current borrowings and current borrowings) of the respective company as on March 31, 2023, divided by the EBITDA for Fiscal 2023.

8. Key Performance Indicators (“KPIs”)

The KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated October 30, 2023.

For detailed explanation of the relevance of our KPIs for our business operations, please see the section entitled “Basis For Offer Price” on page 123 of the RHP.

Details of our key performance indicators as at/for the three months ended June 30, 2023 and June 30, 2022 and as at/for the Financial Years ended March 31 2023, March 31, 2022 and March 31, 2021

Metric	As at and for the three months ended June 30		As at and/or for the Fiscal Year ended March 31		
	2023	2022	2023	2022	2021
Revenue from Operations	6,565.08	6,037.35	25,551.67	20,130.83	15,439.92
Revenue Growth (%)	8.74% ^(a)	NA ^(a)	26.93%	30.38%	NA
EBITDA	647.44	517.35	2,475.45	1,822.58	2,101.12
EBITDA Margin (%)	9.85%	8.53%	9.65%	9.00%	13.40%
Profit after tax for the period/year (“PAT”)	348.29	225.54	1,229.53	826.59	1,062.01
PAT Margin (%)	5.30%	3.72%	4.79%	4.08%	6.77%
Return on average equity (RoAE) (%)	5.25% ^(a)	3.49% ^(a)	19.27%	13.33%	17.00%
Return on Average Capital Employed (RoACE) (%)	5.31% ^(a)	4.63% ^(a)	22.06%	16.76%	21.98%
Average Debt to EBITDA ratio	5.44 ^(a)	3.17 ^(a)	0.97	0.66	0.38
Debt to Equity Ratio (Gearing Ratio)	0.57	0.26	0.49	0.25	0.13
Operating Cash Flow to EBITDA Ratio	31.68%	61.22%	55.98%	79.13%	60.90%
Asset Turnover Ratio	0.48 ^(a)	0.53 ^(a)	2.14	1.96	1.63
Working Capital Days	30.28	22.05	27.74	26.60	28.82

Notes:

- 1) NA – Not available since past comparative period is not disclosed in the Red Herring Prospectus.
- 2) Not Annualised.


Comparison of our key performance indicators with our listed industry peers

The following table provides a comparison of our KPIs with those of our peer group. The peer group has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses in terms of our size and our business model:

Particulars	As at and for the Fiscal Year ended March 31, 2023				
	ASK Automotive Limited	Endurance Technologies Limited	Uno Minda Limited	Suprajit Engineering Limited	Bharat Forge Limited
Revenue from Operations	25,551.67	88,040.46	112,364.90	27,523.55	129,102.59
Revenue Growth (%)	26.93%	16.62%	35.17%	49.55%	23.41%
EBITDA	2,475.45	10,816.93	12,908.70	3,512.66	19,403.80
EBITDA Margin (%)	9.65%	12.22%	11.44%	12.59%	14.83%
Profit after tax for the period/year (“PAT”)	1,229.53	4,795.75	7,002.30	1,521.09	5,083.87
PAT Margin (%)	4.79%	5.42%	6.20%	5.45%	3.89%
Return on average equity (RoAE) (%)	19.27%	13.92%	18.99%	14.54%	6.56%
Return on Average Capital Employed (RoACE) (%)	22.06%	14.61%	17.91%	18.74%	12.75%
Average Debt to EBITDA ratio	0.97	0.41	0.80	1.36	3.22
Debt to Equity Ratio (Gearing Ratio)	0.49	0.11	0.28	0.52	1.02
Operating Cash Flow to EBITDA Ratio	55.98%	79.69%	61.84%	68.06%	9.87%

THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON MAIN BOARD PLATFORM OF BSE AND NSE.

ASBA[#]



UNIFIED PAYMENTS INTERFACE

Simple, Safe, Smart way of Application!!!

UPI-Now available in ASBA for all individual investors applying in public issues where the application amount is up to ₹500,000, applying through Registered Brokers, Syndicate, CDPs & RTAs. Retail Individual Bidders and Non-Institutional Bidders also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and read with press release dated September 17, 2021.

