

प्रबंधक/ Manager

RAC-निर्गम एवं सूचीबद्धता प्रभाग-1/RAC-Division of Issues and Listing-1

निगम वित्त विभाग/Corporation Finance Department

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ई-मेल/Email: kartikit@sebi.gov.in

August 31, 2026

Aryaman Financial Services Limited,

60, Khatau Building, Gr. Floor,

Alkesh Dinesh Modi Marg,

Fort, Mumbai - 400 001.

Kind Attention: Vatsal Ganatra

महोदय,

Dear Sir,

विषय /Sub: RKB Global Limited का प्रस्तावित आईपीओ /Proposed IPO of RKB Global Limited

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

With reference to the draft offer document in respect of captioned issue, clarifications sought by SEBI and the replies submitted therein, it is stated that on scrutiny of the same, deficiencies / instances of non-compliance of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred to as SEBI (ICDR) Regulations, 2018) and instructions have been observed, which are required to be rectified / complied with by you before filing the offer document with the Stock Exchange and/ or ROC. Observations on the captioned issue and other conditions to be complied with are indicated in Annexure 'I' and 'II'. It may be noted that the deficiencies / requirement of additional disclosures listed in the Annexure are merely illustrative and not exhaustive. It is your responsibility to ensure full and true disclosures.

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

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

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

It is to be distinctly understood that submission of offer document to SEBI should not in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the issue is proposed to be made or for the correctness of the statements made or opinions expressed in the offer document. The LMs have certified that the disclosures made in the offer document are generally adequate and are in conformity with SEBI regulations for disclosures and investor protection in force for the time being. The LMs are advised to ensure the same with respect to SEBI (ICDR) Regulations, 2018. This requirement is to facilitate investors to take an informed decision for making investment in the proposed issue.

3. यह भी पूरी तरह से स्पष्ट किया जाता है कि यद्यपि इस बात की जिम्मेदारी मुख्य रूप से निर्गमकर्ता (इश्युअर) कंपनी की होती है कि प्रस्ताव दस्तावेज में समस्त जरूरी जानकारी प्रकट की जाए और जो सही और पर्याप्त हो, फिर भी अग्रणी प्रबंधकों (लीड मैनेजर्स) से अपेक्षित है कि वे यह सुनिश्चित करने के लिए पूरी तत्परता (ड्यू डिलिजेंस) बरतें कि कंपनी अपनी जिम्मेदारियाँ सही ढंग से निभाए, और इसी उद्देश्य से अग्रणी प्रबंधकों ने भारतीय प्रतिभूति और विनियम बोर्ड (मर्चेन्ट बैंककार) विनियम, 1992 [सेबी (मर्चेन्ट

बैंकर्स) रेग्यूलेशन्स, 1992] के अनुसार सेबी के पास पूरी तत्परता बरते जाने के संबंध में तारीख March 20, 2026 का प्रमाणपत्र (ड्यू डिलिजेंस सर्टिफिकेट) प्रस्तुत किया है।

It should also be clearly understood that while the Issuer Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the offer document, the LMs are expected to exercise Due Diligence to ensure that the Company discharges its responsibility adequately in this behalf and towards this purpose, the LMs have furnished to SEBI a Due Diligence Certificate dated March 20, 2026 in accordance with SEBI (Merchant Bankers) Regulations, 1992.

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

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

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

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

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

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

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

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

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

If filing fees paid by you are more than the actual fees required to be paid, you are advised to inform SEBI about the amount to be refunded, along with detailed calculation of amount refundable and name of the person in whose favor the cheque may be issued by SEBI.

