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Innomet

INNOMET ADVANCED MATERIALS LIMITED
(Formerly known as Innomet Advanced Materials Limited)

Our Company was originally formed as a partnership firm under the name and style of “M/s. Padmasree Enterprises” pursuant to a deed of partnership dated March 07, 1984, as amended from time to time. M/s. Padmasree Enterprises was thereafter converted into a private limited Company “Innomet Advanced Materials Private Limited” pursuant to the provisions of Chapter XXI of the Companies Act, 2013 on January 29, 2019 and fresh a certificate of incorporation dated April 24, 2019 was issued by Registrar of Companies, Central Registration Centre. Subsequently, the name of our Company was changed to Innomet Advanced Materials Limited upon conversion to a public limited company pursuant to a Board resolution dated September 07, 2023 and a resolution passed in the Extra-Ordinary General Meeting of the shareholders held on September 18, 2023 and consequently a Fresh Certificate of Incorporation dated November 9, 2023 was issued by the Registrar of Companies, Hyderabad. For further details please refer to chapter titled “*History and Corporate Structure*” beginning on page 137 of this Draft Prospectus.

Registered Office: B-31, Bhel Ancillary Industrial Estate, Ramachandrapuram, Medak, Hyderabad-502032, Telangana, India;
Website: www.innomet.net; **E-mail:** CS@innomet.net; **Tel:** +91 04023021726;
Contact Person: Aanchal Sethia, Company Secretary and Compliance Officer;
Corporate Identity Number: U27101TG2019PLC132262



**ADDENDUM TO THE DRAFT PROSPECTUS DATED FEBRUARY 15, 2024; NOTICE TO INVESTORS (THE “ADDENDUM”)
OUR PROMOTERS: LAKSHMI KANTHAMMA CHILAKAPATI, SARITHA DEVI CHILAKAPATI AND VINAY CHOUDHARY CHILAKAPATI
THE ISSUE**

INITIAL PUBLIC OFFERING OF UP TO 34,24,000 EQUITY SHARES OF ₹10/- EACH (“EQUITY SHARES”) OF INNOMET ADVANCED MATERIALS LIMITED (“IAML” OR THE “COMPANY”) FOR CASH AT A PRICE OF ₹ [●] /- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] /- PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING TO ₹ [●] LAKHS (“THE ISSUE”). OUT OF THE ISSUE [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E., NET ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●] /- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] /- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] %, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED ‘TERMS OF THE ISSUE’ BEGINNING ON PAGE NO [●] OF THIS DRAFT PROSPECTUS.

Potential Investor may note the following:

- The Chapter titled ‘General’ beginning on page 2 of Draft Prospectus, the Definitions and Abbreviations has been amended.
- The Chapter titled ‘Summary of Draft Prospectus’ beginning on page 22 of Draft Prospectus has been amended.
- The Chapter titled ‘Risk Factors’ beginning on page 31 of Draft Prospectus has been amended.
- The Chapter titled ‘Introduction’ beginning on page 52 of Draft Prospectus, the summary of General Information has been amended.
- The Chapter titled ‘Introduction’ beginning on page 52 of Draft Prospectus, the summary of Capital Structure has been amended.
- The Chapter titled ‘Introduction’ beginning on page 52 of Draft Prospectus, the summary of Object of Issue has been amended.
- The Chapter titled ‘About the Company’ beginning on page 104 of Draft Prospectus, the Summary of Our Business has been amended.
- The Chapter titled ‘About the Company’ beginning on page 104 of Draft Prospectus, the Summary of History and Corporate Structure has been amended.
- The Chapter titled ‘About the Company’ beginning on page 104 of Draft Prospectus, the Summary of Our Management has been amended.
- The Chapter titled ‘About the Company’ beginning on page 104 of Draft Prospectus, the Summary of Our Promoters and Promoter Group has been amended.
- The Chapter titled ‘About the Company’ beginning on page 104 of Draft Prospectus, the Summary of Our Group Companies has been amended.
- The Chapter titled ‘Financial Information’ beginning on page 171 of Draft Prospectus, the Summary of Restated Financial Statements has been amended.
- The Chapter titled ‘Financial Information’ beginning on page 171 of Draft Prospectus, the Summary of Financial Indebtness has been amended.
- The Chapter titled ‘Financial Information’ beginning on page 171 of Draft Prospectus, the Summary of Management’s Discussion and Analysis of Financial Conditions and Results of Operations has been amended.
- The Chapter titled ‘Legal and Other Information’ beginning on page 220 of Draft Prospectus, the Summary of Outstanding Litigations has been amended.
- The Chapter titled ‘Legal and Other Information’ beginning on page 220 of Draft Prospectus, the Summary of Government and Other Key Approvals has been amended.
- The Chapter titled ‘Legal and Other Information’ beginning on page 220 of Draft Prospectus, the Summary of Other Regulatory and Statutory Disclosures has been inserted.
- The Chapter titled ‘Issue Information’ beginning on page 232 of Draft Prospectus, the Summary of Issue Procedure has been amended.
- The Chapter titled ‘Other Information’ beginning on page 313 of Draft Prospectus, the Declaration has been amended.

The above is to be read in conjunction with the Draft Prospectus and accordingly their references in the Draft Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchange. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Prospectus.

LEAD MANAGER	REGISTRAR TO THE ISSUE
	
EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED 1511, RG Trade Tower Netaji Subhash Place, Pitampura, New Delhi – 110034, India; Telephone: +91 11 4509 8234; Email: ipo@expertglobal.in; Website: www.expertglobal.in; Investor Grievance Email: compliance@expertglobal.in; Contact Person: Mr. Gaurav Jain; SEBI Registration Number: INM000012874	SKYLINE FINANCIAL SERVICES PRIVATE LIMITED A/506, Dattani Plaza, Andheri Kurla Road, Safeed Pool, Andheri East, Mumbai – 400 072, Maharashtra, India Facsimile & Telephone: +91 22 2851 1022; Email: ipo@skylinerta.com; Investor Grievance Email: grievances@skylinerta.com; Contact Person: Mr. Anuj Rana Website: www.skylinerta.com SEBI Registration Number: INR000003241
ISSUE PERIOD	
ISSUE OPENS ON	[●]
ISSUE CLOSES ON	[●]

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

General Terms

Term	Description
Promoter(s)	Lakshmi Kanthamma Chilakapati, Saritha Devi Chilakapati and Vinay Choudhary Chilakapati
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(pp) of SEBI ICDR Regulations as disclosed in the chapter titled “ <i>Our Promoter and Promoter Group</i> ” beginning on page 162 of this Draft Prospectus.

Company Related Terms

Term	Description
Independent Director(s)	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013 and as described on “ <i>Our Management</i> ” on page 141 of this Draft Prospectus.
Individual Promoters	Lakshmi Kanthamma Chilakapati, Saritha Devi Chilakapati and Vinay Choudhary Chilakapati

SECTION II - SUMMARY OF THE DRAFT PROSPECTUS

The following is a general summary of the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Prospectus, including “*Risk Factors*”, “*The Issue*”, “*Capital Structure*”, “*Objects of the Issue*”, “*Industry Overview*”, “*Our Business*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*”, “*Issue Procedure*”, and “*Description of Equity Shares and Terms of the Articles of Association*” beginning on pages 30, 50, 66, 82, 102, 112, 170, 219, 257 and 286, respectively of this Draft Prospectus.

3. Promoters

As on the date of this Draft Prospectus, Mrs. Lakshmi Kanthamma Chilakapati, Mrs. Saritha Devi Chilakapati and Vinay Choudhary Chilakapati are the Promoters of our Company.

For further details, see “*Our Promoters and Promoter Group*” on page 162 of this Draft Prospectus.

6. Aggregate Pre Issue Shareholding of Promoters and Promoter Group

As on the date of this Draft Prospectus, the aggregate Pre-Issue shareholding of our Promoters and Promoter Group, as a percentage of the Pre-Issue paid-up Equity Share capital of our Company is set out below:

Sr. No.	Name of the Shareholders	Pre-Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital
(A) Promoter			
1.	Lakshmi Kanthamma Chilakapati	40,05,794	42.09%
2.	Saritha Devi Chilakapati	40,59,228	42.65%
3.	Vinay Choudary Chilakapati	5,26,316	5.53%
Sub-Total (A)		85,91,338	90.28%

For further details, see “*Capital Structure*” beginning on page 66 of this Draft Prospectus

9. Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, our promoters and our directors as on the date of this Draft Prospectus is provided below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in Lakhs)
Company						
By the Company	NA	NA	NA	NA	NA	NA

Against the Company	NA	NA	NA	NA	NA	NA
Directors						
By our Directors	NA	NA	NA	NA	NA	NA
Against the Directors	NA	2	NA	NA	NA	0.48
Promoters *						
By Promoters	NA	NA	NA	NA	NA	NA
Against Promoters	NA	1	NA	NA	NA	0.13
Subsidiaries						
By Subsidiaries	NA	NA	NA	NA	NA	NA
Against Subsidiaries	NA	NA	NA	NA	NA	NA
Group Companies						
By Group Companies	NA	NA	NA	NA	NA	NA
Against Group Companies	NA	NA	NA	NA	NA	NA

**Our Promoter Smt. Saritha Devi Chilakapati is also a director on the Board. However litigation against her have not been inserted in the litigation against directors to avoid repetition.*

Brief details of top 5 Criminal Case against our Promoters:

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved
1	NA	NA	NA	NA

14. Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Prospectus

The details of the weighted average price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Prospectus is as follows:

Sr. No.	Name of the Promoter	Number of Equity Shares acquired in the last one year preceding the date of this Draft Prospectus	Weighted average price of acquisition per Equity Share in the last one year preceding the date of this Draft Prospectus (in ₹)*
1.	Lakshmi Kanthamma Chilakapati	5,32,440**	[•]
2.	Saritha Devi Chilakapati	7,22,086**	[•]
3.	Vinay Choudary Chilakapati	5,26,316**	[•]

**As certified by GRANDMARK & Associates, Chartered Accountants by way of their certificate dated [•], 2024.*

*** The number of equity shares acquired does not include the equity shares issued pursuant to a bonus issue.*

15. Average Cost of Acquisition of Equity Shares for Promoters

The average cost of acquisition of Equity Shares for the Promoters is as follows:

Name of Promoter	No. of shares held	Average Cost of Acquisition (in ₹)
Lakshmi Kanthamma Chilakapati	40,05,794	6.20
Saritha Devi Chilakapati	40,59,228	6.86
Vinay Choudary Chilakapati	5,26,316	19
Total	85,91,338	--

**As certified by GRANDMARK & Associates, Chartered Accountants by way of their certificate dated March 21, 2024.*

SECTION III – RISK FACTORS

INTERNAL FACTORS

6. The average cost of acquisition of Equity Shares by our Promoters may be lower than the Issue Price.

The average cost of acquisition of Equity Shares held by our promoters, the Promoters may be lower than the Issue Price is set out below.

Sr. No.	Name of the Promoter	Number of Equity Shares held as on the date of this Draft Prospectus	Average cost of acquisition per Equity Share (in ₹) *
1.	Lakshmi Kanthamma Chilakapati	40,05,794	6.20
2.	Saritha Devi Chilakapati	40,59,228	6.86
3.	Vinay Choudary Chilakapati	5,26,316	19

For further details regarding the average cost of acquisition of Equity Shares by the Promoters in our Company, please see “*Summary of the Draft Prospectus*” on page 21 of the Draft Prospectus.

9. We have issued Equity Shares at prices that may be lower than the Issue Price in the last 12 months.

We have issued Equity Shares in the last 12 months at a price that may be lower than the Issue Price, as set out in the table below:

Preferential Allotment shares for consideration other than cash by the company to its Promoters of the company:

Date of allotment	Number of Equity Shares Allotted	Name and Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)
August 24, 2023	10,44,000	5,32,440 Equity Shares allotted to Chilakapati Lakshmi Kantamma and 5,11,560 Equity Shares to Chilakapati Saritha Devi	10	19

Sweat Equity issued shares for consideration other than cash by the company to its eligible employees at a price ₹19 per share cash: -

Date of allotment	Number of Equity Shares Allotted	Name and Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)
September 20, 2023	10,30,526	5,26,316 Equity Shares were allotted to Ch. Vinay Chilakapati, 2,10,526 Equity Shares were allotted to Saritha Devi, 2,10,526 Equity Shares were allotted to K. Sai Babu, 12,632 Equity Shares were allotted to K. Ramesh, 16,842 Equity Shares were allotted to Y. Parthasaradhi, 4,211 Equity	10	19

Date of allotment	Number of Equity Shares Allotted	Name and Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)
		Shares were allotted to G.V. Murali Krishna, 10,526 Equity Shares were allotted to I. Srinivas Rao, 7,368 Equity Shares were allotted to N.V. Yugandar, 7,368 Equity Shares were allotted to D. Sreenivas, 2,105 Equity Shares were allotted to N. Ramesh, 5,263 Equity Shares were allotted to S. Neeraja, 5,263 Equity Shares were allotted to N. Haritha, 5,263 Equity Shares were allotted to I. Srisessa, 4,211 Equity Shares were allotted to Lalitha, 1,053 Equity Shares were allotted to Krishnaveni and 1,053 Equity shares were allotted to D. Sudhakar		

Conversion of Compulsory Convertible Debentures into equity shares allotted at a price of ₹19 as per valuation report given by Mr. K. Chiranjeevi Rao on July 25, 2023 vide registration number ICAIRVO/06/RV-P070/2022-23 and IBBI Registration No. IBBI/RV/06/2022/14955:

Date of allotment	Number of Equity shares Allotted	Name and Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)
September 20, 2023	6,31,516	2,63,158 Equity Shares were allotted to Vinod Aachi and 3,68,358 Equity Shares were allotted to Venu Madhav Palaparthi	10	19

Company is in process of filing suo-moto compounding application in the matter section 62(1)(a) of companies Act, 2013 read with provisions of section 441 of companies Act, 2013 before Regional director, South East Region. As and when company will receive compounding order with respect to application, company will pay compounding fees against compounding order and if such order announced after listing of the shares in that case company will inform to the Exchange as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018.

11. The titles of our registered office are not in the name of the Company and in the event need be arise, we may not be able to use the premises during the time without incurring any extra cost.

Our Company was earlier incorporated as a partnership firm in the name and style of M/s. Padmasree Enterprise (the firm) and our present registered office at BB-31, BHEL, Ancillary Industrial Estate, Ramchandrapuram, Hyderabad-502032, Telangana (the Premises) was acquired in the name of the firm. The firm was later converted in the name and style of Innomet Advanced Materials Private Limited (the Company) pursuant to which all the assets (movable and immovable) got vested into the Company. The Company however did not get the title of the land transferred in the name of the Company and the premises still stands registered in the name of the erstwhile partnership firm Padmasree Enterprises. Now since a considerable time period has elapsed since the conversion of the firm, we may not be able

to get the said premises registered in the name of the Company or at all in which event the Company may not be able to adequately utilize the said premises for the purpose of mortgage while borrowing funds and like.

The Registered Office of the Company i.e., B-31, BHEL Ancillary Industrial Estate, Ramachandrapuram, Medak, Hyderabad - 502032, Telangana, India is registered and owned in the name of the erstwhile partnership firm Padmasree Enterprises, which was later converted in the name and style of Innomet Advanced Materials Private Limited (the Company) pursuant to which all the assets (movable and immovable) got vested into the Company. However, the Company has submitted a letter with the Zonal Manager, TSIIC, Patancheru, Hyderabad-502319 on April 02, 2024 with a request to change the name of the property in the name of Innomet Advanced Materials Limited, and the same was acknowledged by the TSIIC on April 02, 2024.

26. Our Promoters and Promoter Group will continue to exercise control post completion of the Issue and will have considerable influence over the outcome of matters.

Upon completion of this Issue, our Promoters and Promoters Group will continue to own a majority of our Equity Shares. As a result, our Promoters and Promoters group will have the ability to exercise significant influence over all matters requiring shareholders' approval. Our Promoters and Promoters group will also be in a position to influence any shareholder action or approval requiring a majority vote, except where they may be required by applicable law to abstain from voting. This control could also delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from obtaining control of our Company even if it is in the best interests of our Company. The interests of our Promoters and Promoters group could conflict with the interests of our other equity shareholders, and the Promoters could make decisions that materially and adversely affect your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoters group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in "*Capital Structure*" on page no. 66 of this Draft Prospectus, we cannot assure you that our Promoters will not dispose of, pledge or encumber their Equity Shares in the future.

32. Heavy reliance on the top 10 suppliers introduces a potential risk for significant purchases.

Our most of the purchases are domestic. In the year 2023-2024, our total purchases worth Rs.933.44 Lakhs constituting 71.86 % of the total purchases were made from top 10 suppliers. Though, they are very much regular in supply, and we have not faced any problem in past from any of the supplier. However, we cannot assure that they will continue to supply regularly in future at the same rate in future. Any disruption in the supply of material by any one or more will adversely affect the business of the Company and adversely affect the profitability and financial position of the Company.

33. Our Company has not entered into any written agreements or contracts with our customers for sale of our products.

We sale our major production to the customers spread over the different states of our country as well as other foreign countries. We have not entered in to any type of long/short agreement with any of the buyer. Though, we are getting order on regular basis from our customers, we cannot assure you that in future we will be getting the orders from all the customers on regular basis. In absence of any type of written agreement with our customers, we are always at the risk of losing customers in this competitive market. Loss of any of the significant customer will lead our company in to loss of business, revenue and financial conditions.

34. Our manufacturing process requires our labourers to work under potentially dangerous circumstances. In the event of any accidents, our Company may be held liable for damages and penalties which may impact the financials of our Company.

Our employees/labour may be required to work under potentially dangerous circumstances in the operation of our manufacturing unit associated with the handling, storage, movement and production of our Products, as well as accidents such as fire and explosions. Any mishandling of our equipment and machineries could also lead to serious and sometimes fatal accidents. These accidents can cause personal injury and loss of life, severe damage to and destruction of property and equipment, environmental damage and may result in the suspension of operations and the imposition of civil and criminal liabilities. Liabilities incurred as a result of these events have the potential to adversely impact our financial position and reputation. Events like these could result in liabilities, or adversely affect our reputation with suppliers, customers, regulators, employees and the public, which could in turn affect our financial condition and business performance.

35. Our Company has not entered into any written agreements or contracts with Government bodies for sale of our products as a customer.

We sale our production to the government bodies spread over the different states of our country. We have not entered in to any type of long/short agreement with any of the government bodies. Though, we are getting order on regular basis from our government bodies, we cannot assure you that in future we will be getting the orders from all the government bodies on regular basis. Further, a lack of prediction for stable government for different states of India, we are always at risk to lose of customer as government bodies and our revenue may impact on this. In absence of any type of written agreement with our government bodies, we are always at the risk of losing customers in this competitive market. Loss of any of the significant government bodies will lead our company in to loss of business, revenue and financial conditions.

36. There are some delay filing of certain GST forms and EPF returns and also delay in making statutory payment by our company.

Our company is engaged in the business of manufacturing of the Metal Powders (Ferrous, Non-Ferrous and their Alloys), which attracts/attracted tax liability such as GST, Income Tax, and other indirect taxes as per the applicable provisions of Law, if any.

We are also subject to the labour laws like depositing of contributions with Provident Fund. In the past, our company has at several instances, delayed in filing TDS and Income Tax returns, GST returns, EPF returns and deposit of statutory dues, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes and statutory dues. Although, the late filing fees levied and / or receipt of notices are not material in nature however if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows. In the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and our directors, in which event the financials of our Company and our directors may be affected.

37. Our Promoter, Mrs. Lakshmi Kanthamma Chilakapati, does not possess the requisite educational qualification certificates or significant work experience.

Our Promoter Mrs. Lakshmi Kanthamma Chilakapati do not possess educational qualifications in the field in which our Company operates. However, she has been associated with our Company since its inception and have built the business. We have relied on the affidavit received from Mrs. Lakshmi Kanthamma Chilakapati with regard to the same.