*Applications Supported by Blocked Amount (“ASBA”) is a better way of applying to offers by simply blocking the fund in the bank account. For further details, check section on ASBA. Mandatory in public issues. No cheque will be accepted.

UPI

UPI Bidders should ensure that DP ID, PAN, Client ID and UPI ID (for RIBs bidding through the UPI mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID available in the Depository database,

ASBA has to be availed by all the investors except Anchor Investors. UPI may be availed by UPI Bidders. For details on the ASBA and UPI process, please refer to the details given in the Bid Cum Application Form and abridged prospectus and also please refer to the section “Offer Procedure” on page 450 of the RHP. The process is also available on the website of Association of Investment Bankers of India (“AIBI”) and Stock Exchanges and in the General Information Document. The Bid Cum Application Form and the Abridged Prospectus can be downloaded from the websites of BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”), and together with BSE, the “Stock Exchanges” and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFPI=yes&intmid=35 and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFPI=yes&intmid=43>, respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: www.sebi.gov.in. UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. Axis Bank Limited, ICICI Bank Limited have been appointed as the Sponsor Banks for the Issue, in accordance with the requirements of SEBI circular dated November 1, 2018 as amended. For Issue related queries, please contact the Book Running Lead Managers (“BRLMs”) on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and mail id: ipo.upi@npci.org.in.

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

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Portion”), provided that our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations (the “Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors (“Anchor Investor Allocation Price”). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, subject

Particulars	As at and for the Fiscal Year ended March 31, 2023				
	ASK Automotive Limited	Endurance Technologies Limited	Uno Minda Limited	Suprajit Engineering Limited	Bharat Forge Limited
Asset Turnover Ratio	2.14	1.39	1.48	1.32	0.76
Working Capital Days	27.74	23.09	43.99	86.35	114.85

Notes:

1) The financial information pertaining to our Company has been extracted or derived from the Restated Consolidated Financial Information.

2) The financial information pertaining to the industry peer group has been extracted or derived from its audited consolidated financial statements for the year ended March 31, 2023 as available on the website of the stock exchanges and the company.

3) For details and formulae of the method of computation of the above KPIs, see note 3 under “- Details of our KPIs as at/ for the Financial Years ended March 31 2023, March 31, 2022 and March 31, 2021” on page 124 of the RHP.

The KPIs set out above are not standardised terms and accordingly a direct comparison of such KPIs between companies may not be possible. Other companies may calculate such KPIs differently from us.

9. Weighted average cost of acquisition, Floor Price and Cap Price.

I) Price per share of the Company based on primary issuances of Equity Shares or convertible securities (excluding issuance of Equity Shares under ESOP/ESOS or pursuant to a bonus issue) during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-transaction capital before such transactions) in a single transaction or multiple transactions combined together over a span of rolling 30 days.

There has been no issuance of Equity Shares or convertible securities during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-offer capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

II) Price per share of the Company based on secondary sale or acquisition of Equity Shares or convertible securities (excluding gifts) involving any of the Promoters, members of the Promoter Group, Selling Shareholders or any other Shareholders with rights to nominate directors during the 18 months preceding the date of filing of the Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-transaction capital before such transactions), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

There have been no secondary sales/transfers or acquisitions of any Equity Shares or convertible securities (excluding gifts) where the Promoters, members of the Promoter Group, the Promoter Selling Shareholders or Shareholder(s) having the right to nominate director(s) in the Board of Directors of the Company are a party to the transaction, during the 18 months preceding the date of the Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-offer capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

III) Price of Equity Shares for last five primary or secondary transactions (where Promoters, members of the Promoter Group, 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 the Red Herring Prospectus irrespective of the size of transactions.