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

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

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

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

स्थान /Place: मुंबई /Mumbai

Kartiki Mahesh Tulaskar
प्रबंधक
Manager

Annexure I**OBSERVATIONS**

1. Please refer to our letter/email dated April 17, 2026 and your reply vide letter dated April 24, 2026 and all other correspondences exchanged in instant matter. In the above regard, LM is advised to ensure that the changes made pursuant to our initial clarifications and all correspondences exchanged are duly incorporated in the updated DRHP/ RHP/ Prospectus.
2. Draft offer document and the offer document, shall not contain any information where no responsibility is taken by the BRLMs or the Issuer Company/ Expert. The Issuer Company / BRLMs shall ensure that the "*Industry Overview*" section represents a fair and true view of the comparable industry scenario and the same is neither exaggerated nor any underlying assumptions have been omitted for investors to make an informed decision.
3. LM is advised to include the industry report in the list of material documents for inspection and also provide a link in the offer document for online access of industry report.
4. Sequencing of the chapters in the offer document shall be strictly in terms of the Schedule VI of SEBI (ICDR) Regulations, 2018.
5. The industry report disclaimers (if any) shall be removed from all places of the offer document.
6. The LM is advised to ensure that offer document is made in lucid and economical language with limited usage of abbreviations. Abbreviations, if any, shall be used only with prior and appropriate disclosure of the corresponding term. Jargons or nomenclatures, if any, shall be properly explained at each and every mention of the same.
7. LM is advised to ensure all quantitative information be provided in tabular form and free from discrepancies/errors in all sections for the ease of reading.
8. LM is advised to ensure that financial disclosures for the stub period and comparative periods shall be made on account of audited, restated and consolidated financials only.
9. These observations while referring to a specific chapter or point, however the LM shall ensure to disclose the same across all pages/chapters where the same/similar matter occurs in the DRHP. The BRLM shall also ensure that these disclosures are made in all filings with SEBI as and when by the BRLM or wherever they are involved in the filing in any manner.

10. Wherever the LM has undertaken to modify the risk factors in its replies, the same shall be duly modified and incorporated in the updated DRHP/ RHP/ Prospectus.
11. Wherever the LM has mentioned "*Noted for compliance*" or "*Complied with and noted for compliance*" in its replies, LM shall ensure that the same are duly complied with.
12. LM is advised to ensure that the disclosure of risk factors are based on materiality, to be supported by quantifiable data to bring out the risk and to make cross-reference the exact page no. of DRHP, wherein the details of information has been disclosed.
13. LM is advised to disclose the date of Board Approvals obtained for disclosed initiatives, such as expansion, expenditures etc. Non-disclosures shall be qualified with reasons.
14. LM is advised that KPIs and financial data wherever disclosed shall be in absolute terms and in % terms, and shall pertain to the disclosed financial period.
15. LM is advised to make uniform presentation of data in terms of the placement of time-periods. LM should ensure that the time-periods are either placed in ascending or descending order, uniformly across the offer document.
16. LM is advised to delete statements whereby any ranking/ achievement/ performance of the Issuer company basis any selective parameters is disclosed in comparison to assessed peers/ listed peers/ selected Indian peers only and not on Industry/ market wide performance of Issuer company from all sections except *Industry Overview* section.
17. LM is advised to confirm that there are no buyback arrangements for purchase of specified securities of the company.
18. LM is advised to confirm that there is no violation of any provision of Companies Act, 2013.
19. LM is advised to verify and confirm that there is no non-compliance of provisions of Companies Act, 2013 (section 25 and 42) regarding deemed public issue by the company in the past directly or indirectly through down selling at the time of filing DRHP / RHP.

20. LM is advised to verify and confirm whether there has been any instance of issuance of equity shares in past by Issuer Company to more than 50/200 investors.

21. LM is advised to disclose the former name of Issuer Company, if any on cover page.

Definitions and Abbreviations

22. For Technical, Company / Industry related Terms or Abbreviations, along with the expanded form, suitable meaning / explanation to be provided in simple language.

23. LM is advised to disclose KPIs in abbreviations section of DRHP.

Summary of the Offer Document

24. Simple conversational language to be used. No abbreviations shall be used.

25. LM is advised to ensure that the primary business of the company shall be disclosed in lucid and economical language. The disclosure shall specify the industry, sector, activity, products etc with clarity.

26. In Summary of primary business of Issuer Company, LM is advised to disclose the revenue model and the business model of the issuer company.

27. LM is advised to disclose the details of related party transactions including the name of each parties / relationship / nature of transaction / transaction value / and RPTs as percentage of total revenue. LM is advised to disclose a separate Risk Factor in top 10 highlighting the risk involved in such transactions. LM shall ensure that exact page reference is given for detailed RPT disclosure in DRHP.

28. LM is advised to ensure that the following details are provided in the UDRHP/RHP - Price at which specified security (including preference shares) was acquired in the last 3 years, by each of the promoters, promoter group, selling shareholders, shareholders entitled with right to nominate directors or any other rights. Following details may be disclosed for such transactions in tabular format – name of acquirer, date of acquisition, number of shares acquired and acquisition price per share.

Risk Factors

29. Every Risk Factor shall be provided with a cross-reference to the detailed description of the facts/reasons in the updated DRHP / RHP, wherever

applicable. Any past instances in the last three financial years and stub period and their impact, if material, shall be disclosed in Risk factors.