Our Company was originally converted from a partnership firm viz., Padmasree Enterprises and which is founded and promoted by Mrs. Lakshmi Kanthamma Chilakapati and Mrs. Saritha Devi Chilakapati. However, the Board of Directors of our Company has been assisted by the professional and well

experienced team in the industry headed by Mr. Vinay Choudary Chilakapati, a Mechanical Engineer, who is a Managing Director and CEO of the company with more than 15 years of experience in this industry. Our future success will depend on, among other things, the ability of our Company to evolve with the changing landscape of the business segments in which we operate.

SECTION IV - INTRODUCTION

GENERAL INFORMATION

Board of Directors of our Company

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

Sr. No.	Name	Designation	DIN	Address
1.	Chilakapati Lakshmi Kanthamma	Director	08432016	H.No- 202, Block A, Aparna Sarovar, Nallagandla Serilingampally, Lingampalli, K. V. Rangareddy, Hyderabad- 500019, Telangana, India
2.	Saritha Devi Chilakapati	Whole Time Director	08432017	A-201, Aparna Sarovar, Kancha Gachibowli, Nallagandla, Gopanpally, Hyderabad- 500107, Telangana India
3.	Vinay Choudary Chilakapati	Managing Director	08444644	A-201, Aparna Sarovar, Kancha Gachibowli, Nallagandla, Gopanpally, K.V. Rangareddy, Hyderabad- 500107, Telangana, India
4.	Myneni Narayana Rao	Non-Executive Independent Director	00577494	H. No. 8-2-293/82/J/A-60, Journalist Colony, Jubilee Hills, Hyderabad-500033 Telangana, India
5.	Venkata Bhaskara Rao Chadalavada	Non-Executive Independent Director	00931901	Plot No.23, Navnirman Nagar, Road No. 71, Behind Jubilee Hills Public School, Jubilee Hills, Shaikpet, Hyderabad-500033 Telangana, India
6.	Bhanu Sankara Rao Kota	Non-Executive Independent Director	03507808	Villa 9A, Lahari Homes, Opp MLA Lane, Maseed Banda, Serilingampally, Kondapur, RR District, Hyderabad-500084, Telangana, India

For further details of our Directors, please refer to the chapter titled “*Our Management*” on page 141 of the Draft Prospectus.

Change in Statutory Auditors during the last three (3) years

Following changes have been made in our Company’s auditors in the last three (3) years.

Particulars	Date of change	Reasons for change
P Mohan Rao & Co., Chartered Accountants Flat No. 403, Yousufguda Road, Ameerpet, Hyderabad- 500016, Telangana, India Telephone Number: +91 9246156142 Email: pinninti_m@rediffmail.com Firm Registration Number: 009673S Peer review number: NA	May 02, 2019	Appointment of Auditor by Board of Directors in their meeting held on May 02, 2019 to hold office from conclusion of that meeting until the conclusion of 1 st Annual General Meeting.

CAPITAL STRUCTURE

10. Shareholding of our Promoters

As on the date of this Draft Prospectus, Our Promoters Lakshmi Kanthamma Chilakapati, Saritha Devi Chilakapati and Vinay Choudhary Chilakapati collectively holds 85,91,338 Equity Shares of our Company.

Set forth below is the build-up of the shareholding of our Promoters in our Company since incorporation.

Date of Allotment / Transfer	No. of Shares	Face Value (₹)	Issue / Transfer Price (₹)	Nature of Transaction	Consideration	% of Pre-Issue Equity Paid Up Capital	% of Post-Issue Equity Paid Up Capital
Lakshmi Kanthamma Chilakapati							
April 24, 2019	6,94,780	10	10	Initial Subscriber	Cash	7.30%	[•]
May 2, 2019	2,53,789	10	10	Transfer from Saritha Devi Chilakapati	Cash	2.67%	[•]
May 2, 2019	2,377	10	10	Transfer from Vinay Choudhary Chilakapati	Cash	0.02%	[•]
May 2, 2019	2,377	10	10	Transfer from Harinath Prasad Chilakapati	Cash	0.02%	[•]
May 2, 2019	2,377	10	10	Transfer from Sai Babu Kothapalli	Cash	0.02%	[•]
May 2, 2019	2,377	10	10	Transfer from Asha Latha Kolli	Cash	0.02%	[•]
May 2, 2019	2,380	10	10	Transfer from Balaji Kolli	Cash	0.02%	[•]
March 31, 2022	5,10,000	10	10	Right Issue	Cash	5.36%	[•]
August 24, 2023	5,32,440	10	19	Preferential Issue	Other Than Cash	5.59%	[•]
September 04, 2023	20,02,897	10	10	Bonus Issue	-	21.05%	[•]
Total	40,05,794					42.09%	[•]

Saritha Devi Chilakapati							
April 24, 2019	11,76,580	10	10	Initial Subscriber	Cash	12.36%	[•]
May 2, 2019	-2,53,789	10	10	Transfer to Lakshmi Kanthamma Chilakapati	Cash	-2.67%	[•]
March 31, 2022	4,90,000	10	10	Right Issue	Cash	5.15%	[•]
August 24, 2023	5,11,560	10	19	Preferential Issue	Other Than Cash	5.38%	[•]
September 04, 2023	19,24,351	10	10	Bonus Issue	-	5.38%	[•]
September 20, 2023	2,10,526	10	19	Sweat Equity	Other than Cash	20.22%	[•]
Total	40,59,228					42.65%	[•]
Vinay Choudhary Chilakapati							
April 24, 2019	2,377	10	10	Initial Subscriber	Cash	0.03%	[•]
May 2, 2019	-2,377	10	10	Transfer to Lakshmi Kanthamma Chilakapati	Cash	0.03%	[•]
September 20, 2023	5,26,316	10	19	Sweat Equity	Other than Cash	5.53%	[•]

All the Equity Shares allotted to the Promoter as given above were fully paid up as on the date of such allotment. Further, none of the shares have been pledged with any bank/ financial institution and/ or with anybody else.

11. As on the date of the Draft Prospectus, the Company has 36 (Thirty Six) members/shareholders.

12. The aggregate shareholding of the Promoters and Promoter group:

Sr. No.	Name of the Shareholders	Pre-Issue		Post Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post Issue Equity Share Capital
Promoter					
1.	Lakshmi Kanthamma Chilakapati	40,05,794	42.09%	40,05,794	[•]
2.	Saritha Devi Chilakapati	40,59,228	42.65%	40,59,228	[•]
3.	Vinay Choudhary Chilakapati	5,26,316	5.53%	5,26,316	[•]
	Total	85,91,338	90.28%	85,91,338	[•]

13. Except as provided below, no Equity Shares were acquired/ purchased/ sold by the Promoter and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Draft Prospectus.

Date of allotment / transfer	Name of allottee / transferee	Category	No. of Equity Shares allotted / transferred	Face Value (₹)	Issue Price (₹)	Nature of transaction
August 24, 2023	Lakshmi Kanthamma Chilakapati	Promoter	5,32,440	10	19	Preferential Allotment
August 24, 2023	Saritha Devi Chilakapati	Promoter	5,11,560	10	19	
September 04, 2023	Lakshmi Kanthamma Chilakapati	Promoter	20,02,897	10	-	Bonus Issue in the ratio 1 new bonus equity share for every 1 existing equity shares held by the existing shareholders as on record date September 04, 2023
September 04, 2023	Saritha Devi Chilakapati	Promoter	19,24,351	10	-	
September 20, 2023	Saritha Devi Chilakapati	Promoter	2,10,526	10	19	Sweat Equity
September 20, 2023	Vinay Choudary Chilakapati	Promoter	5,26,316	10	19	
September 20, 2023	K. Sai Babu	Relative of Promoter	2,10,526	10	19	

14. There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six (6) months immediately preceding the date of filing of the Draft Prospectus.

15. Details of Promoter’s Contribution locked in for three years:

Our Promoters have given written consent to include [•] Equity Shares subscribed and held by them as a part of Minimum Promoters’ Contribution aggregating of 20.00% of the post issue Paid-up Equity Shares Capital of our Company (“Minimum Promoters’ contribution”) in terms of Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018 and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters’ Contribution, and to be marked Minimum Promoters’ Contribution as locked-in.

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, Minimum Promoters' Contribution as mentioned above shall be locked-in for a period of three years from the date of allotment in the Initial Public Offer.

We confirm that Minimum Promoters' Contribution of 20.00% of the post Issue Paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoters' Contribution has been brought into to the extent of not less than the 20.00% of the Post Issue Capital and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoters' Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of Minimum Promoters' Contribution are as follows:

Name of the Promoters	Date of allotment /transfer of Equity Share and when made fully paid- up	Nature of transaction	No. of Equity Shares	Face Value (₹)	Percentage of the pre- Offer paid-up capital (%)	Issue/ac quisition price per Equity Share (₹)	No. of Equity Shares locked-in ⁽¹⁾⁽²⁾	Percentage of the post - Offer paid-up capital (%)	Date up to which the Equity Shares are subject to lock-in ⁽¹⁾
Saritha Devi Chilakapati	April 24, 2019	Initial subscription to the MoA	11,76,580	10	12.36%	10	11,76,580	9.09%	[•]
	March 31,2022	Rights Issue	4,90,000	10	5.15%	10	4,90,000	3.79%	
Lakshmi Kanthamma Chilakapati	April 24, 2019	Initial subscription to the MoA	6,94,780	10	7.30%	10	6,94,780	5.37%	[•]
	March 31,2022	Rights Issue	5,10,000	10	5.36%	10	5,10,000	3.94%	
Total			28,71,360		30.17		28,71,360	22.19%	

**To be updated at Prospectus stage.*

*** All Equity Shares were fully paid up on the respective dates of allotment / acquisition, as the case maybe, of such Equity Shares.*

All the Equity Shares held by the Promoters / members of the Promoters' Group are in dematerialized form as on date of this Draft Prospectus.

In terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, we confirm that the Minimum Promoters' Contribution of 20.00% of the Post Issue Capital of our Company as mentioned above does not consist of;

- Equity Shares acquired during the preceding three years for;

- consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;
 - resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the company or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- The Equity Shares held by the Promoters and offered for Minimum Promoters' contribution which are subject to any pledge with any creditor;
 - Equity share acquired by promoters during the preceding one year at a price lower than the price at which Equity Shares are being offered to public in the initial public offer
 - Equity Shares allotted to promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management:

Provided that Equity Shares, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible.

16. Lock in of Equity Shares held by Promoters in excess of Minimum Promoters' contribution:

In addition to Minimum Promoters' Contribution which shall be locked-in for three years, the balance [•] Equity Shares held by Promoter shall be locked in for a period of one year from the date of allotment in the Initial Public Offer as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018.

17. Lock in of Equity Shares held by Persons other than the Promoters:

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, [•] Equity shares held by the Persons other than Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

19. Pledge of Locked in Equity Shares:

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters and locked in may be pledged as a collateral security for a loan granted by a scheduled commercial bank or public financial institution or a systemically important non-banking finance company or housing finance company, subject to following;

- In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

However, lock in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock in period stipulated has expired.

20. Transferability of Locked in Equity Shares:

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable;

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group

or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

- The Equity Shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock in period stipulated has expired.

21. Our Company, our Directors and the Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.

34. Our Promoters and the members of our Promoters' Group will not participate in this offer.

35. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoters' Group between the date of filing this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty four hours of such transaction.

36. None of our Directors or Key Managerial Personnel hold any Equity Shares other than as set out below:

Name	No. of Equity Shares Held
Saritha Devi Chilakapati	40,59,228
Lakshmi Kanthamma Chilakapati	40,05,794
Vinay Choudary Chilakapati	5,26,316

OBJECTS OF THE ISSUE

DETAILS OF THE OBJECTS

a) Funding working capital requirements of the Company:

Expected working capital requirements

A. Working capital attributes:

Particulars	Audited	Estimated	Projected
	30-Sep-2023	31-Mar-2024	31-Mar-2025
Growth in revenues (in percentage)	18.02	18.05	24.00
Average growth in revenues (in percentage)	20.02	20.02	20.02
Working capital turnover ratio	3.38	2.89	2.47
Average working capital turnover ratio	2.91	2.91	2.91

B. Rationale behind the working capital situation:

- i. Industry in which the Company is into such that, the more working capital-intensive industry, wherein “**more working capital, greater would be the total turnover/revenues of the Company**”, as has been portrayed by way of average working capital turnover ratio as is shown in the above table referred under Point No. C.
- ii. Working capital cycle as has been established for the past four years oscillating/hovering between 2.5 to 3.00 times churning in a year and thus, the turnovers of the Company would be dependent more on this mechanism. That is the reason why, the working capital requirement for the FY 2024 and 2025 has been worked out accordingly.
- iii. Thus, the working capital assessment for the FY 2024 and 2025 of Rs.1,106.80 lakhs and Rs.1,609.81 lakhs respectively, as shown in the above table referred under Point No. B has been computed taking into account lower working capital cycle, industry nature, past established trend, professional guidance, management experience using practical and reasonable assumptions, practical difficulties in management of working capital cycle etc., in this regard.
- iv. It is pertinent to make a specific mention here in this regard that, it has been sincere endeavor of the management of the Company to consolidate the working capital position such a way that, to bring in efficient working capital management system whereby revenues/turnovers of the Company will be multiplied by more times of working capital from the FY 2024-25 onwards and ensure multiple growth of the Company.

The growth in revenues from operations for the past three financial years 2020-21, 2021-22, 2022-23, 2023-24 up to September 30, 2023 and estimates for the FY 2024-25 along with the working capital position for the above periods has been given below:

(Rs. in lakhs)

Particulars	2020-21	2021-22	2022-23	2023-24	2024-25
	Audited	Audited	Audited	(Stub Period-Audited)	Estimates
Revenue from operations	1243.78	2238.41	2712.93	1531.31	3971.24

Growth in revenue on year-on-year basis in percentage	19.73%	79.90%	21.22%	18.02%	24.92%
Net working capital as per audited financials	642.33	705.80	871.93	943.46	1609.82
Growth in working capital on year-on-year basis in percentage	10.44%	9.88%	25.53%	26.93%	45.44%
Average growth in working capital	23.64%	--	--	--	--
Working capital turnover ratio	1.94	3.17	3.44	3.38	3.45
Inventory turnover ratio	1.85	3.07	3.21	3.42	3.75

The revenues from operations have registered growth as furnished in the above table on year-on-year basis resulting into growth in need of working capital of the Company. Corresponding to the growth in revenues, the working capital requirements of the Company have grown/increased year-on-year basis at average growth rate of 23.64%. Added to this, the growth trend of the Company shows that, on an average, the working capital has been rotated between 3 to 3.75 times to reach the turnovers/revenues as illustrated above. Even if we take, working capital turnover ratio, the growth in revenues on an average justifies the growth/increase in working capital requirements.

C. Rationale for the high working capital ratio for the stub period

The working capital ratio for the FY 2021, 2022, 2023 and stub period ended September 30, 2023 has been recorded at 1.94, 3.17, 3.44 and 3.38 times rotation in a year respectively resulting into total revenues of the financial years as stated above.

The above working capital ratio is observed reasonable in view of the factors such as, industry nature, customer base like Defence Sector, aviation industry and Government Departments and Companies and supply chain, financial resources of the Company etc. Even for the stub period, the ratio is recorded at 3.38 times, when it comes annualised basis also it stands at the same figure more or less and it is not high as compared to the average established track of working capital ratio i.e., 3 to 3.5 times of the total revenue of the past financial years. Therefore, Company has been trying to moderate the working capital ratio as reasonable as possible in view of the industry nature and hopefully it would be moderated in the years to come and will be built on the solid foundation which is already been laid by the Company

Justification for the holding period of current assets:

Based on the trend/track established over a period of time, holding period levels of various current assets will be taken into consideration for assessment of working capital requirements of the Company. The holding period levels depends on nature of the business, customers, availability of raw materials, seasonality of the business etc. The holding period levels for the Company as established in the past 3.5 years has been given below, which will be taken as indicative factor for the assessment of working capital requirements for future.

Description of current assets	2020-21	2021-22	2022-23	2023-24 (Stub Period)	2024-25
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Trade receivables	38.52	23.48	20.93	24.43	34.67
Trade payables	81.84	44.84	45.52	51.39	25.52
Inventories inclusive of spares and consumables	121.24	118.89	113.70	106.72	97.33

The Customers for Company business of Tungsten Heavy Alloys includes Defence, Airforce and Government Companies/Departments and the realisation of receivables takes time of 1 to 2 months, therefore, the holding period for the trade receivables has been taken and established trend is that 30 to 40 days. For manufacture of Tungsten Heavy Alloys, major raw materials required to be ordered and based on the orders, the suppliers will take more time, so to say 3 to 4 months for supply and therefore, the holding period for inventories have been established between 90 to 120 days. Therefore, in the assessment of working capital requirements, Company intends to take more time for holding the stocks of raw materials. Accordingly, the established track of holding period levels have been considered in assessment of working capital requirements in estimates for the period 2024-25 as illustrated in the above table.

Rationale for high inventory levels (in days).

- a. Inventory holding period for the past three financial years and stub period of six months ended on September 30, 2023.

Details of current assets	2020-21	2021-22	2022-23	Stub period ended 30.09.2023	Average holding levels (in days)
Inventories inclusive of spares and consumables (in days)	121.24	118.89	113.70	106.72	115.14
Inventory turnover ratio (in times)	1.85	3.07	3.21	3.42	2.88
Working capital turnover ratio (in times)	1.94	3.17	3.44	3.38	2.98

- b. Reasons for High Inventory for manufacture of Tungsten Heavy Alloys (THA):

- i. For manufacture of THA based on orders requires, 4 to 5 varieties of raw materials to be sourced from different suppliers, which takes minimum time frame of 20 to 30 days from the date of order.
- ii. As part of the terms of the supplies of THA, customer will inspect raw materials of different varieties through third party inspection time to time.
- iii. There are different inspection agencies from different parts of the Country, who will be appointed by the customers for inspection of the raw materials and there are no inspection agencies in Hyderabad and hence, the teams of inspection agencies will come for inspection as per their time schedules. Further, some of the varieties of raw materials will be inspected by one agency and other raw materials will be inspected by the other agencies.
- iv. For the completion of inspection of 4 to 5 varieties of raw materials used in the manufacture of THA by different agencies will take 3 or 4 stages of inspection.

Thus, the manufacturing process of THA necessitates 3 to 4 stages, which requires the Company inevitably to hold more inventory levels, which will be on an average 90 to 120 days.

c. Reasons for High Inventory for manufacture of Metal Powders (MP):

- i. There are 50 to 60 metal powder products being manufactured and sold by the Company.
- ii. Raw materials for manufacture of some of the products requires minimum inventory levels of 2 to 3 months, because of the supply chain management issues and difficulties.
- iii. Some of the products, the Company manufactures are customised to preferences of some customers such as R & D units in India, premiere educational institutions etc. which requires maintenance of high levels of inventories of certain raw materials say 90 days to 120 days because of the availability of which is scarce in the market.
- iv. Over the period of past three financial years and stub period of 6 months ended September 30, 2023 the Company's average inventory turnover ratio is established at 2.88 times of the inventory as shown in the table at Point No. 'A' above.
- v. Even the average working capital turnover ratio of the Company over a period of past three financial and stub period of 6 months ended September 30, 2023 is established at 2.98 times.