Since there are no such transactions to report to under (I) and (II) above, therefore information based on last five primary or secondary transactions (secondary transactions where our Promoters / members of our Promoter Group or Selling Shareholders or Shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), during the three years prior to the date of the Red Herring Prospectus irrespective of the size of transactions, is as below:

Date of allotment/ transaction	No. of equity shares	Face value per Equity Share (₹)	Issue/ Transaction price per equity share (₹)	Nature of allotment/ transaction	Nature of consideration	Total consideration (₹)
Primary issuances						
March 30, 2021	15,25,81,950	2	Nil	Bonus issue in the ratio of three Equity Shares for every one Equity Share held	N.A.	Nil
Weighted Average Cost of Acquisition (primary transactions)**						
Secondary transactions***						
August 23, 2023	1,85,28,012	2	Nil	Transfer by way of gift	N.A.	Nil
August 23, 2023	1,41,30,011	2	Nil	Transfer by way of gift	N.A.	Nil
November 22, 2022	1	2	240	Transfer	Cash	240
November 22, 2022	1	2	240	Transfer	Cash	240
November 22, 2022	1	2	240	Transfer	Cash	240
Weighted Average Cost of Acquisition (secondary transactions)						
						0.00 [^]

[^] Negligible

^{**} Represents cost of acquisition of Equity Shares acquired through bonus issue, which are issued at nil consideration.

^{***} The above excludes buy back of Equity Shares undertaken by our Company on a proportionate basis through the tender offer process. Pursuant to the same, our Company bought back from one of our Promoter Selling Shareholders, Kuldip Singh Rathee: (i) 2,550,000 equity shares at ₹ 235 per Equity Share on September 6, 2021 and (ii) 3,750,000 equity shares at ₹ 240 per Equity Share on September 28, 2022.

iv) Floor Price and Cap Price vis-à-vis Weighted Average Cost of Acquisition based on primary issuances/secondary transactions during the last 18 months and three years

	Weighted Average Cost of Acquisition per Equity Share (in ₹)	Floor price: ₹ 268	Cap Price: ₹ 282
I. Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of the Daft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	N.A.	N.A.	N.A.
II. Weighted average cost of acquisition for last 18 months for secondary sale/acquisition of shares equity/convertible securities), where promoter/ promoter group entities or selling shareholders or shareholder(s) having the right to nominate director(s) or selling shareholder in the Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of the Red Herring Prospectus, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	N.A.	N.A.	N.A.
III. Since there are no such transactions to report to under (I) and (II) above, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where our Promoters/members of our Promoter Group or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction, during the three years prior to the date of filing of the Red Herring Prospectus irrespective of the size of the transaction, is as below:			
(a) WACA of Equity Shares based on primary issuances undertaken during the three immediately preceding years	Nil	N.A.	N.A.
(b) WACA of Equity Shares based on secondary transactions undertaken during the three immediately preceding years**	0.00 [^]	N.A.	N.A.

[#] Negligible

^{^^} The above excludes buy back of Equity Shares undertaken by our Company on a proportionate basis through the tender offer process. Pursuant to the same, our Company bought back from one of our Promoter Selling Shareholders, Kuldip Singh Rathee: (i) 2,550,000 equity shares at ₹235 per Equity Share on September 6, 2021 and (ii) 3,750,000 equity shares at ₹ 240 per Equity Share on September 28, 2022.

10. The Offer Price is [●] times of the face value of the Equity Shares

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

The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors – Risks related to the Offer and the Equity Shares – The Equity Shares have never been publicly traded and after the Offer, the Equity Shares may experience price and volume fluctuations and an active trading market for the Equity Shares may not develop, which may mean you may be unable to resell your Equity Shares at or above the Offer Price, or at all” on page 79 of the RHP and you may lose all or part of your investments.

11. Explanation for Offer Price/Cap Price vis-a-vis weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in point 9 above) along with our Company’s key performance indicators and financial ratios for the three months ended June 30, 2023 and June 30, 2022 and for Fiscals 2023, 2022 and 2021.

There were no primary or secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of the Red Herring Prospectus which were equivalent to or more than 5% of the fully diluted paid up share capital of our Company. Thus, the information on weighted average cost of acquisition has been disclosed based on the last five primary transactions or secondary transactions (secondary where our Promoters/members of our Promoter Group or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction), during the three years prior to the date of filing of the Red Herring Prospectus irrespective of the size of the transaction. Such primary transactions pertain to allotment of Equity Shares made by our Company pursuant to a bonus issue in the ratio of 3:1 and the secondary transactions primarily pertain to gift of Equity shares between our Promoters and certain members of our Promoter Group. Thus, the comparison of WACA vis-à-vis the Cap Price is not applicable. However, please find below certain factors for justification of Cap Price.