30. The risk factors, to the extent possible, should disclose the specific as well as financial/economic impact on the company rather than being generic.
31. LM is advised to rearrange the risk factors in order of importance/ materiality.
32. LM is advised to make a separate risk factor on revenue mix from each segment.
33. LM is advised to make a separate risk factor on major costs incurred in business and make it top 15 risk factor.
34. LM is advised to make a separate risk factor on indebtedness and the conditions and restrictions imposed by financing arrangements may limit ability of Issuer Company to grow business and adversely impact business.
35. LM is advised to disclose the impact of power and fuel cost fluctuations on the manufacturing segment, including the source of power supply for the factories and whether any captive power generation capabilities exist to mitigate tariff hikes.
36. LM is advised to disclose the historical frequency and financial impact of logistics or freight disruptions, considering the company relies heavily on road transport to distribute industrial steel products to infrastructure sites.
37. LM is advised to make the risk factor disclosing geopolitical and regulatory risks relating to overseas operations, a top 15 risk factor.
38. LM is advised to make risk factor on absence of long-term contractual arrangements in logistics and transportation, a top 15 risk factor.
39. LM is advised to make a separate risk factor on Issuer Company has during various financial years, undertaken issuances of Equity shares and preference shares, including through private placements, rights issues and conversion of compulsorily convertible preference shares, as well as secondary transfers of equity shares by existing shareholders. As a result of such transactions, as on date of DRHP, Issuer Company has 633 shareholders classified under the public category and associated impact. LM is advised to make the same a top 15 risk factor.
40. LM is advised to make a separate risk factor on –
 - Revenues are dependent on ability to maintain and expand existing customer base and ability to attract new customers.
 - Industry is highly competitive.

- The business model of Issuer Company is highly cash intensive business model.
- The steel industry is inherently cyclical. Downturns in real estate, automotive, or infrastructure development directly shrink the company's top-line revenue.

Capital Structure

41. LM to verify and confirm / disclose the compliance of regulation 16 and 17 of SEBI ICDR Regulation.
42. LM to confirm regarding the compliance of Companies Act, 1956 and Companies Act, 2013 along with certificate of Auditors in this regard.
43. LM to disclose the whether the entities to whom private placement has been made, if any are related to the promoters / promoter group / directors of the issuer company.

Objects of the offer

44. LM is advised to ensure appointment of monitoring agency before filing UDRHP.
45. LM is advised to disclose a detailed, month-wise justification for the ₹50 crore working capital requirement, including historical debtor turnover days, inventory holding cycles, and a clear explanation of how the proposed infusion will optimize the company's operating cash cycle.
46. LM is advised to disclose why the company is raising fresh equity to repay debt when its current Debt-to-Equity ratio sits at a manageable 0.31, clarifying if cash flows from operations are insufficient to service existing debt obligations.

Basis for Issue Price

47. LM is advised to disclose operational KPIs of the company in *Basis for Offer Price* section, as deemed appropriate.
48. LM is advised to explain and disclose reasons/ rationale for selection of listed peers disclosed in *Basis for Offer Price* section. Further, explain reasons for non-inclusion of listed peers in similar line of business.
49. LM is advised to ensure that disclosure made with respect to Offer Price and Price Band are in compliance with Part VII of Chapter II of SEBI (ICDR) Regulations, 2018. LM is advised to refrain from making any disclosure in the offer document w.r.t. offer price which are not in line with SEBI (ICDR) Regulations, 2018 such as "The Offer Price will be decided by our Company and

the Selling Shareholders, in consultation with the Selling Shareholders and the BRLMs after the Bid/Offer Closing Date". LM is advised to make necessary changes in the offer document wherever applicable. LM is advised to ensure for all future issues as well.

Industry Overview

50. LM is advised to ensure that RFs as disclosed in the industry reports are included under the chapter on Risk Factors, including threats and challenges as identified in the report.

Our Business

51. LM is advised to disclose names of other auditors who have audited financial statements which have been relied on by statutory auditor for the purpose of issuing examination report on restated consolidated financial information
52. LM is advised to disclose in detail, all violations and actions taken by statutory or regulatory authorities against the company.
53. LM is advised to disclose updated status of other material litigations against the company including any action against the company and any action taken by company to ensure compliance required in terms of litigations.
54. LM is advised to disclose a comprehensive, audited segment-wise asset, revenue, and liability breakdown for the last three financial years to clearly illustrate the sustainability of the structural pivot from low-margin trading to manufacturing.
55. LM is advised to disclose the historical, month-wise capacity utilization rates for the Wada and Taloja manufacturing facilities, clearly justifying the commercial rationale behind expanding capacity to over 76,000 MTPA when current capacities may not be fully optimized.