In view of the all above factors and reasons, it has been inevitable for the Company to hold high inventory days for the previous three years and stub period in the working capital management and working capital requirement of the Company.

b) Repayment or prepayment, in full or in part, of all or a portion of certain outstanding borrowings availed by our Company, from banks and financial institutions:

Sr. No.	Name of lender	Date of Sanction letter/ loan agreement	Nature of borrowing as per Sanction letter	Amount Sanctioned (₹in lakhs)	Amount Outstanding as at September 30, 2023	Applicable rate of interest*	Remaining tenor as on September 30, 2023	Security	Purpose for which the loan was sanctioned and utilised	Foreclosure / Prepayment Charges (%)	Repayment from the Net Proceeds
1	Aditya Birla Finance	20.07.2023	Business Loan (Overdraft)	65.00	22.03	18.00 %	23 Months	Unsecured	Working Capital	NIL	[•]
2	Bajaj Finance Ltd	June 2023	Business Loan (Overdraft)	30.00	17.01	16.00 %	71 Months	Unsecured	Working Capital	NIL	[•]
3	Fullerton India	28.02.2021	Business Loan	35.00	7.01	15.50 %	6 Months	Unsecured	Business Loan for expansion	[•]	[•]
4	L & T Finance	20.07.2023	Business Loan (Overdraft)	50.00	46.30	16.50 %	22 Months	Unsecured	Working Capital	NIL	[•]
5	Profectus Capital	30.11.2022	Enterprise Mortgage Loan	180.00	164.00	13.28 %	89 Months	Secured (3 rd party collateral offered)	Working Capital	2% on the Principle Outstanding	[•]

*The interest rates on the loans secured/unsecured as illustrated in the above table are chargeable per annum basis and payable on monthly EMI basis.

Our Company has obtained a certificate dated [•], issued by our Statutory Auditor, M/s Grandmark & Associates, the utilization of the proceeds of the loans, as indicated above has been towards the purpose availed for, as per the sanction letters / loan agreements of the respective loans.

Other Confirmations

Our Promoters, Promoter Group and Directors do not have any interest in the objects of the Issue. No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, our board of Directors, our Key Management Personnel or Group Companies except in the normal course of business in compliance with applicable law. There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors and/or Key Managerial Personnel.

SECTION V - ABOUT THE COMPANY

OUR BUSINESS

Innomet has 2 divisions with brand names as under.

- Innomet Powders.
- Innotung.

1. Innomet Powders

Through Innomet Powders, we are global Suppliers of Metal and Alloy Powders through water, air and gas atomization processes. The Company has over 20 products including Copper, Bronze, Brass, Nickel, Tin and Stainless-Steel Powders for several industries and specialize in manufacturing customized grades of Metal/Alloy Powders containing Iron, Copper, Nickel, Tin, Zinc and Cobalt.

About Innomet Powders

Innomet Powders are precisely engineered particulate materials that meet a wide range of performance requirements. Powder particles are specific in shape and size ranging from 0.1 to 1,000 micrometers. They are not merely ground-chips or scraps of metal. Major methods for making metal powders are atomization of molten metal, reduction of oxides, electrolysis and chemical reduction. Use of Metal powders helps in saving valuable raw materials, through recycling and elimination of costly secondary machining. They are one of the only ways of forming certain vital metals such as tungsten carbide, dispersion-strengthened materials, high speed tool steels, super-alloys and self-lubricating bearings. PM is international in scope with growing industries in all of the major industrialized countries. Improved manufacturing processes such as hot isostatic pressing (HIPping), PM forging, metal injection molding (MIM), and direct powder rolling through increased scientific investigation of PM technology by government, academic and industrial R&D programs, are driving growth worldwide. We are global suppliers of metal and alloy powders. We specialize in manufacturing customized grades of metal/ alloy powders containing Iron, Copper, Nickel, tin, Zinc and cobalt.

Corporate Profile of our Company

Innomet Advanced Materials Limited has 2 divisions with brand names i.e., (1) Innomet Powders and (2) Innotung i.e. The Tungsten Heavy Alloys

Through Innomet Powders, we are global Suppliers of Metal and Alloy powders through water and air atomization route. We have over 20 products including Copper, Bronze, Brass, Nickel, Tin and Stainless-Steel Powders for several industries and specialize in manufacturing customized grades of Metal/Alloy powders containing Iron, Copper, Nickel, Tin, Zinc and Cobalt.

The order book position as on March 12, 2024 Rs.1.99 crores for Metal Powders and Rs.8.23 crores for THA division.

Metal Powder - Purchase order as on 12-03-2024

Sl. No	Customer Name	Order No	Order Date	Product	Pending order	Estimated Bill value (In Rs.)
1	Tata Steel	2100779047/106	16.06.2023	SS316L-325#	50	177000
				SS316L-100#	50	
2	Vikas Enterprises	Telephonic		Bronze powder 90/10	700	2704732

Sl. No	Customer Name	Order No	Order Date	Product	Pending order	Estimated Bill value (In Rs.)
			Upcoming	Bronze powder 85/15-325#	500	
				Bronze powder 85/15Z	200	
				Bronze powder 90/10Z	200	
				Fep-15%	300	
				Copper powder	200	
				Iron copper 70/30-200#	500	
				CZN	200	
				Nickel Powder	200	
				Diabond	200	
			Brass 70/30	300		
3	Speciality Sintered products private Limited	Po/RM/2324/201420	06.09.2023	SS304L-100#	30	20178
4	VR Diamond tools	Expected	29.01.24	Bronze powder 90/10	200	310394
				Fecu 70/30-200#	200	
5	Enar Weld Braze Pvt Ltd	Expected	01.03.2024	Copper powder	5000	6057324
6	Kumar Process consultant & chemicals Pvt Ltd	0548/23-24	05.12.2023	SS316L-100#	200	287212
7	Royal Composites Pvt Ltd	Email	22.02.2024	PTFE Bronze Powder	1000	1260240
8	Woodover coatings	Telephonic	14.02.2024	Brass 80/20	150	1,15,000
9	Premera Coatings	PO-0209	14.02.2024	MetalierBrass Powder 80/20	100	622476
				Metalier Gun Metal Bronze	100	
				Metalier Nickel Silver Powder	100	
				Metalier Salmon Copper	50	
10	Dynamic Abrssives	Expected	13.02.2024	Iron copper 70/30-200#	1000	5,75,000
				Nickel Powder	50	
12	Raw Tech SRI - Export	Email	16.02.2024	Iron Copper 70/30-200#	475	4,30,249
				Fep-15%	500	
				Brass 70/30	20	
				CuAl 90/10	5	
13	Hoganas India Pvt Ltd	Email	20.02.2024	Cu-200#	3000	3212868
14	NMCC	PMS00140	26.02.2024	CopperManganese Alloy powder -325#	960	1932241
15	Verometal Holding BV	PO H-0131	04.03.2024	CopperManganese Alloy powder -325#	500	1070029
				Copper Aluminum 90/10	500	
16	PM Tools & Abrassives	Telephonic	02.03.2024	CZN	100	1,31,868
17	JJ Glasstronics Pvt Ltd	Email	02.03.2024	Bronze powder 70/30	50	1,11,510
18	Geekay Speciality Chemicals Pvt Ltd	Telephonic	11.03.2024	Nickel powder	50	1,41,305

Sl. No	Customer Name	Order No	Order Date	Product	Pending order	Estimated Bill value (In Rs.)
19	South East Diamond Tools	Telephonic	05.03.2024	Bronze powder 90/10	500	7,70,000
				Fep-15%	500	
Total Order Book Value						1,99,29,626.00

Tungsten Heavy Alloys - Purchase order as on 12-03-2024

SL. No	Customer Name	Purchase Order Number	Purchase Order Date	Material	Size	Quantity	Rate	Order Value (In INR)
1	DAE, Mumbai	DPS/CPU/05/D4/2645-TPT/PO/19307	30-06-2022	Moly 99 container	As per drawing	6	15,25,000.00	Rs. 1,07,97,000.00
2	HAL Accessories Div Lucknow	22DB-18/29	11-08-2022	Insulator	156102022414	200	9,500.00	Rs. 22,42,000.00
3	DMRL, DRDO Kanchanbagh	DMRL/23AT0120/HY2/22-23/G-1	04-11-2022	CIPPING of Niobium alloys	1 year contract	900	1,140.00	Rs. 12,10,680.00
4	BDL-Bhanur	3220010500	26-9-22022	TA CUBOIDS	6*6*4.5 MM	1087	7,299.00	Rs. 93,62,135.34
5	DMRL, Hyderabad	DMRL/23AT0163/PMG/22-23/G-1	03-02-2023	sintered heavy alloy rods	as per order	20	1,20,000.00	Rs. 28,32,000.00
6	SEC Industries P Ltd	SEC/A596/22-23/1165	08-02-2023	Tungsten Blocks as per drawing	0120000007	3	1,10,000.00	Rs. 3,89,400.00
					0120000006	3	77,000.00	Rs. 2,72,580.00
7	HAL LUCKNOW	21MCLA1/24	12-02-2021	INSULATOR	15310202413	24	9,500.00	Rs. 2,69,040.00
						432		Rs. 48,42,720.00
						433		Rs. 48,53,930.00
8	HAL Helicopter Division	51601164	18-04-2023	ADJUSTING SPACER	201C 637H 0000 223	25	6,422.00	Rs. 1,89,449.00
					201C 637H 0000 224	47	6,534.10	Rs. 3,62,381.19
					201C 637H 0000 225	202	6,705.10	Rs. 15,98,227.64
9	DPS, MUMBAI	GEMC-511687744185806	25-04-2023	CAMERA BODY (COCAM)	AS PER DRAWING	3	14,26,550.00	Rs. 50,49,987.00
10	ARDE, PUNE	ARDE/24FC002/WARHEAD/RCI-007-CMS-1	19-05-2023	TA Cuboids	AS PER DRAWING	500	8,030.00	Rs. 40,15,000.00
					ARDE/WHPR			

SL. No	Customer Name	Purchase Order Number	Purchase Order Date	Material	Size	Quantity	Rate	Order Value (In INR)
					OJ/ASTRA/2012/01			
11	BDL-Bhanur	3220011277	29-05-2023	TA CUBOIDS	6*6*4.5 MM	236	7,299.00	Rs. 17,22,564.00
12	ANSP, HYD	DRDL/9326/21/15K/2022/2040/2053P	05-07-2023	THROAT INSERTS	THROAT INSERTS(100K)	50	12,920.00	Rs. 6,46,000.00
					THROAT INSERTS(75K)	100	11,552.00	Rs. 11,55,200.00
					THROAT INSERTS(60-15K)	100	7,315.00	Rs. 7,31,500.00
					THROAT INSERTS(5K)	200	3,325.00	Rs. 6,65,000.00
13	HAL Helicopter Division	51601178	30-08-2023	ADJUSTING SPACER	201C 637H 0000 223	90	6,420.00	Rs. 5,77,800.00
					201C 637H 0000 224	90	6,530.00	Rs. 5,87,700.00
					201C 637H 0000 225	90	6,700.00	Rs. 6,03,000.00
				WEIGHT - TUNGSTEN	201C 671H 2000 206	70	3,710.00	Rs. 2,59,700.00
					201C 671H 2000 207	30	5,110.00	Rs. 1,53,300.00
					201C 671H 2000 208	30	9,450.00	Rs. 2,83,500.00
					201C 671H 5000 209	30	4,730.00	Rs. 1,41,900.00
					201C 671H 5000 210	50	3,850.00	Rs. 1,92,500.00
14	GEM	GEM/2023/B/3 108266	05.10.2023	CAMERA BODY - INNOTUNING		10	7,08,000.00	Rs. 83,54,400.00

SL. No	Customer Name	Purchase Order Number	Purchase Order Date	Material	Size	Quantity	Rate	Order Value (In INR)
15	KELTRON ELECTRO CERAMIC S LTD.	M/0690/2023-24	16.11.2023	Tail mass	DRG. NO. KECL-ABH-001	735	11,923.00	Rs. 1,03,40,817.90
16	SRI MALLIKARJUNA ENGG WORKS	SMEW-2023-1122-02	19.12-2023	TUNGSTEN BAR - 41X38X70	AS PER DRAWING	44	24,500.00	Rs. 12,72,040.00
17	SVK Enterprises	SVKE/IAMPL/TC/01	31.01.2024	TUNGSTEN CUBOID S(6X6X4.5 MM TA CUBOID)	AS PER DRAWING (0408000602010100DA)	300	7,900.00	Rs. 27,96,600.00
18	BHARAT FORGE LIMITED	4601294651	19.12.2023	TUNGSTEN CUBE	S05106118449	300	7,300.00	Rs. 25,84,200.00
19	KELTRON ELECTRO CERAMIC S LTD.	M/1083/2023-24	29.02.2024	Tail mass	DRG NO : KECL - ABH-001	70	11,923.00	Rs. 9,84,840.00
TOTAL								8,23,39,092.06

Applications of “Innomet Powders”

Innomet (Registered Trade Mark) is the telescopic word for Innovation and Materials (Largely Metals). In our Metal/Alloy Powder division we have Water, Air and an R&D unit of Gas Atomization facilities. Water Atomization is the most popular technique for manufacturing bulk of the Iron and Copper based Powders required for manufacturing structural components. The Powders produces are Irregular in shape.

End use:

The end use of the Powders Innomet produces are, Automobile, Construction, Engineering, Bulk Drugs, Electronics, Aesthetics etc.

Automobile Industry: We produce powder which are used in manufacture of components for Automobile Industry.

Examples Copper Powder, Stain steel Powders, Ferro Phosphorus Powder Etc.

Construction Industry: We produce a number of powders for Diamond Tool Industry which finds application in the Stone and Concrete cutting and processing. Some of the powders we produce for Diamond Tool industry are Copper, Nickel, Cobalt, and their many alloys.

Engineering: There are several Surface Coatings which are applied by Metal/Alloy Powders. These coatings are for improving the surface properties of the metals like wear resistance, corrosion resistance, and high temperature oxidation resistance. Some of the Powders for such applications we produce include Copper/Nickel Alloys and Stainless Steels.

Bulk Drugs: As the Metal Powdes have a large surface area, these materials are amenable to faster reactions or as catalysts. So, for these reactions, the bulk drug industry uses a lot of metal powders. Some of the powders we produce for this industry are Iron, Copper, Nickel, etc.

Aesthetics: One of the recent applications that have come up are for applying on surfaces for Aesthetics. They are applied for the look and feel of the Metal. They are applied on Facades, Walls, Doors and other interiors as well as exteriors. Some of the powders we produce for these applications are Iron, Copper, Nickel, Cobalt and their alloys.

Applications of “Innotung”

Innotung is the registered brand name for our tungsten Heavy Alloy (THA) series. These alloys are having a density of around 18 Gr/CC which is more than twice of Steel and nearly equivalent to Gold. These metals are used for their Density in Defence, Aerospace, Engineering and Radiation Shielding.

Defence: A large number of war heads of the missiles like Akash, Pinaka, Astra, Pralay and many more have Prefragments made of THA. We manufacture and supply Prefragments in many shapes and sizes to Indian defence.

Aerospace: We produce a number of components in various shapes and sizes which are used in flying machines like Missiles, Aircrafts and Helicopters.

Radiation Shielding: Due to its high density, this material is very high on insulating Gamma rays. Hence THA is used to contain, shield, transport and controlled exposure of Gamma rays.

Its applications include Medical, Engineering, Agricultural Produce treatment, Water Treatment, Material Inspection etc.

We produce Camera Bodies, Casks, Collimators, Syringe Shields etc, for these applications.

Metal/Alloy Powders

Metal/Alloy Powders are fine engineered particles of Metal/Alloys. Generally, the particle size ranges from a few microns to a few hundreds of microns (Micron is a thousandth of a millimetre). Metal Powders are largely produced by Atomization, Attrition, Reduction, Hydrometallurgical methods. The main applications include Parts made from Powders, Diamond Tools, Welding, Brazing, Surface Coatings, Pyrotechnics, Hard Metals, and Aesthetics etc.

This is a very niche area and growing as new technologies like Additive Manufacturing and Nano Technologies are advancing. The two areas of Metal Powder Manufacture and Tungsten Heavy Alloys Components come under the gamut of Powder Metallurgy. Powder Metallurgy is an accredited green technology as it uses mostly recycled material and also produces near net shapes there by reducing the recycling and hence the Carbon footprint.

Market Potential for Metal Powders

Metal powder application in Aerospace and Defence Sectors:

- **Aircraft Engine Parts** - Compressor blades, turbine disks, and combustion chambers for aircraft engines are made from metal powders like titanium, nickel, and cobalt.
- **Aerospace Fasteners** - Aerospace fasteners like screws, bolts, and nuts are made using metal powders like titanium and aluminum.
- **Heat Exchangers** - Heat exchangers are produced using metal powders like copper, nickel, and aluminum and are employed in a number of aircraft systems to control temperature.
- **Structural Components** - Metal powders such as aluminum and titanium are used to make structural components such as wing spars and fuselage frames.
- **Thermal Barrier Coatings** - Metal powders such as zirconia and yttria are used to create thermal barrier coatings that protect critical components from high temperatures.

- **Bearings** - Thermal barrier coatings are created using metal powders like zirconia and yttria to shield important components from high temperatures.
- **Electrical Contact** - Electrical contacts for switches and relays, among other aircraft systems, are made from metal powders like copper and silver.
- **High-Strength Alloys** - Metal powders such as nickel and cobalt are used to make high-strength alloys used in critical aerospace components such as jet engines.
- **Rocket Engine Parts** - Parts of rocket engines that can withstand extremely high temperatures and pressures are made from metal powders like tungsten and rhenium.

Market Potential for Tungsten Heavy Alloys

Source of Tungsten Heavy Alloys

Tungsten is procured from Swastek Chemicals & Rare Metals in Maharashtra and Avis in Gujarat:

Swastek Chemicals and Rare Metals Pvt Ltd

Plot No: C-44, Midc Shrirampur,
Dist – Ahmednagar - Maharashtra
Email: Rahul@swastiktungsten.Com
GST : 27AAYCS0993D1ZS

Avis Metal Industries Ltd

7-8, Shankar Trikam Compound,
, Opp. T.B. Hospital,
Ashwani Kumar Road, Surat – 395008
Gaurav Patel (Marketing Executive)
M: +91 98252 29433
Email: marketing1@avismetals.in
GST: 24AABCA9866E1ZN

Source of Tungsten Powder

Tungsten Powder is sourced from Maharashtra and Gujarat states.

Detailed description of decantation process

Decantation in our context is in the Water Atomization process. It just separates water from the metal/alloy powder after atomization. There are no gasses emanating from our manufacturing process. We use pure materials and also, we use Electric Induction furnaces, hence no gasses are emanating.

The Company enhances its capabilities through collaborations for its R&D activities.

There are a number of technologies which the Indian Research laboratories which belong to Defence or CSIR labs have developed to TRL (Technology Readiness Level) of 3 to 4. Here we would seek their collaboration and take the technology to TRL 8. As we take technologies from research organisations which have developed technologies at lab scale, we endeavour to develop the technology to manufacturing scale. Many of the Engineering, HR and Procurement issues are sorted out and readied for manufacturing. Some of the technologies we have done in the past are Atomization, Attrition, High Temperature Sintering, Tableting, Cold Isostatic Pressing etc.