• We are the largest manufacturer of brake-shoe and advanced braking (“AB”) systems for two-wheelers (“2W”) in India with a market share of approximately 50% in Fiscal 2023 in terms of production volume for original equipment manufacturers (“OEMs”) and the branded independent aftermarket (“IAM”), on a combined basis.

• We supply our products to all of the top six 2W OEMs (in terms of production volume and value in Fiscal 2023) in India. We have long-standing relationships with all six of our top 2W OEM customers ranging from 16 years to 30 years.

• Our Company also increasingly caters to customers overseas, through export of AB systems and ALP solutions. Automotive customers include UFI Filters India Private Limited (“UFI Filters”), Federal-Mogul Italy s.r.l. – racing & motorcycle division (“Federal-Mogul”), and FDP Virginia Inc., and our non-automotive customers include Stanley Black & Decker, Polaris Industries Inc. (“Polaris”) and MTD Products Inc. (“MTD Products”) outside India.

• Our Joint Venture AFFPL supplies AB products to global and Indian IAM for CVs and to Indian OEMs in the CV sector, and its products have been approved by two CV OEMs in India and supplies have commenced.

• We operated 15 manufacturing facilities across five states in India, as on June 30, 2023 and we recently commenced commercial manufacturing operations at our 16th manufacturing facility in Bhiwadi (Rajasthan) in July 2023.

• Our R&D capabilities include: (i) our advanced material engineering capabilities, with a portfolio of 52 proprietary formulations (of which seven had been licensed to us) as of June 30, 2023, that we use in the production of AB systems and (ii) our precision engineering, in-house tool designing, design simulation, prototyping and manufacturing abilities, provide us with a competitive advantage in quality, cost and delivery (“QCD”) parameters.

• Our revenue from operations has grown at a CAGR of 28.64% between Fiscals 2021 and 2023, and by 8.74% from ₹6,037.35 million in the three months ended June 30, 2022 to ₹6,565.08 million in the three months ended June 30, 2023. We have delivered RoACE of 21.98%, 16.76% and 22.06% in Fiscal 2021, Fiscal 2022 and Fiscal 2023 respectively.

12. Explanation for Offer Price/Cap Price vis-a-vis weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in point 9 above) in view of the external factors which may have influenced the pricing of the Offer

There are no external factors which have influenced the determination of Cap Price.

Continued on next page...

...continued from previous page.

otherwise, the Bid cum Application Form is liable to be rejected. Bidders/ Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for RIBs bidding through the UPI mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders'/Applicants' sole risk. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes notification dated February 13, 2020 and read with press releases dated June 25, 2021, September 17, 2021 and March 28, 2023 and any subsequent press releases in this regard.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects of the Company, please see the section *"History and Certain Corporate Matters"* on page 249 of the RHP. The Memorandum of Association of the Company is a material document for inspection in relation to the Offer. For further details, please see the section titled *"Material Contracts and Documents for Inspection"* on page 482 of the RHP.

LIABILITY OF THE MEMBERS OF THE COMPANY: Limited by shares.

AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: As on the date of the RHP, the authorised share capital of the Company is ₹450,000,000 divided into 225,000,000 Equity Shares of face value of ₹2 each. The issued, subscribed and paid-up share capital of the Company is ₹394,285,200 divided into 197,142,600 Equity Shares of face value of ₹2 each. For details, please see the section titled *"Capital Structure"* beginning on page 100 of the RHP.

NAMES OF SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: The initial signatories to the Memorandum of Association are Kuldip Singh Rathee, Ajay Kumar Gupta and Sushil Kumar Singhal who subscribed to 1 equity share each, bearing face value of ₹100. For details of the share capital history and capital structure of our Company, please see the section entitled *"Capital Structure"* beginning on page 100 of the RHP.