The product wise and geography wise revenue bifurcation for the period of three years and stub period:

(Rs. in Lakhs)

Particulars	2020-21		2021-22		2022-23		2023-24 (till 30th September, 2024)	
	MP (in Kgs)	THA (in Numbers)	MP (in Kgs)	THA (in Numbers)	MP (in Kgs)	THA (in Numbers)	MP (in Kgs)	THA (in Numbers)
Sales Division wise	1,147.51	96.27	1,925.90	312.52	2,173.28	539.65	1,305.36	225.95
Total Sales for the year	1,243.78		2,238.42		2,712.93		1,531.31	
Total Exports Division wise	84.43	5.47	147.01	146.11	71.41	126.32	121.27	--
Total Exports for the year	89.90	--	293.12	--	197.73	--	121.27	--
Domestic	1,063.08	90.80	1,778.89	166.41	2,101.87	413.34	1,184.09	225.95
International	84.43	5.47	147.01	146.11	71.41	126.32	121.27	0.00
Total sales	1,147.51	96.27	1,925.90	312.52	2,173.28	539.65	1,305.36	225.95

Revenue generated from exports for the period of three years and stub period:

Particulars	2020-21		2021-22		2022-23		2023-24 (till 30th September, 2024)	
	MP (in Kgs)	THA (in Numbers)	MP (in Kgs)	THA (in Numbers)	MP (in Kgs)	THA (in Numbers)	MP (in Kgs)	THA (in Numbers)
Sales Division wise	1,147.51	96.27	1,925.90	312.52	2,173.28	539.65	1,305.36	225.95
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Domestic	1,063.08	90.80	1,778.89	166.41	2,101.87	413.34	1,184.09	225.95

International	84.43	5.47	147.01	146.11	71.41	126.32	121.27	0.00
Total sales	1,147.51	96.27	1,925.90	312.52	2,173.28	539.65	1,305.36	225.95

Country wise revenue break up generated from exports for the period of three years and stub period:

FY	Total Exports	Country Wise break up									
		Israel	France	Germany	Italy	Japan	Netherlands	New Zealand	USA	Indonesia	Saudi Arabia
20-21	89,90,165.00	5,47,172.00	3,273.96	10,54,068.00	53,190.50	40,13,067.35	21,65,896.00	11,53,496.70	--	--	--
21-22	2,93,12,147.00	1,46,10,759.46	13,886.00	12,09,687.50	7,48,813.32	51,94,981.20	56,29,233.25	17,50,725.58	1,54,060.50	--	--
22-23	1,97,72,725.00	1,26,31,597.00		5,16,025.50	9,670.35	31,62,491.40	8,23,509.20	9,80,395.15	--	8,62,939.25	7,86,097.00
23-24	1,21,26,947.00			38,10,157.00	683557.00	19,05,571.20	52,30,463.40	4,97,198.50	--	--	--
Total	7,02,01,984	2,77,89,528.46	17,159.96	65,89,938.00	14,95,231.17	1,42,76,111.15	1,38,49,101.85	43,81,815.93	1,54,060.50	8,62,939.25	7,86,097.00

Details of the states where major products of the Company are sold

Product Name	Customer Region
Brass 60/40, 70/30, 80/20, 62/38, powder	Rajasthan, Haryana, Maharashtra, Telangana, Gujarat
Bronze 85/15, 85/15 Z, 90/10, 90/10 Z, powder	Rajasthan, Haryana, Gujarat
CNT powder -325# & CNT -100#	Uttar Pradesh
Copper -325	New Delhi, Rajasthan, Haryana
Copper -100 / -200	Maharashtra
Copper Cobalt	Maharashtra
CSPZ 45, 663/ 773 powder	Gujarat, Rajasthan
CuPhosphorus powder	Rajasthan, Gujarat
CZN powder	Uttar Pradesh, Rajasthan
Diabond powder	Tamil Nadu, Rajasthan
Diabond Gold powder	Maharashtra
Fe/Cu 80/20 / 60/40, 70/30 powder	Gujarat, Rajasthan, Telangana
FeP 14.5-16.5%	Rajasthan, Odisha
FeP 15% SFL	Telangana
FeP 25%	Rajasthan, Gujarat
HS-04 powder	Rajasthan
Nickel powder	Kerala, Rajasthan, Gujarat, Uttar Pradesh
Nickel Alloy powder	Tamilnadu, Maharashtra
PTFE Bronze powder	West Bengal
SS316L	Rajasthan
Tin powder	Maharashtra
Tungsten components	Karnataka, UP, Telangana, Maharashtra, Kerala
AF Fe Iron Powder	Odisha, Haryana
SS304L	Maharashtra

CAPACITY UTILISATION

The details of the manufacturing units, capacity utilization for the manufacturing units of the Company for the period of three years and stub period are provided as below:

Metal Powders Manufacturing Water Atomised Powders				
Financial Years	Present Capacity Tonnes Per annum	Qty Sold Tonnes Per annum	Capacity Utilised in %	Future projected Capacity Tonnes Per annum
FY 20-21	600	153.793	25.63	-
FY 21-22	600	190.378	31.73	-
FY 22-23	600	193.472	32.25	-
FY 23-24 (Half yearly)	300	110.645	36.88	1400 TPA
Metal Powders Manufacturing Air Atomised Powders				
Financial Years	Present Capacity Tonnes Per annum	Qty Sold Tonnes Per annum	Capacity Utilised in %	Future projected Capacity Tonnes Per annum
FY 20-21	15	0.168	1.12	-
FY 21-22	15	0.653	4.35	-
FY 22-23	15	0.397	2.65	-

FY 23-24 (Half yearly)	7.5	0.099	1.32	NIL
Metal Powders Manufacturing Gas Atomised Powders				
Financial Years	Present Capacity Tonnes Per annum	Qty Sold Tonnes Per annum	Capacity Utilised in %	Future projected Capacity Tonnes Per annum
FY 20-21	20	0	0.00	
FY 21-22	20	0	0.00	
FY 22-23	20	0	0.00	
FY 23-24 (Half yearly)	10	0	0.00	150 TPA
Tungsten Heavy Alloys Manufacturing				
Financial Years	Present Capacity Tonnes Per annum	Qty Sold in Kgs & Numbers	Capacity Utilised in %	Future projected Capacity Tonnes Per annum
20-21	18	807	8.91	Not planned for now
21-22	18	3292	28.93	Not planned for now
22-23	18	3615	49.96	Not planned for now
23-24 (Half yearly)	9	1662	41.84	Not planned for now

Please note that, the capacity utilization will be computed main plant and machinery as a division-wise and not each machine wise.

As you can see from our history that we are evolving from technology to technology and always trying to keep ourselves in forefront in this space.

The earlier setup was not purpose built and hence there were issues of safety and process efficiency, due to which we were restricted to produce lesser quantities. Very recently we have moved to a new location with purpose-built infrastructure and we are confident of utilising our plant capacity to its fullest potential. At the same time, we had working capital constraints restricting our plant capacity utilisation. Once we have the sufficient funding, we shall do the necessary marketing and invest in working capital which will add to our full capacity utilisation.

Our expansion program, along with the upgrade of machinery infrastructure at our new, extensive production facility, is strategically designed to enhance operational efficiency and productivity. This initiative is supported by the proceeds from our SME IPO. We have relocated the existing machinery from the old factory to the new facility. The anticipated increase in production capacity and operational efficiency is contingent upon the installation of new machinery, which will be completed post-IPO.

Projected Production Commencement and Capacities:

1. Production is set to commence one year after the IPO proceeds are received, accounting for equipment procurement, setup, and testing phases.
2. Water Atomised Powders: Installed capacity of 600 Tonnes Per Annum with an expected capacity utilization of 70%.
3. Gas Atomised Powders: Installed capacity of 20 Tonnes Per Annum with an expected capacity utilization of 30%.
4. Tungsten Heavy Alloys: Installed capacity of 18 Tonnes Per Annum with an expected capacity utilization of 70%

The reasons for increased **capacity utilization** after receiving proceeds from the IPO:

- a) **Raw Material Investment:** We will allocate funds to maintain sufficient raw material stocks, enhancing our sales capabilities.
- b) **Expanded Marketing Efforts:** Both domestically and internationally, we'll intensify marketing and sales initiatives.
- c) **Quality Control Enhancements:** Investing in quality control infrastructure will ensure product excellence.
- d) **ERP Implementation:** Streamlining processes with an ERP system will enhance efficiency.
- e) **Team Expansion and Motivation:** Growing our team and upskilling existing members will boost productivity.
- f) **Lean Manufacturing Investment:** We'll invest in lean manufacturing systems for optimized operations.

Details of the plant and machinery that the Company possesses along with its capacity utilization for a period of three years and the stub period:

INNOMET ADVANCED MATERIALS LIMITED, SULTANPUR						
Metal Powder Division						
List of Machinery						
Sl. No.	Machine Name	Location	Power in KW	Power in HP	Make	
1	Induction Melting Furnace	Powder Division (Melting & Atomization Building)	120	161	M/S Electrotherm	ET/12/206956 5
2	Slurry Pump	-do-	3.5	5	M/S Vijay Engg	N.A
3	Cooling Tower	-do-	1.5	2	M/S Indus Cooling Towers	N.A
4	Induction furnace Panel Cooling pump	-do-	3.75	5	M/S Crompton Greeves	N.A
5	Induction furnace Coil Cooling pump 1	-do-	3.75	5	M/S Crompton Greeves	N.A
6	Induction furnace Coil Cooling pump 2	-do-	3.75	5	M/S Crompton Greeves	N.A
7	Fe Atomization water lifting pump	-do-	1.5	2	M/S Crompton Greeves	N.A
8	Cu Atomization water lifting pump	-do-	1.5	2	M/S Crompton Greeves	N.A
9	Fume Hood	-do-	0.75	1	N.A	N.A
10	Hoist 1	-do-	1	1	M/S J.P Lifting Engineers	N.A
11	Hoist 2	-do-	1	1	M/S J.P Lifting Engineers	N.A
12	R.O Plant	-do-	3.75	5	M/S Crompton Greeves	N.A
13	Tundish heating blower	-do-	1.5	2	N.A	N.A
14	Raw Water Lifting pump	-do-	3.75	5	M/S Crompton Greeves	N.A
15	Anneling Furnace Water Lifting Pump	-do-	3.75	5	M/S Crompton Greeves	N.A

INNOMET ADVANCED MATERIALS LIMITED, SULTANPUR						
Metal Powder Division						
List of Machinery						
Sl. No.	Machine Name	Location	Power in KW	Power in HP	Make	
16	Tray Dryer 1	Powder Division Shed	12	16	M/S Sri Narayan Industries	26-Aug
17	Tray Dryer 2	-do-	12	16	M/S S.B Industries	10.22
18	Sieving Machine 1	-do-	1.5	2	Sampath Engineering Works	N.A
19	Sieving Machine 2	-do-	1.5	2	Seperation Technique	S-600/1 MC
20	Sieving Machine 3	-do-	1.5	2	Seperation Technique	S-600/1 MC
21	Sieving Machine 4	-do-	1.5	2	Seperation Technique	N.A
22	Sieving Machine 5	-do-	1.5	2	Seperation Technique	N.A
23	Sieving Machine 6	-do-	1.5	2	Seperation Technique	N.A
24	Sieving Machine 7	-do-	1.5	2	Seperation Technique	N.A
25	Sieving Machine 8	-do-	1.5	2	Vibro Screening	24/080
26	Jaw Crusher	-do-	3.75	5	M/S Insmart Systems	N.A
27	Atritor 1	-do-	19	25	M/S Keerthi Enterprises	N.A
28	Ammonia Cracker	-do-	10	13	Local	N.A
29	Annealing Furnace 1	-do-	23	31	Local	N.A
30	Annealing Furnace 2	-do-	23	31	Local	N.A
31	Double Cone Blender 1	-do-	3.75	5	B.M.T Industrial Macines Ltd	N.A
32	Pulverizer 1	-do-	3.75	5	Poweer King	N.A
33	Pulverizer 2	-do-	3.75	5	N.A	N.A
34	Pulverizer 3	-do-	3.75	5	N.A	N.A
35	Vacuum Packing Machine, Double Chamber	-do-	1.5	2	M/S Hitech Pack	D18010429
36	H2 Loss Furnace	-do-	2	3	Abrolins	N.A
37	Dia 50 MM Vacuum Tube Furnace	-do-	5	7	N.A	N.A
38	Muffle Furnace	-do-	2	3	N.A	N.A
39	Drilling Machine	-do-	3.75	5	Victoria Machine Tools	N.A
40	Bench Grinder	-do-	1	1	Local	N.A
41	EOT Crane	-do-	3.75	5	N.A	N.A
42	Air Atomization Compressor	-do-	15	20	N.A	N.A

INNOMET ADVANCED MATERIALS LIMITED, SULTANPUR						
Metal Powder Division						
List of Machinery						
Sl. No.	Machine Name	Location	Power in KW	Power in HP	Make	
43	Air Compressor	-do-	3.75	5	Aeromatic	N.A
		Total in Metal Powder Division = >	322	432		

Tungsten Heavy Alloys Division						
List of Machinery						
S. No	Machine Name	Location	Power in KW	Power in HP	Make	
1	ALPHIE – 20, Three Dimensional Mixer	Tungsten Heavy Alloy Division Shed	0.75	1	Hexagon Product Development Pvt. LTD.	WHA/W-01
2	Wet Mixer	-do-	0.75	1	Unives	WHA/W-02
3	Granulator	-do-	1.5	2	Local	WHA/W-03
4	Rotary Tableting Machine	-do-	1.5	2	Cemach Machineries Ltd	WHA/W-04
5	De Waxing Furnace	-do-	10	13	Sivani Heaters	WHA/F-04
6	High Temp Pusher type Sintering Furnace	-do-	44	59	Redson Engineers Pvt. Ltd	WHA/F-02
6	Ammonia Cracker	-do-	15	20	M.V.S Engineering Ltd	WHA/T1/03
7	AIR Compressor	-do-	1.5	2	Delta Corporation	WHA/W-05
8	High temp Batch type sintering furnace	-do-	53	71	Redson Engineers Pvt. Ltd	WHA/F-03
9	Cold Isostatic Press	-do-	2.25	3	Autoclave Engineers	WHA/W-06
10	250 Ton Compaction press	-do-	7.5	10	SVS Hydraulics	WHA/W-07
11	High temperature batch type -1	-do-	8	11	Therelek	WHA/F-01
12	High temperature batch type - 2	-do-	35	47	IAMPL	WHA/F-05
13	High temperature batch type – 3	-do-	35	47	IAMPL	WHA/F-06
14	Small batch type furnace	-do-	15	20	IAMPL	WHA/F-07
15	Band saw machine	-do-	2	3	Nu-Tech Engineers	WHA/W-08
16	Attritor	-do-	15	20	Local	WHA/W-09
17	Ball mill	-do-	0.75	1	IAMPL	WHA/W-10
18	UTM	-do-	3	4	Blue Star	111-02-2016/17
19	Borewell	-do-	3.75	5	Local	N.A

INNOMET ADVANCED MATERIALS LIMITED, SULTANPUR						
Metal Powder Division						
List of Machinery						
Sl. No.	Machine Name	Location	Power in KW	Power in HP	Make	
20	Lighting Load	-do-	5	7	N.A	N.A
		Total in Tungsten Heavy Alloys Division = >	260	349		

Under the expansion programme coupled with upgradation of infrastructure of machinery and newly built extensive production facility at a new premises has been objective oriented to build and bring in optimised operational efficiency and high productivity with the addition of new machineries proposed to be funded from the issue proceeds of our SME IPO. The existing machinery, which was in the old factory premises have been shifted and erected at new production facility. However, the estimated increase in capacities and result of operational efficiency with improved capacity utilisation will be possible only when new machinery is installed. The same is expected to be completed with the completion of our SME IPO and access to issue proceeds. Further, the details of commencement of production, installed capacities etc., as furnished below:

- Commencement of production will take place 1 year after receipt of IPO proceeds, as this involves equipment purchase, commissioning and trials.
- Installed capacity for Water Atomised Powders is 600 Tonnes Per Annum and we anticipate the capacity utilization to increase to 70%.
- Installed capacity for Gas Atomised Powders is 20 Tonnes Per Annum and we anticipate the capacity utilization to increase to 30%.
- Installed capacity for Tungsten Heavy Alloys is 18 Tonnes Per Annum and we anticipate the capacity utilization to increase to 70%.

Capacity utilization will increase for the following reasons after receipt of proceeds from IPO

- Investment in raw materials to keep stocks for enhancing sales.
- Increased marketing and sales effort, both in Domestic as well as International
- Addition of Quality control & supporting infrastructure.
- Implementation of ERP
- Increasing the team and also skilling & motivating the existing team
- Investment in lean manufacturing systems.

OUR STRATEGY

Steps undertaken by the Company to achieve its strategies:

- Import Substitution:** This has been our forte is the inception. We will continue to follow this as we improve our technology and capabilities.
- Technology:** We continue to invest in development of new technologies in the area of Powder Metallurgy. This we will achieve by efforts both, in house and with help from reputed R&D organisations in the country and abroad.
- Hydrogen Economy:** The future is Hydrogen economy as there is no pollution. However, there are challenges with materials and components supply. We are actively working in this area to be ready to take the opportunity which is coming in a big way.

- **EV Battery Materials:** We are already working in this space with ARCI and a start-up named Altmin. We are poised to take the opportunity to build facility to produce Battery Materials.
- **AM Powders:** Powders for Additive Manufacturing are largely being imported into the country. This technology is applied in many fields and is growing significantly. We have in the past worked with IIT Chennai and developed a Gas Atomizer of 10 Kgs capacity. Now we are working with IIT Hyderabad and DRDO for setting up a Gas Atomizer of 100 Kgs capacity. This will be the first commercial Gas Atomizer manufactured in the country for AM Powders.
- **ERP:** Enterprise Resource Planning. As we are growing, we will need to have control of operations more precisely. To achieve this, we are in negotiations with ERP providers and will soon implement ERP.
- **Aerospace Standards:** As we are in the Defence and Aerospace business and to grow to other markets, having Aerospace standards is very essential. We have been working on implementing the AS 9100 standard for our Tungsten Heavy Alloy Division.
- **Green Power:** Powder Metallurgy is an Accredited Green Technology. We have implemented many environmentally friendly technologies in our manufacturing plant. We will very soon set up a 250 KW roof top solar plant to augment our green efforts.

HUMAN RESOURCE

The Company has 25 Nos. of contractual employees, who are not on rolls of the Company.

INTELLECTUAL PROPERTY

The Company has the following Trademarks:

Description	Trademark Number / Application No./ Registration Certificate Number	Class(es)	Date of Application	Validity
INNOTUNG*	4067687	6	25/01/2019	Registration is for 10 years from the date of application
INNOMET*	4067688	6	25/01/2019	Registration is for 10 years from the date of application

*On August 24, 2023, Company had allotted 10,44,000 Equity shares against 2 Trademarks i.e. 'INNOMET' & 'INNOTUNG' as Consideration against those shares. The said trademarks are registered in the name of Padmashree Enterprise, Chilakapati Lakshmi Kantham and Saritha Devi. Upon allotment, the said trademarks will be assigned in the name of 'Innomet Advanced Materials Limited'. The application of assignment of trademark was filed with the Trademark Registry, the details of the same is provided below:

Name of Trademark	Class	Execution Date of Assignment Deed	Application Date	Application No.	Authority
INNOMET	6	20.01.2024	01.02.2024	406734	Trademark Registry
INNOTUNG	6	20.01.2024	01.02.2024	406734	Trademark Registry

IMMOVABLE PROPERTIES

Owned Properties

The Company have one owned property in its own name. The details of the property owned is given below:

Date of Agreement	August 22, 2019
Address of Property	Plot No. F 35 & F 36, FICCI-FLO, Ameerpur Mandal, Sultanpur, Sangareddy District, Telangana.
Description of Property	Plot No. F 35 & F 36 measuring 7767.14 Sq Mtrs. Situated at FICCI-FLO, IP-Sultanpur, Ameerpur Mandal, Sangareddy District survey No. 70 & 174.
Usage	Manufacturing Unit

HISTORY AND CORPORATE STRUCTURE

Agreements with Key Managerial Personnel, Senior Management, Promoters or Directors or any other employee

There are no agreements entered into by our Key Managerial Personnel, Senior Management, Promoters, Directors or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Changes in the Management:

For details of change in Management, please see chapter titled “*Our Management*” on page 141 of the Prospectus.

OUR MANAGEMENT

In terms of our Articles of Association, our Company is required to have not less than 3 directors and not more than 15 directors.

As of the date of this Draft Prospectus, our Board comprises of 6 Directors, of whom 3 are Executive Directors (including 2 woman Directors), and 3 are Independent and Non-Executive Directors.

The following table sets forth details regarding the Board as on the date of this Draft Prospectus:

Sr. No.	Name, Address, Designation, Occupation, Tenure, DIN and Date of birth	Nationality	Age	Directorships in other companies and LLPs
4.	<p>Myneni Narayana Rao</p> <p><i>Address:</i> H. No. 8-2-293/82/J/A-60, Journalist Colony, Jubilee Hills, Hyderabad-500033 Telangana, India</p> <p><i>Designation:</i> Non-Executive Independent Director</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> From April 03, 2024 to the ensuing general meeting</p> <p><i>Period of Directorship:</i> Since April 03, 2024</p> <p><i>DIN:</i> 00577494</p> <p><i>Date of Birth:</i> September 01, 1955</p>	Indian	67 years	<p>Public Limited Companies:</p> <ol style="list-style-type: none"> 1. Bridge Gap Engineering India Private Limited 2. Avantel Limited 3. Welspun Specialty Solutions Limited <p>Private Limited Companies:</p> <p>Nil</p> <p>Foreign Companies:</p> <p>Nil</p>
6.	<p>Bhanu Sankara Rao Kota</p> <p><i>Address:</i> Villa 9A, Lahari Homes, Opp MLA Lane, Maseed Banda, Serilingampally, Kondapur, RR District, Hyderabad-500084, Telangana, India</p> <p><i>Designation:</i> Non-Executive Independent Director</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> From April 03, 2024 to the ensuing general meeting</p>	Indian	76 years	<p>Public Limited Companies:</p> <p>Nil</p> <p>Private Limited Companies:</p> <p>Nil</p> <p>Foreign Companies:</p> <p>Nil</p>

Sr. No.	Name, Address, Designation, Occupation, Tenure, DIN and Date of birth	Nationality	Age	Directorships in other companies and LLPs
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Period of Directorship: Since April 03, 2024

DIN: 03507808

Date of Birth: June 15, 1947

**The Members of the Company in the Extra-Ordinary meeting held on January 10, 2024 has re-appointed Mr. Vinay Choudary Chilakapati as a Managing Director of the Company for a further period of 5 years with effect from May 2, 2024 to May 1, 2029.*

***The Members of the Company in the Extra-Ordinary meeting held on January 10, 2024 has re-appointed Mrs. Saritha Devi Chilakapati as a Whole Time Director of the Company for a further period of 5 years with effect from May 2, 2024 to May 1, 2029.*

Common directorships of the Directors in companies whose shares are/were suspended from trading on the stock exchange(s) for a period beginning from five (5) years prior to the date of this Draft Prospectus

None of the Directors is/was are directors of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years.

Common directorships of the Directors in listed companies that have been/were delisted from stock exchanges in India

None of the Directors is/ are directors of any entity whose shares were delisted from any Stock Exchange(s).

Further, none of the directors is/ are directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.

None of our Directors are categorized as a willful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(ia) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

None of our Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

None of the Promoter or Directors has been or is involved as a promoter or director of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

CONFIRMATIONS

None of the public shareholder of the Company is related to Merchant Banker in any way directly or indirectly including any RPT transactions, shareholder, etc. Further we confirm that Merchant Banker

is not connected with the Company in any manner directly or indirectly other than as a Lead Manager.

None of the public shareholders are related to directors/promoters/promoter group/group companies/any other entities controlled or influenced by the promoters or directors of the issuer, in any capacity whatsoever.

None of the Independent directors of the Company have any relation, including but not limited to fiduciary relations with directors, promoters and promoters' group, group companies and any other entities controlled or influenced by the promoters or directors of the issuer

Relationship between Directors or Directors and Key Managerial Personnel or Senior Management

Name of the Person	Relationship	Designation
Lakshmi Kanthamma Chilakapati	Mother of Mr. Vinay	Director
Saritha Devi Chilakapati	Wife of Mr. Vinay	Wholetime Director, CFO
Vinay Choudary Chilakapati	Son of Mrs. Lakshmi & Husband of Mrs. Saritha	Managing Director

Except as stated above and as disclosed in “*Our Management –Relationship amongst Key Managerial Personnel and among Key Management Personnel and directors*”, our directors are not related to any of the Key Managerial Personnel and Senior Management Personnel of our Company.

Arrangement or understanding with major shareholders, customers, suppliers or others

There is no understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our directors has been appointed on the Board.

Service contracts

For details, see- “*Compensation of Whole-time Director / Compensation of Managing Directors and/or Non-Executive Directors*” on page 147.

Brief profiles of our directors

Lakshmi Kanthamma Chilakapati

Mrs. Lakshmi Kanthamma Chilakapati, aged 74 years is the founding Promoter and is currently designated as Director of our Company. She was appointed as the First Director on the Board of our Company at the time of incorporation of our Company on April 24, 2019. She completed her school education below metric and does not have any educational certificates. Further, the Promoters are in particular, Mrs. Lakshmi Kanthamma Chilakapati has been assisted by the professional team headed by Mr. Vinay Choudary Chilakapati, who has got requisite qualifications and adequate experience in the industry to take care of day-to-day affairs of the Company, other varied functions of the Company.

Vinay Choudary Chilakapati

Mr. Vinay Choudary Chilakapati, aged 53 years is the Managing Director and Chief Executive Officer cum Promoter Group of our company. He has more than 15 years of experience in the Powder Metal industry. He completed his education in Mechanical Engineer. In the year 1984 he started Padmasree Enterprises a family-owned Partnership Firm and commence the operations in the field of General Engineering. In the year 1999, he started a proprietary firm named “Prasad innovations” to manufacture diamond tools for the dimensional stone processing industry. In the year 2005, he started research and development of metal powders with the help from senior scientists in the country. He keeps himself abreast with the latest happenings in the Powder Metal industry. In the year 2012, Padmasree Enterprises entered into serving the Indian Defence industry by manufacturing Tungsten Heavy Alloys. He regularly participates in the national conventions on Powder metallurgy and regularly in touch with scientists and experts in the related fields across the world. In the year 2019 Padmasree Enterprises has been converted into ‘Innomet Advanced Materials Private Limited’. He oversees the day-to-day activities of our Company and preparing strategies of our company.

Dr. K. BHANU SANKARA RAO

FNAE, FASc, FASM, FIIM, FTAS, PROFESSOR OF PRACTICE Department of Materials Science and Metallurgical Engg, IIT, Hyderabad

Dr. K. Bhanu Sankara Rao obtained B.E., (Metallurgical Engineering, Nagpur University, 1973), M. Tech., (Physical Metallurgy, 1975), (Ph.D., Metallurgical Engineering, University of Madras, 1989). He is an expert in the fields of high temperature Materials Development, Mechanical Metallurgy, Physical Metallurgy, Powder Metallurgy, Welding Science and Technology, and Structure-Property Correlations. Dr. K. Bhanu Sankara Rao provided excellent R&D support in metallurgy for the development of Fast Breeder Reactor technology in India while working in DAE at Indira Gandhi Centre for Atomic Research, Kalpakkam during 1977-2009. His sustained contributions have resulted in the development of several high temperature materials for reactor core, structural components, and steam generators. He played a pivotal role in the development of reduced activation ferritic-martensitic steels meeting very stringent chemical composition with several trace, tramp and impurity elements at PPM levels for the Indian Test Blanket Module (IBM) of International Thermonuclear Experimental Reactor (ITER) being built currently in France with International Collaborations. He has been associated with the development of Oxide Dispersion Strengthened Ferritic-Martensitic Steel for fuel clad tube applications of FBRs using Powder Metallurgy route. He is an internationally known expert in Mechanical Metallurgy of high temperature materials and ensuring structural integrity through materials sustainability. During 2009-2013, he has made very significant contributions towards the establishment of the School of Engineering Sciences and Technology at University of Hyderabad. He served as Government of India, Ministry of Steel Chair Professor during 2013-2018, Pratt and Whitney Chair at University of Hyderabad during 2018-2021 and as INAE Distinguished Professor and Technologist at IIT Hyderabad during 2022-23. Currently, he is associated with IIT HYDERABAD as Professor of Practice.

He had received the prestigious Best Metallurgist award (1995) and NATIONAL METALLURGIST AWARD (2012), from Ministry of Steel, Government of India. He has been the recipient of PLATINUM MEDAL (2016), G.D. Birla Gold Medal (2004), Binani Gold Medal (1989), and SAIL gold Medals (2000, 2004) from The Indian Institute of Metals. He received USA- NASA APPRECIATION in 1994 for his meritorious accomplishments in the research areas relevant to aerospace materials and engineering. He received many awards from Indian Institute of Welding and Materials Research Society of India. He was honored with Dr. N. KONDALA RAO Memorial Research Award Lecture in 2020 for his sustained contributions for achieving self-reliance in strategic materials.

He delivered Daya Swaroop Memorial Lecture of IIM during 2012.

He served as an Independent Director of Midhani (2001-2014) and as Technical Expert during 2015-2021. He served as a member in the committees of Board of Research in Nuclear Sciences (BRNS), Board of Research in Fusion Science and Technologies (BRFST), Science and Engineering Research Board (SERB), Aeronautical Engineering and Research Board (AERB), President of India Nominee for Recruitments in National Institute of Technologies, and Chairman of DMRL Laboratory Assessment Board (2017-2023).

For his outstanding contributions in materials science and technology and Metallurgical Engineering, he has been elected Fellow by ASM International, Indian National Academy of Engineering, Indian Academy of Sciences, Indian Institute of Metals, Indian Structural Integrity Society, and Telangana Academy of Sciences.

He served as Chief Editor of Transactions of IIM (2003-2017), Transactions of Indian National Academy of Engineering (2019-2021), and as Editor of International Materials Reviews, Materials for energy systems and member of technical books committee of ASM International over several years. Currently, he is serving as Editor-in-Chief of IIM Metal News.

Mr. Kota Bhanu Sankara Rao – 49 years plus in various organisations in different capacities.

Period	Post Held	Institution
Oct. 1975 - May 1977	Lecturer	Regional Engineering College, (NIT), Warangal
June 1977 - Oct. 1977	Quality Assurance Engineer	Nagarjuna Steels, Hyderabad
Nov. 1977 - Dec. 1988	Scientific Officer	Indira Gandhi Centre for Atomic Research, Kalpakkam
Jan. 1989 – Sept. 1998	Head, Mechanical Properties Section	Indira Gandhi Centre for Atomic Research, Kalpakkam
Octo. 1998 – June 2009	Head, Mechanical Metallurgy Division	Indira Gandhi Centre for Atomic Research, Kalpakkam
July 2007-June 2009	Associate Director Materials Development and Characterization Group	Indira Gandhi Centre for Atomic Research, Kalpakkam
Octo. 1984-Feb. 1986	Guest Scientist	Kern Forschungszentrum, Juelich, Germany (Renamed as Forschungszentrum)
April 1993-March 1995	National Research Council Fellow and Guest Scientist	National Aeronautics and Space Administration (NASA-Lewis Research Center- Cleveland), U.S.A (Renamed as NASA Glenn Research Center)
March 2005-May 2005	JSPS Senior Research Fellow	Nagaoka University of Technology, Nagaoka, Japan
July 2009 – June 2012 (Retired from Government Service)	Professor and Dean	School of Engineering Sciences and Technology, University of Hyderabad (Central University)
September 2013-May 2013	Visiting Professor	School of Engineering Sciences and Technology, University of Hyderabad (Central University)

June 2013- September 2018	Ministry of Steel Chair Professor (Government of India)	Mahatma Gandhi Institute of Technology, Hyderabad
October 2018- September 2021	Pratt & Whitney Chair Professor	University of Hyderabad School of Engineering Sciences and Technology
October 2021- July 2023	Adjunct Professor	IIT Hyderabad
April 2022- March 2023	Distinguished Professor, Indian National Academy of Engineering	IIT Hyderabad
August 2023 onwards	Professor of Practice, Department of Materials Science and Metallurgical Engineering	IIT Hyderabad

Myneni Narayana Rao

Mr. M. Narayana Rao graduated in Mechanical Engineering in the year 1977 and joined in joined Nuclear Fuel Complex, Hyderabad. Mr. Rao has made contributions in the manufacturing science & engineering of strategic material components like sheets, rods and precision tubes in zirconium alloys, titanium alloys, copper alloys, silver alloys and stainless steels for all core structural from concept to core (i.e. Concept - basic design, mock-up, pilot-scale and production/manufacture and assembly) for the nuclear power reactors in India.

Mr. Rao has taken up assignment of Chairman & Managing Director of Mishra Dhatu Nigam Limited (MIDHANI), Hyderabad from 2006 to 2015, one of the advanced metallurgical plants of India under Ministry of Defense. He has turn around the company and increased the Sales and reserves by four folds. The Company has been conferred “Mini-Ratna” status by the Government of India. He had indigenously developed large numbers of import substitute special alloys, commercialized the production at affordable price and met the strategic requirements of Nuclear, Space, Defence and Power sectors. Shri Rao, at national level, lead the development of specialised alloys and building of High-Tech equipment like Vacuum Arc Melting (VAR) and Electro Slag Refining equipment (ESR) for the first time in the country due to the embargo and close guarded technologies. High temperature alloys such as Superni 617, Superni 740, Superfer 800L were developed, characterised and have been supplied for in the up-coming (AUSC)Advanced Ultra Supercritical Power Plant applications.

After completion off his service in MIDHANI, he has taken up as CEO of M/S MTAR technologies, Hyderabad for three years. He has turn around and brought the company into a profitable business by guiding and nourishing the advanced machining and assembly technologies to the niche markets of Space, Nuclear and Defence applications.

Later he took over as President of M/S KCP Industries (Heavy Engineering unit) , in the year 2020, a listed company ,which is in the field of manufacturing of cast products, Machining and Fabrication of large size components for cement , mineral processing plants and oil & gas sectors

Mr. Narayana Rao was bestowed with the following awards: JRD Tata Award (2015) for his excellence leadership in Metallurgical Industries., Young Scientist award (1989), Engineer of the year award (1991), Metallurgist of the year award (2006) and also a Fellow of Indian National Academy of Engineering (INAE) and Fellow of Andhra Pradesh state Academy of Sciences (APAS).

He is presently a Director on the Board of Avantel Limited, Welspun Specialty Solutions Limited and Bridge Gap Engineering India Private Limited. He is a member of Audit Committee, Chairman of Nomination & Remuneration Committee, Chairman of Stakeholders Relationship Committee of Avantel Limited and member of Audit Committee, Nomination & Remuneration Committee of Welspun Specialty Solutions Limited.

Mr. Myneni Narayana Rao – 47 years plus in various organisations in different capacities.

Designation	Organization	From	To
President	K.C.P Limited, Chennai	05.06.2020	To Date
CEO (Chief Executive Officer)	MTAR Technologies ltd.	01.10.2015	31.07.2018
CMD (Chairman & Managing Director) -	MIDHANI, Ministry of Defence Hyderabad	27.07.2006	31.08.2015
Scientific Officer	Nuclear Fuel Complex Department of Atomic Energy	Aug 1977	June 2006

Venkata Bhaskara Rao Chadalavada

Mr. Venkata Bhaskara Rao Chadalavada, aged 80 years became Deputy Chief Executive, Zircaloy Fabrication Plant a part of NFC. Mr. Rao has also been a consultant to a leading defence PSU: Midhani Industries. He possess 30 years of experience. He completed his education in electrical engineering. Mr. Rao is an expert in powder metallurgy and in manufacturing processes. He is now leading the overhauling of manufacturing, operations at Innomet, and will drive operational efficiency and help in setting up the new facility.

Remuneration to our Non-executive Independent Directors:

The remuneration paid to the Non-Executive Independent Directors is, either by way of fees for attending the meetings of Board and its committees, reimbursement of expenses incurred by them to attend Board or committee meetings, and/ or in such other way as may be approved by the Board.

As the Independent Directors have been appointed on the Board in the present Fiscal Year, hence, no remuneration has been paid in the Financial Year 2023.

Other than the deferred remuneration payable as stated under heading '*Related Party Transactions*' under the section titled '*Restated Financial Information*' beginning on page 195, there is no deferred or contingent compensation payable to any of our Directors for Financial Year 2023.

Bonus or profit-sharing plan of our directors

As on the date of this Draft Prospectus, our Company does not have a bonus or profit-sharing plan for our Directors.

Shareholding of our Directors

Except as stated below, none of our directors hold any Equity Shares of our company as on the date of this Draft Prospectus is set forth below:

Sr. No	Name of Directors	Number of Equity Shares held	% of the pre-Issue Equity Share Capital
1.	Mrs. Lakshmi kanthamma Chilakapati	40,05,794	42.09%
2.	Mrs. Saritha Devi Chilakapati	40,59,228	42.65%
3.	Mr. Vinay Choudary Chilakapati	5,26,316	5.53%
	Total	85,91,338	90.28%

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft Prospectus.

The Articles of Association do not require the Directors to hold any qualification shares.

INTERESTS OF OUR DIRECTORS

Our Executive Director & Non-Executive Directors may be deemed to be interested to the extent of remuneration (including sitting fees, as applicable) and reimbursement of expenses, payable to them by our Company under our Articles of Association and their terms of appointment, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. Our Non-Executive Directors may be deemed to be interested to the extent of sitting fees payable to them by our Company for attending meetings of our Board or committees thereof. For details, see- “**Compensation of Whole-time Director / Compensation of Managing Directors and/or Non-Executive Directors**” on page 147.

Further, except as disclosed under ‘*Shareholding of our Directors*’ above, none of our directors hold any Equity Shares or any other form of securities in our Company. Further, our directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them in the Company.

The Directors may also be regarded as interested in the Equity Shares that may be subscribed by or allotted to their relatives and companies, firms and trusts, in which they are interested as directors, proprietors, members, partners, trustees and promoters, pursuant to this Offer.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our directors or to the firms or companies in which any of our directors are interested as members, by any person, either to induce him to become, or to qualify him as, as a director, or otherwise for services rendered by our directors or by the firm or company in which they are interested as members, in connection with the promotion or formation of our Company.

Further our directors are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/ Members/ Partners.

None of our Directors have availed any loan from our Company.

Interest in promotion of our Company

Our Promoter Directors are interested in our Company to the extent that of promotion our Company, and to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of the Equity Shares held by them. As of the date of this Draft Prospectus, our

Promoter Directors hold an aggregate of 85,91,338 Equity Shares, aggregating to 90.28 % of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company.

For details of Equity Shares held by our Promoter, please refer to the section titled '*Capital Structure*' beginning on page 66 of this Draft Prospectus.

Further, except as stated in this section titled '*Our Management*' and under heading *Restated Summary of Related Party Transactions* under the section title '*Restated Financial Statement*' beginning on page 141 and 195 of this Draft Prospectus respectively and to the extent of remuneration received/ to be received by our Directors, none of our Directors any interest in the formation and promotion of our Company.

Interest in property, land, construction of building, supply of machinery

Our Directors do not have any interest in any property acquired by our Company within three years preceding the date of filing this Draft Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements except as stated in '*Restated Financial Information*' on page 171 of this Draft Prospectus.