BOOK RUNNING LEAD MANAGERS				REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
					
JM Financial Limited 7 th Floor, Chenergy, Appasaheb Marathe Marg Prabhadevi, Mumbai 400 025 Maharashtra, India Tel.: +91 22 6630 3030 E-mail: askauto.ipo@jmfl.com Investor grievance E-mail: grievance.ibd@jmfl.com Contact person: Prachee Dhuri Website: www.jmfl.com SEBI Registration: INM000010361	Axis Capital Limited 1 st Floor, Axis House, C-2 Wadia International Centre Pandurang Budhkar Marg, Worli, Mumbai 400 025 Maharashtra, India Tel: + 91 22 4325 2183 E-mail: askauto.ipo@axiscap.in Investor Grievance E-mail: complaints@axiscap.in Contact Person: Simran Gadh/Pavan Naik Website: www.axiscapital.co.in SEBI Registration: INM000012029	ICICI Securities Limited ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India Tel.: +91 22 6807 7100 E-mail: askauto.ipo@icicisecurities.com Investor grievance e-mail: customercare@icicisecurities.com Contact person: Ashik Joisar/Harsh Thakkar Website: www.icicisecurities.com SEBI Registration: INM000011179	IIFL Securities Limited 24 th Floor, One Lodha Place, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013 Maharashtra, India Tel: +91 22 4646 4728 E-mail: askauto.ipo@iiflcap.com Investor grievance E-mail: ig.lb@iiflcap.com Contact person: Pawan Jain/Pinkesh Soni Website: www.iiflcap.com SEBI Registration: INM000010940	Link Intime India Private Limited C-101, 1 st Floor, 247 Park L.B.S. Marg, Vikhroli West Mumbai 400 083, Maharashtra, India Tel: +91 810 811 4949 E-mail: askauto.ipo@linkintime.co.in Investor Grievance E-mail: askauto.ipok@linkintime.co.in Contact Person: Shanti Gopalkrishnan Website: www.linkintime.co.in SEBI Registration No: INR000004058	<div>Rajani Sharma Vice President (Legal), Company Secretary and Compliance Officer Tel: +91 124 439 6907, E-mail: compliance@askbrake.com;</div> <div>Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, noncredit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Investors may also write to the BRLMs.</div>

Availability of the RHP: Investors are advised to refer to the RHP and the *"Risk Factors"* beginning on page 33 of the RHP, before applying in the Offer. A copy of the RHP shall be available on website of SEBI at www.sebi.gov.in and is available on the websites of the BRLMs, i.e. JM Financial Limited at www.jmfl.com, Axis Capital Limited at www.axiscapital.co.in, ICICI Securities Limited at www.icicisecurities.com, IIFL Securities Limited at www.iiflcap.com respectively and on the websites of BSE and NSE at www.bseindia.com and www.nseindia.com, respectively.

Availability of the Abridged Prospectus: A copy of the abridged prospectus is available on the website of the Company, the BRLMs and the Registrar to the offer at www.askbrake.com, www.jmfl.com, www.axiscapital.co.in, www.icicisecurities.com, www.iiflcap.com and www.linkintime.co.in

Availability of Bid-cum-Application Forms: Bid-cum-Application Forms can be obtained from the Registered Office of the Company **ASK AUTOMOTIVE LIMITED**, Tel: +91 124 439 6907 the BRLMs: **JM Financial Limited**, Tel.: +91 22 6630 3030, **Axis Capital Limited**, Tel: + 91 22 4325 2183, **ICICI Securities Limited**, Tel.: +91 22 6807 7100, **IIFL Securities Limited**, Tel: +91 22 4646 4728 and at the select locations of the Sub-syndicate Members (as given below), SCSBs, Registered Brokers, RTAs and CDPs participating in the Offer. ASBA Forms will also be available on the websites of BSE and NSE and the Designated Branches of SCSBs, the list of which is available at websites of the Stock Exchanges and SEBI.