Changes in the Board of Directors in the last three years preceding the date of this Draft Prospectus

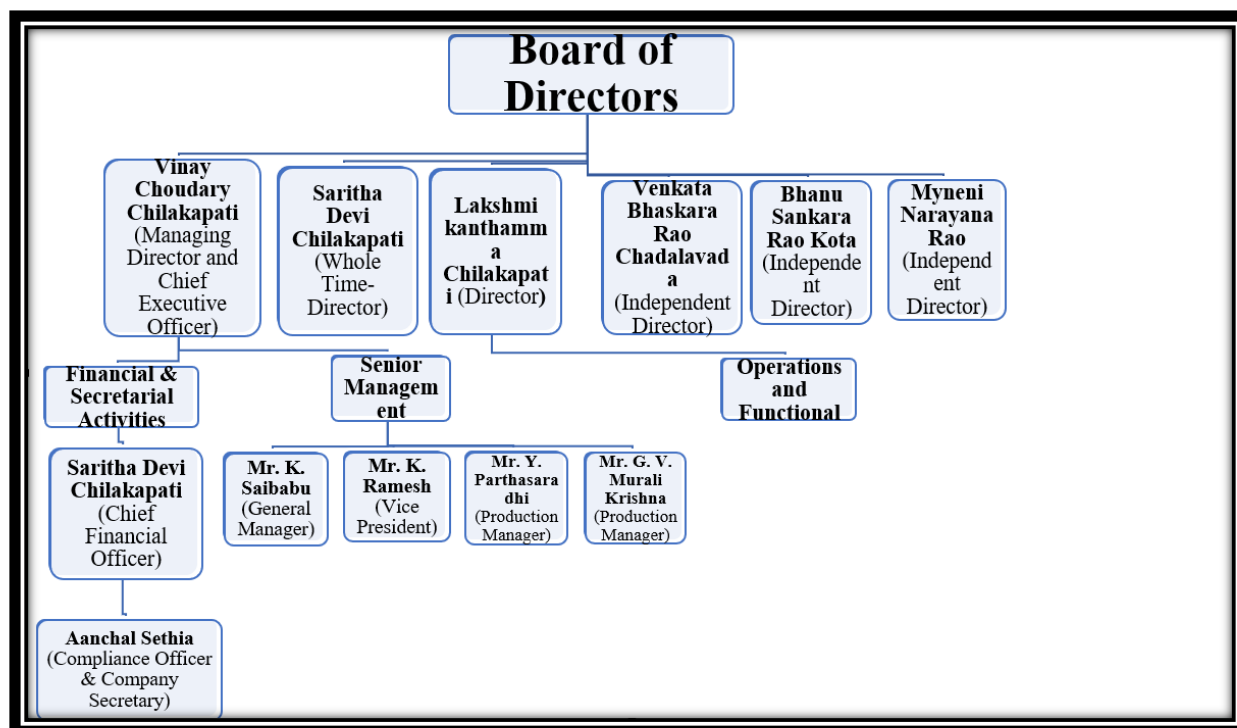
There have been no changes in the Board of Director of our Company during the last 3 (three) year except as stated below:

Name of the Director	Date of change	Reasons for change
Vinod Achi	June 30, 2023	Resignation on personal reasons
Ramakrishna Rao Poda	August 24, 2023	Appointed as Additional Non-Executive Independent Director
Venkata Bhaskara Rao Chadalavada	August 24, 2023	Appointed as Additional Non-Executive Independent Director
Abhiram Kolli	August 24, 2023	Appointed as Additional Non-Executive Independent Director
Ramakrishna Rao Poda	January 10, 2024	Regularized as Non-Executive Independent Director
Venkata Bhaskara Rao Chadalavada	January 10, 2024	Regularized as Non-Executive Independent Director
Abhiram Kolli	January 10, 2024	Regularized as Non-Executive Independent Director
Saritha Devi Chilakapati	January 10, 2024	Re-appointed as Whole Time Director
Vinay Choudary Chilakapati	January 10, 2024	Re-appointed as Managing Director
Abhiram Kolli	April 03, 2024	Resignation due to pre-occupation
Ramakrishna Rao Poda	April 03, 2024	Resignation due to pre-occupation
Bhanu Sankara Rao Kota	April 03, 2024	Appointed as Additional Non-Executive Independent Director
Myneni Narayana Rao	April 03, 2024	Appointed as Additional Non-Executive

Name of the Director	Date of change	Reasons for change
		Independent Director

MANAGEMENT ORGANIZATIONAL STRUCTURE

The following chart depicts our Management Organization Structure:



CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations, 2018 will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the NSE Emerge.

As on the date of this Draft Prospectus, our Board of Directors consists of 6 (Six) Directors, of whom 3 (Three) Directors are Executive Directors (including two woman Directors), and 3 are Independent and Non-Executive Directors. The present composition of our Board of Directors and its committees are in accordance with the Companies Act, 2013.

The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all applicable requirements of the Companies Act and SEBI Listing Regulations, to the extent applicable.

1. Board Committees

Our Board has constituted following committees in accordance with the requirements of the Companies Act, 2013:

- a) Audit Committee;

- b) Nomination and Remuneration Committee;
- c) Stakeholders' Relationship Committee;
- d) IPO Committee;
- e) Corporate Social Responsibility Committee.

Details of each of these committees are as follows:

1. Audit Committee

Sr. No	Name of the Director	Designation	Independent	Position in the Committee
1.	Mr. C.V. Bhaskara Rao	Non-Executive Director	Independent	Chairperson
2.	Mr. Bhanu Sankara Rao Kota	Non-Executive Director	Independent	Member
3.	Mr. Myneni Narayana Rao	Non-Executive Director	Independent	Member
4.	Mr. Vinay Choudary Chilakapati	Managing Director & CEO		Member

Invitees:

- 1. Saritha Devi Chilakapati, Whole time Director & Chief Financial Officer and
- 2. Aanchal Sethia, Company Secretary & Compliance Officer.

The Audit Committee was constituted by a resolution of our Board dated December 15, 2023 and the same was reconstituted by a resolution dated April 03, 2024.

The terms of reference of the Audit Committee are in accordance with the section 177 of the Companies Act, 2013 read with rules framed thereunder.

The terms of reference of Audit Committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending the appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
 - i. matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - ii. changes, if any, in accounting policies and practices and reasons for the same;
 - iii. major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. significant adjustments made in the financial statements arising out of audit findings;
 - v. compliance with listing and other legal requirements relating to financial statements;
 - vi. disclosure of any related party transactions;
 - vii. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the

- Board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/Prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public, and making appropriate recommendations to the Board to take up steps in this matter;
 7. Review and monitor the auditor's independence, performance and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the Company with related parties which includes omnibus approval for related parties transactions subject to conditions as specified under rules;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors any significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. To oversee and review the functioning of the vigil mechanism pursuant the provisions of Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with sub-section 9 and 10 of Section 177 of the Companies Act, 2013, which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
 20. To investigate any other matters referred to by the Board of Directors;
 21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial information and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- c. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
- f. Statement of deviations:
 - (1) half yearly statement of deviation(s), if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);

- (2) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus

The Audit Committee has the authority to investigate into any matter in relation to the items specified under the terms of reference or such matters as may be delegated by the Board and/or prescribed under the Companies Act and SEBI Listing Regulations or other applicable law.

Quorum

The Quorum for the committee meeting shall be the presence of any two of the members.

Chairman

In the absence of the Chairman of the audit committee from the meeting, the members of the Audit Committee shall elect one of its members as the Chairman of that Committee meeting.

Decision of the Committee: Decisions at the committee meetings shall be by a majority of the votes of members present at the meeting and in the event of equality of votes, the chairman shall have a second or casting vote.

2. Nomination and Remuneration Committee

Sr. No	Name of the Director	Designation	Position in the Committee
1.	Mr. C.V. Bhaskara Rao	Non-Executive Independent Director	Chairperson
2.	Mr. Bhanu Sankara Rao Kota	Non-Executive Independent Director	Member
3.	Mr. Myneni Narayana Rao	Non-Executive Independent Director	Member

The Compliance Officer or Chief Financial Officer of our Company shall act as a Secretary to the Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by a resolution of our Board dated December 15, 2023 and the same was reconstituted by a resolution dated April 03, 2024.

The terms of reference of the Nomination and Remuneration Committee are in accordance with section 178 of the Companies Act, 2013 read with rules framed thereunder.

The terms of reference of Nomination and Remuneration Committee shall include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel, senior management and other employees;
2. Formulation of criteria for evaluation of independent directors and the Board;
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
4. Devising a policy on Board diversity; and
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Quorum

The Quorum for the committee meeting shall be the presence of any two of the members.

Decision of the Committee

Decisions at the committee meetings shall be by a majority of the votes of members present at the meeting and in the event of equality of votes, the chairman shall have a second or casting vote.

3. Stakeholders' Relationship Committee

Sr. No	Name of the Director	Designation	Position in the Committee
1.	Mr. C.V. Bhaskara Rao	Non-Executive Independent Director	Chairperson
2.	Mr. Bhanu Sankara Rao Kota	Non-Executive Independent Director	Member
3.	Mr. Myneni Narayana Rao	Non-Executive Independent Director	Member

The Compliance Officer of our Company shall act as a Secretary to the Shareholders/Investors Grievance Committee.

The Stakeholders' Relationship Committee was constituted by way of a Board resolution dated December 15, 2023 and the same was reconstituted by a resolution dated April 24, 2024.

The terms of reference of the Stakeholders' Relationship Committee are in accordance with section 178 of the Companies Act, 2013.

The terms of reference of Stakeholders' Relationship Committee shall include the following:

- i. Efficient transfer of shares; including review of cases for refusal of transfer/ transmission of shares and debentures, if any;
- ii. Redressal of security holder's/investor's complaints efficient transfer of shares; including review of cases for refusal of transfer/ transmission of shares and debentures;
- iii. Reviewing on a periodic basis the approval/ refusal of transfer or transmission of shares, debentures or any other securities;
- iv. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- v. Allotment and listing of shares;
- vi. Reference to statutory and regulatory authorities regarding investor grievances; and
- vii. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- viii. Any other power specifically assigned by the Board of Directors of the Company.

The chairperson of each of the committees constituted under this section or, in his absence, any other member of the committee authorized by him in this behalf shall attend the general meetings of the company.

The Stakeholder/ Investor Relationship Committee shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company.

Quorum

Any two members of the Committee shall be present to form the valid quorum to call and conclude the meeting of the Stakeholders' Relationship Committee.

Decision of the Committee

Decisions at the committee meetings shall be by a majority of the votes of members present at the meeting and in the event of equality of votes, the Chairman shall have a second or casting vote.

Senior Management Personnel

Mr. Y. Parthasaradhi, Production Manager of THA Division, he joined the Partnership Firm in 2012 (subsequently converted into 'Innomet'). He has vast experience more than 35 years in different fields fetching him a unique identification of his own in the industry circles. His contribution to Innomet started with establishing the Tungsten Heavy Alloy plant, product and process development and team development.

Mr. G. V. Murali Krishna, Production Manager of MP Division, he is a Graduate in Metallurgy with almost 30 years of hands-on experience in the melt atomisation. He worked in various metal powder manufacturing companies across India. His past experience is mostly in metal powder manufacture through a process of GAS and Water atomisation. He has brought to the organisation an immense technical expertise and process technology in metal powder manufacturing by which, he has contributed to Innomet largely in the Metal Powders Division in product and process development and team development. He played a key role in developing the Gas atomiser.

Arrangements and understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel and Senior Management have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Remuneration/ Compensation paid to our Key Managerial Personnel and Senior Management

Except the normal remuneration for services rendered by them as stated in '*Restated Financial Information*' on page 171 of this Draft Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

Bonus and/ or Profit-Sharing Plan for the Key Managerial Personnel and Senior Management

Our Company does not have any bonus and/ or profit-sharing plan for the Key Managerial Personnel and Senior Management. However, our Company makes bonus payments to the employees based on their performances, which is as per their terms of appointment.

Status of Key Management Personnel and Senior Management

All our Key Managerial Personnel and Senior Management as mentioned above are permanent employees of our Company.

Shareholding of Key Management Personnel and Senior Management

Except as disclosed in “–*Shareholding of Directors in our Company*” on page 81 and in the section “*Capital Structure –Share capital history of our Company*” on page 66, none of our Key Managerial Personnel and Senior Management Personnel hold any Equity Shares.

Changes in Key Managerial Personnel and Senior Management during the last three (3) years

There have been no changes in the Key Managerial Personnel and Senior Management of our Company during the last 3 (three) year except as stated below:

Name of Key Managerial Personnel and Senior Management	Date of change	Reasons for change
Saritha Devi Chilakapati	August 2023	24, Appointed as Chief Financial Officer
Aanchal Sethia	August 2023	24, Appointed as Company Secretary and Compliance Officer
Vinay Choudary Chilakapati	December 2023	15, Appointed as Chief Executive Officer

Interests of Key Management Personnel and Senior Management

The Key Management Personnel and Senior Management do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. Our Key Management Personnel and Senior Management may be deemed interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Issue. Such Key Management Personnel and Senior Management may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Our Key Management Personnel and Senior Management may be interested to the extent of Equity Shares, if any, held by them. Except for the details as stated in the “*Error! Reference source not found.*” on page 165 and “*Risk Factors –Our Directors & Promoters, Senior Management and Key Managerial Personnel have no interests other than reimbursement of expenses incurred and normal remuneration or benefits in our Company*” on page 30, none of our Key Managerial Personnel or Senior Management Personnel have any interest in any property acquired or proposed to be acquired of our Company or by the Company or in any transaction by our Company for acquisition of land, construction of building or supply of machinery

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters are (i) Lakshmi Kanthamma Chilakapati, (ii) Saritha Devi Chilakapati and (iii) Vinay Choudhary Chilakapati. As on the date of this Draft Prospectus, their shareholding in the company is as follows:

Sr. No.	Name of the Promoter	Number of Equity Shares Held	% of Pre-Equity Share Capital
1.	Lakshmi Kanthamma Chilakapati	40,05,794	42.09%
2.	Saritha Devi Chilakapati	40,59,228	42.65%
3.	Vinay Choudhary Chilakapati	5,26,316	5.53%
	Total	85,91,338	90.28%

For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure*" on page 66 of this Draft Prospectus. Our Company confirms that the Permanent Account Number, Bank Account Number, Passport Number, Aadhaar Card Number and Driving License Number of our Individual Promoters will be submitted to the Stock Exchanges at the time of filing of this Draft Prospectus.

Our Promoters



Mr. Vinay Choudhary Chilakapati, aged 53 years, is one of the Promoter of our Company and is currently designated as Managing Director and Chief Executive Officer of our Company. He was appointed as Managing Director on the Board of our Company on May 02, 2019. He completed his education in Mechanical Engineer.

Date of Birth: May 05, 1970

Permanent Account Number: ABBPC4746M

Driving License Number: TS41520220003460

Residential Address: A-201, Aparna Sarover, Kanchangachibowli, Nallagandla, Gopanpally, K.V. Rangareddy, Hyderabad- 500107 Telangana, India

For complete profile of Mr. Vinay Choudhary Chilakapati, along with details of educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, please see section titled '*Our Management*' on page 141 of this Draft Prospectus.

Our Company confirms that the Permanent Account Number, Bank Account Number, Passport Number, Aadhaar Card Number and Driving License Number of our Individual Promoters will be submitted to the Stock Exchanges at the time of filing of this Draft Prospectus.

There has been no change in control of our Company in the last five years immediately preceding the date of this Draft Prospectus.

Interest of Promoters

None of our Promoters/ Directors have any interest in our Company except to the extent of compensation payable/ paid, and reimbursement of expenses (if applicable) and to the extent of any Equity Shares held by them, and to the extent of benefits arising out of such shareholding. For further details please refer to the *'Capital Structure'*, *'Financial Information'* and *'Our Management'* beginning on pages 66, 170, and 141 of this Draft Prospectus.

Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements, or arrangements in which our Promoters are directly or indirectly interested, and no payments have been made to them in respect of the contracts, agreements, or arrangements which are proposed to be made with them other than in the normal course of business.

Interest of our Promoters in promotion of our Company

Our Promoter is interested in our Company to the extent (i) that he has promoted our Company (ii) of his direct and indirect shareholding in our Company and the shareholding of his relatives in our Company; and (iii) of dividends payable (if any) and any other distributions in respect of the Equity Shares held by him in our Company. Our Promoter is interested in our Company to the extent that they are the promoters of our Company. For further details, see *'Capital Structure'* on page 66 of this Draft Prospectus.

Our Promoters are also deemed to be interested to the extent of remuneration payable to them as the Chairman and Managing Director of our Company. For details see *'Restated Financial Information – Related Party Disclosures'* on page 195 of this Draft Prospectus.

Interest in the property of our Company

Our Promoters have no interest, whether direct or indirect, in any property acquired by our Company within the preceding 3 years from the date of this Draft Prospectus or proposed to be acquired by it as on the date of filing of this Draft Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Interest in our Company arising out of being a member of a firm or company

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce any of our Promoters to become, or qualify them as a director, or otherwise for services rendered by any of our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Interest in our Company other than as Promoters

Our Promoters are interested in our Company to the extent of their respective shareholding in our Company and shareholding of entities in which they are associated as partners, their directorship (and consequently remuneration payable to them and reimbursement of expenses) in our Company, and the dividends payable, if any, and any other distribution in respect of their respective shareholding in our Company. For further details please refer to the *'Capital Structure'*, *'Financial Information'* and *'Our Management'* beginning on pages 66, 170, and 141 of this Draft Prospectus.

Payment or benefits to Promoters or Promoter Group

Except as stated in '*Our Management*' and '*Restated Financial Statements*' on pages 141 and 171 there has been no direct or indirect contracts, agreements or any other arrangements pursuant which any amount, payment or benefit paid or given, respectively, to our Promoters or Promoter Group during 2 years prior to the date of this Draft Prospectus and no amount, payment or benefit is intended to be paid or given to any of our Promoters or members of the Promoter Group.

Guarantees

Except for personal guarantees given in connection to loans availed by our Company, as on the date of this Draft Prospectus, our Promoters have not given any material guarantees to any third party with respect to the Equity Shares. For further details with respect to personal guarantees given by our Promoters to any third party see '*Financial Indebtedness*' on page 205.

Promoter Group

In addition to our Promoters, the following persons and entities form part of our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations. Natural persons who are part of our Promoter Group is as follows:

Relationship	Lakshmi Kanthamma Chilakapati	Saritha Devi Chilakapati	Vinay Choudary Chilakapati
Father	Late Sri Kothapalli Punna Rao	Mr. Krishna Prasad Rao Kothapalli	Mr. Ch. Harinath Prasad
Mother	Mrs. K. Varalakshmi	Mrs. K. Bhagya Lakshmi	Mrs. Lakshmi Kanthamma Chilakapati
Brother	Mr. K. Sai Babu	Mr. K.S.P. Chowdary	Mr. Vijay Raidu Chilakapati
Sister	Mrs. Poda Madhavi Mrs. K. Asha Latha	-	-
Spouse	Mr. Ch. Harinath Prasad	Mr. Vinay Choudary Chilakapati	Mrs. Saritha Devi Chilakapati
Son	Mr. Vinay Choudary Chilakapati Mr. Vijay Raidu Chilakapati	-	-
Daughter	-	Ms. Sanjna Chowdary Ms. Ch. Aditi Chowdary	Ms. Sanjna Chowdary Ms. Ch. Aditi Chowdary
Spouse' Father	Late Sri Thirupati Raidu Chilakapati	Mr. Ch. Harinath Prasad	Mr. Krishna Prasad Rao Kothapalli
Spouse' Mother	Late Smt. Kokilaben Chilakapati	Mrs. Lakshmi Kanthamma Chilakapati	Mrs. K. Bhagya Lakshmi
Spouse' Brother	Mr. Ramakrishna Rao Poda Mr. Kolli Seetha Rama Swamy	Mr. Vijay Raidu Chilakapati	Mr. K.S.P. Chowdary
Spouse' Sister	-	-	-

Entities forming part of the Promoter Group

1. Keerthi Enterprises
2. Prasad Innovation
3. Prasad Engineering Works

Disassociation by our Promoters in the 3 years

None of our other Promoters have disassociated themselves from any companies or firms during the preceding 3 years from the date of filing of this Draft Prospectus.

OUR GROUP COMPANIES

Under the SEBI ICDR Regulations, the definition of ‘group companies’ includes (a) such companies (other than the promoters and subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under applicable accounting standards, and (b) such other companies as are considered material by our Board. Pursuant to a Board resolution dated December 15, 2023, our Board formulated a policy with respect to companies that it considered material to be identified as group companies.

Accordingly, for (a) above, all such companies with which our Company had related party transactions during the period covered in the Restated Financial Statements, as covered under the applicable accounting standards, are considered as Group Companies in terms of the SEBI ICDR Regulations. For (b) above, our Board does not consider any company as its group company.

Set forth below, based on the criteria above, are the detail(s) of our Group Companies as on the date of this Draft Prospectus:

Sr. No.	Name	Registered Office Address	Corporate Identification Number (CIN/LLPIN)
1.	Keerthi Enterprises	B-31, BHEL Ancillary Industrial Estate, Ramachandrapuram, Medak, Hyderabad-502032, Telangana, India	NA
2.	Prasad innovation	B-31, BHEL Ancillary Industrial Estate, Ramachandrapuram, Medak, Hyderabad-502032, Telangana, India	NA
3.	Prasad Engineering Works	B-31, BHEL Ancillary Industrial Estate, Ramachandrapuram, Medak, Hyderabad-502032, Telangana, India	NA

Financial Information

All the group companies do not have their own websites. Accordingly, in accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, basis/diluted earnings per share and Net Asset Value, extracted from its respective audited financial statements (as applicable) are available on the website of our Company at www.innomet.net.

It is clarified that such details available on our group companies’ websites do not form a part of this Draft Prospectus. Anyone placing reliance on any other source of information, including our Group Companies’ website, as mentioned above, would be doing so at their own risk.

Neither our Company nor any of the Lead Manager nor any of the Company’s or the Lead Manager’s respective directors, employees, affiliates, associates, advisors, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented, contained

or referred in the Group Company Financial Information or any other information provided on the websites.

NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES

In the promotion of the Company

None of our Group Companies have any interest in the promotion of our Company.

In the properties acquired by our Company in the three years preceding the date of filing of this draft Prospectus or proposed to be acquired by our Company

None of our Group Companies are interested in the properties acquired by our Company in the three years preceding the date of filing of this Draft Prospectus or proposed to be acquired except as otherwise disclosed in “***Other Financial Information — Related Party Transactions***” on page 195.

In transactions for acquisition of land, construction of buildings and supply of machinery

None of our Group Companies are interested in any transactions of our Company for the acquisition of land, construction of building or supply of machinery except as otherwise disclosed in “***Other Financial Information — Related Party Transactions***” on page 195.

Related business transactions with our Group Companies and significance on the financial performance of our Company

Except as disclosed under see ‘***Other Financial Information — Related Party Transactions***’ on page 195, there are no related business transactions with the Group Company.

Business and other interests

None of our Group Companies have any business or other interest in our Company except as otherwise disclosed in “***Other Financial Information — Related Party Transactions***” on page 195.

Common Pursuits

As on the date of draft prospectus, there are no common pursuits among our Group Companies and our Company. However, some of our Group Companies are authorised by their respective constitutional documents to engage in, the same line of business as that of our Company. We cannot assure you that a conflict of interest will not arise if the entity decides to pursue such activities in the future. Our Company shall adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any instances of conflict of interest, if and when they may arise.

Certain other confirmations

None of the securities of our Group Companies are listed on any stock exchange and therefore, there are no investor complaints are pending against them.

None of our Group Companies have made any public or rights issue in the three immediately preceding years.

Utilisation of Issue Proceeds

There are no material existing or anticipated transactions in relation to the utilisation of the Offer Proceeds or project cost with our Group Companies.

Litigation

Our Group Companies are not party to any pending litigation which could have a material impact on our Company.

SECTION VI – FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR’S REPORT ON THE RESTATED FINANCIAL STATEMENTS OF INNOMET ADVANCED MATERIALS LIMITED

**ANNEXURE-18
STATEMENT OF SHORT-TERM LOANS & ADVANCES**

(Rs. In Lakhs)

Particulars	As on September 30,	As on March 31,		
	2023	2023	2022	2021
Others	173.96	129.73	28.33	47.01
Total	173.96	129.73	28.33	47.01

ANNEXURE-19

STATEMENT OF OTHER CURRENT ASSETS

(Rs. In Lakhs)

Heading	September 30, 2023	March 31, 2023	March 31, 2021	March 31, 2020
Unamortized Expenses		-	-	67701.00
TDS Receivable / GST TDS		-	302792.00	8640.00
Other Assets	3168849.00	-	-	321757.00
Advance Tax		-	-	200000.00
Prepaid AMC		9000.00	8671.00	-
Prepaid Insurance		59425.00	49651.63	-
TCS Assets		1088966.00	557088.00	-
TDS		587277.80	76802.72	-
Total	3168849.00	1744668.00	995005.35	598098.00

ANNEXURE-21

STATEMENT OF SEGEMENT-WISE REVENUE FROM OPERATIONS

(Rs. In Lakhs)

Heading	September 30, 2023	March 31, 2023	March 31, 2021	March 31, 2020
Manufactured Goods	-	-	205300625.26	115330198.00
Export Sales	-	-	18540998.81	8442993.00
Other Operating Revenue	-	-	-	605033.00
Sales of Products	131068446.00	227765974.00	-	-
Sale of Services	430458.00	5147000.00	-	-
GST	21631855.00	38380324.00	-	-
Total	153130759.00	271293298.00	223841624.07	124378223.00

ANNEXURE-22

STATEMENT OF OTHER INCOME

(Rs. In Lakhs)

Heading	September 30, 2023	March 31, 2023	March 31, 2021	March 31, 2020
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Interest Received	-	-	-	147954.00
Foreign Gain/Loss	-	16525.00	3007	54249.00
GST Received	-	-	176218.00	234601.00
Discounts Received	3577.00	18264.00	14291.00	415511.00
Interest on BG's	39388.00	32807.00	81.00	-
Export Incentive	65367.00	116987.00	-	-
Interest on CCD's	5645050.00			
Total	5753382.00	184583.00	193597.00	852316.00

ANNEXURE-26

STATEMENT OF FINANCE COST

(Rs. In Lakhs)

Heading	September 30, 2023	March 31, 2023	March 31, 2021	March 31, 2020
Interest on Term Loans	-	-	4403351.96	4362861.00
Interest on Car Loans	-	-	126799.17	115551.00
Bank Charges	-	-	1595871.04	382795.00
Other Borrowing cost	-	-	2286868.00	2272551.00
NBFC Bank Charges	1664236.85	3680068.23	-	-
SBI Bank Charges	2942268.73	5779828.47	-	-
Total	4606505.58	9459896.70	8412890.17	7133758.00

ANNEXURE-32

STATEMENT OF DETAILS OF RELATED PARTY TRANSACTIONS

- | | |
|---|--|
| a) Company/entity owned or significantly influenced by directors/ KMP | 1. Keerthi Enterprises
2. Prasad Innovation
3. Prasad Engineering Works |
| b) Key Management Personnel's/Directors: | 1. Ch. Vinay Chowdary–
Managing Director & CEO
2. Ch. Saritha Devi- Whole time
Director & CFO |

Transaction with Key Management Personnel/Directors

(Rs. In Lakhs)

Name of the Party	Nature of Transactions	As on September 30,		As on March 31,	
		2023	2023	2022	2021
Ch. Vinay Choudary	Advances	12.51	12.51	-	-
	Travel Expenses	1.35	4.12	-	-
Ch. Saritha Devi	Advances	5.27	2.02	-	-
Ch. Vinay Choudary Ch. Saritha Devi	Directors Remuneration	13.68	54.00	-	-
Keerthi Enterprises*	Trade payables	(62.65)	(595.55)	-	-
Prasad Innovation	Trade payables	3.05	3.05	-	-
	Job Works	44.78	250.40	-	-
Prasad Engineering Works	Trade payables	18.16	(3.80)	-	-

*Amount paid to M/s. Keerthi Enterprises are shown in brackets under the related party transactions for the reason that it is paid as trade advances to the said Firm and hence they will partake the character of receivable.

FINANCIAL INDEBTEDNESS

Our Company and our Subsidiaries avail borrowings in the ordinary course of business and for general corporate purposes. For undertaking necessary activities in relation to the Issue, we have obtained the necessary consents from, and provided intimations to, the requisite lenders in terms of the relevant documentation governing their borrowings. For details of borrowing powers of our Board, please see “*Our Management— Borrowing Powers of our Board*” on page 145.

The following is the summary of the outstanding borrowings of the Company as on September 30, 2023.

Category of borrowings	Sanctioned Amount as on September 30, 2023	Outstanding amount as on September 30, 2023 [^]
<i>(₹ in lakhs)</i>		
Secured		
Working Capital Facilities		
- Fund based	495.00	485.45
- Non-Fund based (Bank Guarantee)	-	-
Term loans from Banks	450.23	340.05
Total Secured Facilities (A)	945.23	825.50
Unsecured		
Loan from Other	448.08	373.85
Loan from Related Parties	12.00	12.00
Total Unsecured Facilities (B)	460.08	385.85
Total Borrowings (A+B)	1405.31	1211.35

[^]As certified by Grand Mark & Associates, the Statutory Auditors pursuant to their certificate dated March 13, 2024.

Restrictive Covenants

Many of the financing agreements of the Company include various restrictive conditions and covenants restricting certain corporate actions and the Company is required to take prior approval of the lender before carrying out such activities. For instance, the Company, inter alia, is required to obtain prior written consent in the following instances:

- to declare and/or pay dividend to any of its shareholders during the financial year unless the Company has paid to the lender the dues payable by the Company;
- to borrow or obtain credit facilities from any bank or financial institution;
- sell, assign, mortgage or otherwise dispose of any of the fixed assets charged by the bank;
- to alter its capital structure

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

Detailed justification for the increase in PAT by 175% for FY 2022:

Comparative statement showing justification for the increase in PAT by 175% for the FY 2021-22 compared to previous FY 2020-21.

(Rs. in lakhs)

Particulars	2020-21	2021-22	Remarks
Revenue from operations	1243.78	2238.42	Increase of 79%
Variable cost	794.46	1566.32	Increase in proportion to revenue remains at marginal/meagre at 6.10%
Operational and other expenses	232.92	354.28	Reduced from 18.72% to the revenue in the FY 2020-21 to 15.82% in the FY 2021-22.
Profit after tax (PAT)	20.12	55.17	There has been increased of profit margin as compared with FY 2020-21 & 2021-22 by 174.20% by calculating $(55.17-20.12)/20.12*100$

With the increase of profit margin from 1.61% to 2.46%, the incremental increase in profit for the FY 2021-22 stands at Rs.55.17 lakhs. This is the main attribute and substantial effect on increase of PAT of 175% in the FY 2021-22 over the previous FY 2020-21. Apart from this, the impact of variable cost remaining at the same level as compared to previous FY 2020-21 followed by proportionate reduction in operational expenses in the FY 2021-22 have led to growth of 175% in PAT in the FY 2021-22 over the FY 2020-21.

The following major factors led to increase in PAT by 175% in FY 2021-22 when compared to previous FY 2020-21.

1. The right blend of metal powder products which have increased largely by volumes of sales with gross margins of 28% to 30% resulting in increase of net profit margins on total revenues from 1.61% in the FY 2020-21 to 2.46% in the FY 2021-22, which in turn led to increase of 175% PAT in the FY 2021-22. The PAT for the FY 2021-22 stands at Rs.55.17 lakhs, which is 2.46% of total revenue of Rs.2,238.42 lakhs against PAT of Rs.20.12 lakhs in the previous FY 2020-21, which is 1.61% of total revenue of Rs.1,243.78 lakhs representing growth in PAT of 175%.
2. The right blend of products has been selected/identified based on the uniqueness, customisation, high value addition, customer preference, demand of the product etc.
3. Periodical revision in the selling price of the products based on their above strengths has been undertaken by the Company from time to time in general and in particular happened during the financial year 2021-22, which resulted in increase in gross margins and as a result increase in net profit of 175% when compared to the previous FY 2020-21.
4. Apart from the above, application of cost cutting measures from the FY 2021-22 by which the Company has ensured marginal of meagre increase in variable cost in proportion to the revenue growth, which has also contributed to the increase in PAT of 175% in the FY 2021-22 when compared to the previous FY 2020-21.

As a measure of cost cutting approach, in the operational and other expenses during the FY 2021-22, there has been an increase of 15.82% of revenue when compared to 18.72% of the previous FY 2020-21, which resulted into 2.90% impacted on the PAT, thus increase in the PAT of 175% in the FY 2021-22.

Detailed justification for the increase in PAT by 484% for the FY 2022-23 compared to previous FY 2021-22:

Comparative statement showing justification for the increase in PAT by 484% for the FY 2022-23 compared to previous FY 2021-22.

(Rs. in lakhs)

Particulars	2021-22	2022-23	Remarks
Revenue from operations	2238.42	2712.93	Increase of 21.20%
Variable cost	1632.90	1485.57	Drastic decrease in proportion to revenue remains at 18.19%
Operational and other expenses	354.28	698.89	Modest increase from 15.82% to the revenue in the FY 2021-22 to 25.76% in the FY 2022-23.
Changes in inventories	66.57	165.61	Major increase of 148.77% when compared to previous year
Profit after tax (PAT)	321.55	55.17	There has been significant increase of profit margin from 2.46% in the FY 2021-22 to 11.85% in the FY 2022-23.

Though, the revenue from operations for the FY 2022-23, increased by 21.20% over previous FY 2021-22, the multiple and cumulative impact of proportionate reduction in variable cost, major increase of changes in inventories, work-in-progress etc., have led to increase of profit margin by 11.85% in the FY 2022-23 over the previous FY 2021-22 and resulting into 484% growth in PAT for FY 2022-23 over the previous FY 2021-22.

The following major factors contributed to the increase in PAT by 484% in FY 2022-23 when compared to previous FY 2021-22.

1. The following table shows the details of blend of metal powder products with their gross margins, which resulted into the increase of PAT.

Product	Gross Margin (in %)
Chocolate Bronze	44.15
Cu/A/ 90/10	53.93
CUMn 65/35	63.72
FeP 14.5-16.5%	39.29
SS316L	46.63
AF Fe Iron Powder	69.92
Average Gross Margin	52.94

As shown in the above table, due to the high gross margins in the products that were taken-up and focussed during the FY 2022-23, the PAT has grown by 484% when compared to the previous FY 2021-22, despite the fact of increase of only 21.20% of total revenues.

2. During the FY 2022-23, revenue from sale of Tungsten Heavy Alloys Products (THA) stands at Rs.539.65 lakhs as against Rs.312.52 lakhs in the previous FY 2021-22 representing the growth of 72.68%, as these products of THA are of high value addition, contributed to the increase of 484% PAT in the FY 2022-23.
3. The variable costs during the FY 2022-23 stands at Rs.1,485.57 lakhs as against Rs.1,632.90 lakhs in the FY 2021-22, which has resulted into net profit of Rs.147.33 lakhs directly adding to the PBT of FY 2022-23 and thus, resulting into increase of PAT of 484% in the FY 2022-23.
4. Apart from the above and as stated in response to Query No.9(a), factors of revision of selling price from the FY 2021-22, application of cost cutting measures have equally resulted into the increase of PAT of 484% in the FY 2022-23.

The Company has taken following steps/measures for continuous and multiple growth in profit margins in the years to come:

- a. Periodical designing of blend of products/product mix like the one which is undertaken during the FY 2021-22.
- b. Periodical review of cost cutting measures and application of right measures to sustain the profit levels and ensure multiple growth in profit margins.
- c. Constant and continuous search for the development of innovative products through adopting the advanced/updated technologies for meeting the requirements of both the existing/prospective customer preferences and multiplying the margins.
- d. Constant and continuous exploration of new markets for increasing the presence of the Company.
- e. The Company is on the constant look-out for joint ventures, partnerships, SPVs for development of business and growth of the Company in a bid to become import substitute for the Nation.

Detailed justification for the increase in PAT margin for the stub period ended September 30, 2023 compared to previous FY 2022-23

Comparative statement showing justification for the increase in PAT margin for the stub period ended September 30, 2023 compared to previous FY 2022-23.

(Rs. in lakhs)

Particulars	2022-23	2023-24 (up to Sept. 30, 2023)	Remarks
Revenue from operations	2712.93	1531.30	Marginal Increase of 12.89% in revenues on annualised basis.
Other income	1.84	57.53	Drastic increase in other income due to reversal of prior period expenditure, which ought not to have been debited to P&L account
Variable cost	1485.56	894.84	Remained same on annualised basis

Changes in inventories	165.61	Nil	No negative impact on profit margins
Profit after tax (PAT)	321.55	203.35	There has been modest increase of profit margin from 11.85% in the FY 2022-23 to 13.28% in the stub period.

Though, the revenue from operations for the stub period ended September 30, 2023 over previous FY 2022-23 on annualised basis increased modestly by 12.89%, the multiple and cumulative impact of proportionate stable variable cost, negative impact of changes in inventories, work-in-progress etc., drastic increase in other income have led to increase of profit margin marginally by 13.28% in the stub period over the previous FY 2022-23.

The net worth of the Company during the stub period has been increased due to the following factors:

1. Retained profits generated during the year 2023 and stub period September 30, 2023.
2. Capitalization of reserves and surplus by issuing bonus shares in the ratio of 1:1.
3. Issue of equity shares for consideration other than cash during the stub period September 30, 2023 against the transfer of Trade Marks by the Promoters to the Company.
4. Issue of sweat equity shares to the employees for consideration other than cash and for contribution of the above employees to the growth of the Company.
5. Issue of equity shares to the CCD holders by converting the CCDs into equity shares as a measure of rewarding the investors, who have reposed confidence in the Company and supported the company in the growth process.

Material Developments subsequent to March 31, 2023

After the date of last audited accounts i.e. March 31, 2023, the Directors of our Company confirm that, there have not been any significant material developments which materially and adversely affect or is likely to affect within the next twelve months for the operations or profitability of the Company, the value of its assets or its ability to pay its liability. However, following material events have occurred after the last audited period.

1. Mr. Myneni Narayana Rao was appointed as Additional Director (Independent Director) by passing of Board Resolution dated April 03, 2024.
2. Mr. Bhanu Sankara Rao Kota was appointed as Additional Director (Independent Director) by passing of Board Resolution dated April 03, 2024.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPEMENT

Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Draft Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Draft Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Draft Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Draft Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.

For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Draft Prospectus:

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, or Group Companies, as the case may be shall be deemed to be material;*
- b) All pending litigation involving our Company, Promoter, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (i) the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of 10% of the profit after tax derived from the most recently completed fiscal year as per Restated Financials of the Company; or (ii) where the monetary liability is not quantifiable, or which may not meet the threshold as specified in (i) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of the Company, irrespective of the amount involved in such litigation; or (iii) Litigation where the decisions in one litigation is likely to affect the decision in similar litigation, even though the amount involved in an individual litigation may not exceed an amount of 10% of the profit after tax, derived from the most recently completed fiscal year as per the Restated financials. Each such case involving our Company, Promoter, Directors, or Group Companies, whose outcome would have a bearing on the business operations, prospects or reputation of our Company and as required under the SEBI Regulations have been disclosed on our website at <https://www.finecars.co.in/>*
- c) Notices received by our Company, Promoter, Directors, or Group Companies, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoter / Group Companies, as the case may be, are impleaded as parties in proceedings before any judicial forum.*

Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse

effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTER AND SUBSIDIARIES

PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTER OF THE COMPANY

A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTER

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

Indirect Tax: NIL

Direct Tax:

Ms. Saritha Devi Chilakapati (Promoter cum Wholetime Director and CFO)

1. A.Y. 2022-23:

As per details available on the website of the Income Tax Department Ms. Saritha Devi Chilakapati (hereinafter referred to as the "Assessee") have been issued with a demand notice bearing no. 2023202237229255144T dated December 23, 2023 passed u/s. 143(1) (a) of the Income Tax Act, 1961, raising a demand of Rs. 12,580/- for A.Y. 2022-23 in addition to an interest of Rs. 250/- and the same has been disputed by the assessee and is pending.