Sub-syndicate members: Almondz Global Securities Ltd, Amrapali Capital & Finance Services Limited, Anand Rathi Share & Stock Brokers Ltd., Anand Share Consultancy, ANS Pvt Limited, Ashwani Dandia & Co., Axis Securities Limited, Bajaj Financial Securities Ltd., Centrum Broking Ltd., Centrum Wealth Management Ltd., Choice Equity Broking Private Limited, Dalal & Broacha Stock Broking Pvt Limited, DB(International) Stock Brokers Ltd., Edelweiss Broking Ltd., Eureka Stock & Share Broking Services Ltd., G Raj &

LISTING: The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters, each dated September 11, 2023. For the purposes of the Offer, NSE shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see *"Material Contracts and Documents for Inspection"* beginning on page 482 of the RHP.

DISCLAIMER CLAUSE OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities or the offer document. The investors are advised to refer to page 426 of the RHP for the full text of the disclaimer clause of SEBI.

DISCLAIMER CLAUSE OF NSE (DESIGNATED STOCK EXCHANGE): It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 429 of the RHP for the full text of the disclaimer clause of NSE.

DISCLAIMER CLAUSE OF BSE: It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the RHP has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to page 429 of the RHP for the full text of the disclaimer clause of BSE.

GENERAL RISKS: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does the SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to *"Risk Factors"* beginning on page 33 of the RHP.

Co. (Consultants) Limited, Globe Capital Markets Ltd., HDFC Securities Ltd., IDBI Capital Markets and Securities Ltd, IIFL Securities Limited, Jhaveri Securities, JM Financial Services Limited, Jobanputra Fiscal Services Pvt. Ltd., Kalpataru Multiplier Limited, Keynote Capitals Limited, KJMC Capital Market Services Limited, Kotak Securities Limited, Lakshmishree Investment & Securities Pvt Limited, LKP Securities Limited, Inventure Growth & Securities Ltd., Marwadi Shares & Finance, Motilal Oswal Financial Services Limited, Nirmal Bang Securities Pvt Limited, Nuvama Wealth and Investment Limited (Edelweiss Broking Limited), Patel Wealth Advisors Pvt Limited, Prabhudas Liladhar Pvt Ltd., Pravin Ratilal Share and Stock Brokers Ltd., Religare Broking Ltd., RR Equity Brokers Pvt. Ltd., SBICAP Securities Ltd., Sharekhan Ltd., SMC Global Securities Limited, Systematix Shares and Stocks (India) Limited, Tradebulls Securities (P) Ltd., YES Securities Ltd.

Syndicate member: JM Financial Services Limited.

Bankers to the Offer/Escrow Collection Bank and Refund Bank/Public Offer Account Bank: Axis Bank Limited, ICICI Bank Limited

Sponsor Banks: Axis Bank Limited, ICICI Bank Limited

UPI: UPI Bidders can also bid through UPI Mechanism.

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

Place: Delhi
Date: November 1, 2023

For **ASK AUTOMOTIVE LIMITED**
On behalf of the Board of Directors
Sd/-

Rajani Sharma
Vice President (Legal), Company Secretary and Compliance Officer

ASK AUTOMOTIVE LIMITED is proposing, subject to applicable statutory and regulatory requirements and receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offer of its Equity Shares and has filed the RHP with the RoC, SEBI and the Stock Exchanges. The RHP shall be available on the website of the Company at www.askbrake.com, the website of the SEBI at www.sebi.gov.in, the websites of the Stock Exchanges, i.e., the BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, and websites of the BRLMs, i.e., JM Financial Limited, Axis Capital Limited, ICICI Securities Limited and IIFL Securities Limited at www.jmfl.com, www.axiscapital.co.in, www.icicisecurities.com and www.iiflcap.com, respectively. Any potential investor should note that investment in equity shares involves a high degree of risk and for details relating to such risk, please see the section entitled **"Risk Factors"** of the RHP on page 33. Potential investors should not rely on the DRHP for making any investment decision and instead should place reliance only on the RHP.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act, as amended (the **"U.S. Securities Act"**) or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) pursuant to Rule 144A of the U.S. Securities Act or another available exemption from the registration requirements of the U.S. Securities Act, and (b) in "offshore transactions" as defined in, and in reliance on, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offer and sales are made.