Vinay Choudary Chilakapati (Managing Director)

1. A.Y. 2022-23:

As per details available on the website of the Income Tax Department Mr. Vinay Choudary Chilakapati (hereinafter referred to as the "Assessee") have been issued with a demand notice bearing no. 2023202237229570436T dated December 24, 2023 passed u/s. 143(1) (a) of the Income Tax Act, 1961, raising a demand of Rs. 39,920/- for A.Y. 2022-23 and the same has been disputed by the assessee and is pending.

Venkata Bhaskara Rao Chandalavada (Director)

1. A.Y 2009-10:

As per details available on the website of the Income Tax Department Mr. Venkata Bhaskara Rao Chandalavada (hereinafter referred to as the "Assessee") have been issued with a demand notice bearing no. 2010200937014409430T dated December 29, 2010 passed u/s. 143(1) (a) of the

Income Tax Act, 1961, raising a demand of Rs. 920/- and Interest of Rs. 7,137 for A.Y. 2009-10 and the same has been disputed by the assessee and is pending.

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTER

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

Indirect Tax: NIL

Direct Tax: NIL

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS, GROUP COMPANIES AND PROMOTOR GROUP DURING THE LAST 5 FINANCIAL YEARS

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters, Directors or Group Companies during the last 5 financial years including outstanding actions except as disclosed above.

PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Draft Prospectus in the case of our Company, Promoter, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Draft Prospectus.

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, nor our Promoters, nor Group Companies and nor Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

DISCLOSURES PERTAINING TO FRAUDULENT BORROWER

Our Company or any of our Promoters or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

GOVERNMENT AND OTHER KEY APPROVALS

APPROVALS / LICENSES / PERMISSIONS IN RELATION TO OUR BUSINESS:

Registrations related to Labour Laws:

Sr. No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
4.	License from Telangana State Pollution control Board	M/s. Innomet Advanced Materials Private Limited, B-31, Bhel Ancillary Industrial Estate, Ramachandrapuram-502032	TSPCB/ZO/RCP/SANG/158/CFO/2021-805 - ORANGE CATEGORY	Telangana State Pollution Control Board	August 08, 2021	June 30, 2031.

Business Related Approvals:

S. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1	LEI (Legal Entity Identifier)	M/s. Innomet Advanced Materials Private Limited, B-31, Bhel Ancillary Industrial Estate, Ramachandrapuram Hyderabad-502032, Telangana	U27101TG 2019PTC13 2262	Legal Entity Identifier India Limited	March 18, 2024	March 18, 2025
2.	ISO 9001:2015 (Manufacture and Supply of Ferrous and Non Ferrous Metal and Metal Alloy Powders)	M/s. Innomet Advanced Materials Private Limited, B-31, Bhel Ancillary Industrial Estate, R.C. Puram Hyderabad-502032, Telangana	Certificate No.991002 1465	Tuv Sud South Aisa Private Limited	March 11, 2024	March 21, 2027

Further, for the new production facility at Sultanpur, the Company has submitted a common application (TS-iPASS COMMON APPLICATION FORM) for the TS-iPASS, which is the clearance under the single window mechanism of Telangana State Industrial Policy for the promotion and setting-up of industry by Entrepreneurs across the state of Telangana for the purpose of simplifying the procedures and avoiding complications in obtaining various licences/approvals/certificates.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue in terms of this Draft Prospectus has been authorized pursuant to the resolution passed by the Board of Directors dated December 15, 2023 and by the shareholders pursuant to the special resolution passed in Extra-Ordinary General Meeting dated January 10, 2024 under Section 62(1)(c) and other applicable provisions of the Companies Act, 2013. This Draft Prospectus has been approved by our Board of Directors pursuant to the resolution passed at its meeting held on February 15, 2024.

Our Company has also obtained all necessary contractual approvals required for the Issue. For further details, refer to the chapter titled '*Government and Other Statutory Approvals*' beginning on page 225 of this Draft Prospectus.

IN-PRINCIPLE LISTING APPROVALS

Our Company has obtained in-principle approval from NSE EMERGE by way of our letter dated [●] for listing of our Equity Shares on the NSE EMERGE. NSE Limited is the Designated Stock Exchange.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, our Directors, our Promoters, Promoter Group, the person(s) in control of our promoter or our Company are not prohibited from accessing the capital market for any reason or debarred from buying, selling or dealing in securities, under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing the capital markets under any order or direction passed by SEBI or any other authority.

Our Company, Promoters or Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on Wilful Defaulters or Fraudulent Borrowers issued by the RBI.

None of our Promoters or Directors have been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

The listing of any securities of our Company has never been refused by any of the stock exchanges in India.

DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are, in any manner, associated with the securities market and there has been no action initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Prospectus.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

As on the date of this Draft Prospectus, our Company, our Promoters and members of the Promoter Group, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended (“SBO Rules”), to the extent applicable to them.

ELIGIBILITY FOR THE ISSUE

Our Company is eligible for the Issue in accordance with Regulation 229 (2) of the SEBI (ICDR) Regulations, and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are “An issuer, whose post issue face value capital is more than ten crore rupees and up to twenty-five crore rupees, may also issue specified securities in accordance with provisions of this Chapter”.

We further confirm that:

In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we ensure that our Lead Manager submits a soft copy of the Prospectus to SEBI. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus. In terms of Regulation 246(1) and (3) of the SEBI (ICDR) Regulations, we shall ensure that our Lead Manager submits a copy of the Offer Document along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Offer Document with Stock Exchange and the Registrar of Companies.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018 this Issue is 100.00% (Hundred Percent) underwritten and shall not be restricted to a minimum subscription level. For further details, pertaining to said underwriting please refer to the paragraph titled ‘*Underwriting*’ under the section titled ‘*General Information*’ on page 62 of this Draft Prospectus.

In accordance with Regulation 268 (1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within four (4) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4th (fourth) day, be liable to repay such application money with interest as prescribed under the SEBI ICDR Regulations, the Companies Act 2013 and applicable laws.

In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we shall enter into an agreement with the Lead Manager to the Issue and Market Maker to ensure compulsory market making for a minimum period of three (3) years from the date of listing of Equity Shares on NSE EMERGE. For further details of the arrangement of market making please refer to the paragraph titled ‘*Details of the Market Making Arrangements for this Issue*’ under the section titled ‘*General Information*’ on page 63 of this Draft Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

NSE EMERGE ELIGIBILITY NORMS

The company is incorporated under the Companies Act, 2013.

Our Company is incorporated under Companies Act, 2013.

The post-issue paid-up equity share capital

The post-issue paid-up capital of the company (face value) shall not be more than ₹ 25 crores.

Track Record

Our Company has track record of more than three years as on date of filing of this Draft Prospectus.

The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.

The Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for at least 3 financial years preceding the application and its net-worth as on March 31, 2023 is positive.

(₹ In Lakhs)

Particulars	September 30, 2023	For the year ended March 31		
		2023	2022	2021
Operating Profit (EBITDA)	227.97	574.49	171.57	121.27
Net Worth	1423.45	705.95	379.78	230.59

Other Listing Conditions

Our Company has a website i.e. www.innomet.net.

Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or No proceedings have been admitted under the Insolvency and Bankruptcy Code against our Company.

Our company has not received any winding up petition admitted by a NCLT/ Court or a liquidator has not been appointed of competent Jurisdiction against the Company.

No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our Company.

None of IPO draft offer document returned during past 6 months from the date of this application, of our Lead Manager filed with the Exchange.

Our company has facilitated trading in demat securities and has entered into an agreement with both the depositories.

Other Disclosures:

We further confirm that:

- a) Neither the stock exchange nor any regulatory authority has taken any material regulatory or disciplinary action in the past one year against our promoters, group companies, companies promoted by the promoters.
- b) Neither our Company nor our promoters, group companies, companies promoted by the promoters

have defaulted in payment of interest and/or principal to debenture/bond/fixed deposit holders, banks, FIs during the past three years.

- c) There are no litigation records against our promoters, group companies, companies promoted by the promoters except disclosed on page 219 in section “*Outstanding Litigation and Other Material Developments*”.
- d) There are no criminal cases/investigation/offenses filed against any Director of our Company.

We further confirm that we will comply with all other requirements as prescribed for such an issue under Chapter IX of the SEBI ICDR Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MANAGER TO THE ISSUE, EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MANAGER TO THE ISSUE, EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER TO THE ISSUE HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [•] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND / 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 LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT PROSPECTUS.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Hyderabad, Telangana, in terms of Section 26, Section 32 and Section 33 of the Companies Act, 2013.

DISCLAIMER FROM OUR COMPANY, OUR PROMOTERS, OUR DIRECTORS AND THE LEAD MANAGER TO THE ISSUE

Our Company and the Lead Manager to the Issue accept no responsibility for statements made otherwise than those contained in the Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The Lead Manager to the Issue accepts no responsibility, save to the limited extent as, provided in the Issue Agreement entered between the Lead Manager to the Issue and our Company on February 12, 2024 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

Our Company shall not be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

All information shall be made available by our Company and the Lead Manager to the Issue to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager to the Issue may engage in transactions with, and perform services for, our Company, our group Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

CAUTION

Applicants who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, provident funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) at Hyderabad, Telangana, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Applicants are advised to ensure that any Application from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Applicant wherever required must agree in the Allotment Advice that such Applicant will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF NSE EMERGE

As required, a copy of this Draft Prospectus has been submitted to NSE EMERGE. The disclaimer clause as intimated by NSE EMERGE to our Company, post scrutiny of this Draft Prospectus, will be included in the Prospectus prior to the filing with the RoC.

FILING

This Draft Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051, Maharashtra, India.

Pursuant to Regulation 246(5) of SEBI ICDR Regulations, a copy of the Prospectus will also be filed with the SEBI in a soft copy. However, SEBI will not issue any observation on the Prospectus in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online on the SEBI Intermediary portal at <https://siportal.sebi.gov.in>

A copy of the Prospectus, along with the documents required to be filed under applicable provisions of the Companies Act, 2013 would be delivered for registration to the Registrar of Company, Hyderabad, Telangana.

LISTING

The Equity Shares of our Company are proposed to be listed on NSE EMERGE platform of the NSE. Our Company has obtained in-principle approval from NSE EMERGE by way of its letter dated [●] for listing of equity shares on SME Platform of NSE i.e., NSE EMERGE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the NSE Emerge is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE EMERGE platform of the NSE Limited mentioned above are taken within three (3) Working Days of the Issue Closing Date.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

‘Any person who-

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

; shall be liable to action under section 447 of the Companies, Act 2013.’

CONSENTS

Consents in writing from our Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Bankers to the Company, Lead Manager to the Issue, Registrar to the Issue, Banker to the Issue*, Legal Advisor to the Issue, Underwriter(s) to the Issue* and Market Maker to the Issue*, to act in their respective capacities shall be obtained as required under applicable provisions of the Companies Act, 2013; and shall be filed along with a copy of the Prospectus with the RoC, as required under applicable provisions of the Companies Act, 2013 and such Consents will not be withdrawn up to the time of delivery of the Draft Prospectus and Prospectus for registration with the RoC.

** The consents will be taken while registering the Prospectus with RoC.*

In accordance with the Companies Act and the SEBI (ICDR) Regulations, G R A N D M A R K & Associates, Chartered Accountants, Statutory Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on '*Statement of Possible Special Tax Benefits*' relating to the possible tax benefits and restated financial statements as included in the Draft Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Draft Prospectus.

EXPERTS OPINION

Except for the reports in the section '*Financial Information*' and '*Statement of Possible Special Tax Benefits*' beginning on page 170 and 99 of this Draft Prospectus from the Peer Review Auditor and Statutory Auditor respectively, our Company has not obtained any expert opinions.

PARTICULARS REGARDING PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE (5) YEARS

Our Company has not made any previous public issue in India or abroad in the five (5) years preceding the date of the Draft Prospectus.

Except as disclosed, hereinafter our Company has not made any previous rights issue in India or abroad in the five (5) years preceding the date of the Draft Prospectus:

Previous issues of Equity Shares otherwise than for cash

For a detailed description, please refer to section titled '*Capital Structure*' beginning on page 66 of this Draft Prospectus.

Commission, brokerage and selling commission on Previous Issues

Since this is the Initial Public Issue of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Performance vis-a-vis objects – Public/right issue of our Company

Except as stated under section titled '*Capital Structure*' beginning on page 66 of this Draft Prospectus, our Company has not undertaken any previous public or rights issue.

Performance vis-a-vis objects – Public/right issue of the listed subsidiaries/ listed promoters of our Company

Our Company does not have any subsidiaries company neither any group/ associate company of our company are listed on any stock exchange.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares

Our Company does not have any outstanding debentures, bonds, or redeemable preference shares as on the date of filing the Draft Prospectus.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing the Draft Prospectus.

Option to Subscribe

Equity Shares being issued through the Draft Prospectus can be applied for in dematerialized form only.

Stock Market Data of the Equity Shares

This being a public Issue of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchanges.

Price information of past issues handled by the Lead Manager:

Sr. No.	Issue name	Issue size (Rs. Lakhs)	Issue price (Rs.)	Listing Date	Opening price on Listing Date (Rs.)	+/- % change in closing price, +/- % change in Closing benchmark		
						30 th calendar days from listing	90 th calendar days from listing	180 th Calendar days from listing
1.	Rite Zone Chemcon India Limited	896.40	75.00	November 11, 2022	82.85	-7.99%; [0.80%]	-11.56%; [-2.60%]	-19.21%; [-0.46%]
2.	Dollex Agrotech Limited	2,438.80	35.00	December 28, 2022	30.00	15.24%; [-1.27%]	-12.70%; [-6.27%]	18.10%; [3.00%]
3.	Sonalis Consumer Products Limited	283.20	30.00	June 19, 2023	38.00	85.59%; [5.30%]	69.65%; [7.66%]	-17.29%; [14.40%]
4.	Zeal Global Services Limited	3,646.20	103.00	August 9, 2023	147.00	57.11%; [0.48%]	32.52%; [-1.12%]	NA
5.	Mangalam Alloys Limited	₹ 5,491.20	80.00	October 04, 2023	80.00	-34.54%; [-1.56%]	-32.70%; [11.86%]	NA
Main Board: NIL								

For details regarding the track record of the LM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website www.expertglobal.in

Sources: All share price data is from www.nseindia.com & www.bseindia.com

Note:

- The Wherever 30th/90th/180th calendar day from the listing day is a holiday, the closing data of the next trading day has been considered.
- The Nifty 50 index is considered as the benchmark index.

Summary statement of price information of past issues handled by Expert Global Consultants Private Limited:

Financial Year	Total no. of IPOs	Total Funds raised (Rs. Crores)	Nos. of IPOs trading at discount on as on 30 th calendar days from listing date			Nos. of IPOs trading at premium on as on 30 th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2023-24	3 [#]	9,420.60	2	-	-	-	1	-	-	-	1	-	-	-
2022-23	2	3,335.20	-	-	1	-	-	1	-	-	1	-	-	1
2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Mechanism for Redressal of Investor Grievances

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or demat credit or where refunds are being made electronically, giving of unblocking instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

Investors can contact the Company Secretary & Compliance Officer, the Lead Manager or the Registrar to the Issue in case of any Pre-Issue or Post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Application Form was submitted, giving full details such as name of the Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID, date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Applicant must enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to the Application submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to Issue for the redressal of routine investor grievances shall be ten (10) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Aanchal Sethia as the Company secretary & Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Her contact details are as follows:

Ms. Aanchal Sethia

Company Secretary & Compliance Officer

Innomet Advanced Materials Limited

B 31, BHEL Ancillary Industrial Estate, Ramchandrapuram, Medak
Hyderabad - 502032 Telangana, India.

Telephone: +91 04023021726

Email-ID: cs@innomet.net

Website: www.innomet.net

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system 'SCORES'. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of the Draft Prospectus and hence there are no pending investor complaints as on the date of the Draft Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

We do not have any listed company under the same management.

Change in Statutory Auditors

Following changes have been made in our Company's statutory auditors in the last three (3) years.

Particulars	Date of change	Reasons for change
G R A N D M A R K & Associates, Chartered Accountants Suite 302, Level 3, Lumbini Amrutha Chambers, Road No 3, Banjara Hills, Hyderabad- 500034, Telangana, India Telephone Number: +91-7207876108, +91- 9963228949 Email: vasanth@grandmarkca.com Firm registration number: 011317N Peer review number: 012124	19/08/2023	Auditor appointed in 4 th Annual General Meeting held on August 19, 2023 to hold office from conclusion of 4 th Annual General meeting to 9 th Annual General Meeting.
G R A N D M A R K & Associates, Chartered Accountants Suite 302, Level 3, Lumbini Amrutha Chambers, Road No 3, Banjara Hills, Hyderabad- 500034, Telangana, India Telephone Number: +91- 9963228949 Email: vasanth@grandmarkca.com Firm registration number: 011317N Peer review number: 012124	10/07/2023	Auditor appointed in Extra Ordinary General Meeting held on July 10, 2023 to hold office till the conclusion of 4 th Annual General Meeting.
G R A N D M A R K & Associates, Chartered Accountants Suite 302, Level 3, Lumbini Amrutha Chambers, Road No 3, Banjara Hills, Hyderabad- 500034, Telangana, India Telephone Number: +91-7207876108, +91- 9963228949 Email: vasanth@grandmarkca.com Firm registration number: 011317N Peer review number: 012124	09/07/2023	Auditor appointment recommended by Board of Directors in Board Meeting held on July 09, 2023 to hold office till the conclusion of 4 th Annual General Meeting.
P Mohan Rao & Co., Chartered Accountants Flat No. 403, Yousufguda Road, Ameerpet, Hyderabad- 500016, Telangana, India Telephone Number: +91 9246156142 Email: pinninti_m@rediffmail.com Firm Registration Number: 009673S Peer review number: NA	30/06/2023	Resignation due to Pre-Occupation

<p>P Mohan Rao & Co., Chartered Accountants Flat No. 403, Yousufguda Road, Ameerpet, Hyderabad- 500016, Telangana, India Telephone Number: +91 9246156142 Email: pinninti_m@rediffmail.com Firm Registration Number: 009673S Peer review number: NA</p>	<p>May 02, 2019</p>	<p>Appointment of Auditor by Board of Directors in their meeting held on May 02, 2019 to hold office from conclusion of that meeting until the conclusion of 1st Annual General Meeting.</p>
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Capitalization of Reserves or Profits

Except as disclosed under section titled '*Capital Structure*' beginning on page 66 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time since inception of the company.

Revaluation of Assets

Our Company has not revalued its assets since inception of the Company.

Other confirmations

Any person connected with the Issue will not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Issue, except for fees or commission for services rendered in relation to the Issue.

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

As on the date of this Draft Prospectus, our Company has not been granted by SEBI, any exemption from complying with any provisions of securities laws.

SECTION XI- ISSUE INFORMATION

ISSUE PROCEDURE

Undertakings by Our Company

We undertake as follows:

1. That our Promoters' contribution in full has already been brought in;
2. That none of the promoter or directors of the company is willful defaulter under Section 5(c) of SEBI (ICDR) Regulations, 2018.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the SEBI Act, 1992, Securities Contract (Regulation) Act, 1956 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements and disclosures made in this Draft Prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS, CFO AND CS OF OUR COMPANY

Name	Designation	Signature
Vinay Choudary Chilakapati (DIN: 08444644)	Managing Director and Chief Executive Officer	Sd/-
Saritha Devi Chilakapati (DIN: 08432017)	Whole Time-Director and Chief Financial Officer	Sd/-
Lakshmi Kanthamma Chilakapati (DIN: 08432016)	Executive Director	Sd/-
Myneni Narayana Rao (DIN: 00577494)	Non-Executive Independent Director	Sd/-
Venkata Bhaskara Rao Chadalavada (DIN: 00931901)	Non-Executive Independent Director	Sd/-
Bhanu Sankara Rao Kota (DIN: 03507808)	Non-Executive Independent Director	Sd/-
Aanchal Sethia (PAN: GDGPS6620M)	Company Secretary & Compliance Officer	Sd/-