Financial Information

56. LM is advised to ensure and confirm that all financial information disclosed in DRHP is certified by Chartered accountant/ statutory auditor of the company and such certificates shall form part of material documents available for inspection.
57. LM is advised to verify all financial information/ information derived from financial statements disclosed in the DRHP. All such information/ data disclosed shall also be certified by independent chartered accountant/ statutory auditor. Capacity/

production, etc. related relevant data shall also be certified by chartered engineer.

58. LM shall confirm whether there has been a change in auditor(s) before completion of the appointed term (in any of the past five fiscal years), and the reasons thereof.

59. LM is advised to disclose updated financial information, as applicable.

60. LM to disclose those parameter which are better KPI as a Risk Factor for comparable companies.

Legal and Other Information

61. LM is advised to identify and include risk factor for material litigation, if any, which may adversely affect the company.

62. LM shall update the details of the status of litigation with the latest/ updated position of litigations against promoter/ promoter group entities/ company and the companies promoted by the issuer.

63. LM is advised to ensure the disclosures of all actions taken by the statutory and regulatory authority.

64. LM shall disclose the details of the pledged shares held by the promoters/promoter group, if any in the Issuer Company / its subsidiaries.

65. LM is advised to disclose the current legal, financial, and regulatory status of the proposed acquisition of V.S. Dempo Mining Corporation, including total cash consideration, pending environmental clearances, and the exact timeline for completion.

Others regulatory and statutory disclosures

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

- i. UDRHP is filed with SEBI not less than seven working days prior to submission of the draft advertisement for announcement of price band advertisement.
- ii. UDRHP shall contain necessary updated disclosures *justifying the offer price* under Section – “Basis for offer price”, “Risk Factors” etc., particularly emphasizing on appropriate Key Performance Indicators as applicable to the industry in which the issuer company operates in quantitative terms, (For illustration, P/E ratio in case DRHP is filed under Regulation 6 (1) of the ICDR Regulations (and /or) Market Cap / Total

Revenue ratio in case DRHP is filed under Regulation 6(2) of the ICDR Regulations), with corresponding suitable explanations so as to justify the offer price.

67. LM is advised to ensure that the processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.
68. LM is advised to disclose the details of all profit sharing arrangements involving the Issuer, promoters, promoter group, directors and shareholders, if any.
69. Ensure that details of the Directors in the section titled "Management" clearly depicts if any director is a nominee. If so, please also disclose the details who have nominated them. Similarly, such details to be disclosed for the KMPs as well. Please also confirm that apart from that disclosed in the offer document, there are no other nominee directors, KMPs or other persons etc. appointed on behalf any of the shareholders or any other person.
70. LM is advised to verify and disclose if the name of any of the directors, promoter and promoter group persons is appearing in the list of directors of struck-off companies by ROC/ MCA. Also verify and disclose if the name of the promoter group companies and group companies is appearing in the list of struck-off companies by ROC/ MCA.
71. LM to disclose all the complaints received so far, if any and forwarded by SEBI for comments be under material documents available for inspection along with their respective replies.
72. With respect to all the complaints received by LM/Company and complaints forwarded by SEBI, LM is advised to ensure that there is adequate redressal of the complaint and relevant disclosures, if required, are made in the Red Hearing Prospectus and other Offer related material along with the disclosures of the Financial Impact of the same, if any. Further, LM is advised to incorporate a prominent Risk Factor, if required, for such complaints received.
73. LM is advised to update the RHP in respect to all pending litigations including for any legal notices where the Company is in receipt of such notices post filing of DRHP.

74. LM is advised to ensure that the details of all the criminal matters initiated against the company, group companies, directors, subsidiaries which are at FIR stage and no/some cognizance has been taken by court is incorporated in the RHP along with appropriate risk factors in this regard.
75. LM is advised to include a reference to the circulars CFD/DIL2/CIR/P/2018/22 dated Feb 15, 2018 and CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 at all applicable sections in DRHP.
76. Under section "Monitoring of Utilization of funds", LM is also advised to make suitable disclosure on following points:
- The proceeds of the issue shall also be monitored by the Audit Committee till utilization of the proceeds.
 - For any investments in acquisitions or strategic partnership or any inorganic growth initiative, post IPO from the IPO proceeds, detailed disclosures of same shall be made in public domain at that time.
 - Issuer Company shall provide details / information / certifications obtained from statutory auditors on the utilization of the Net Proceeds to the Monitoring Agency.
 - Issuer Company shall for the purpose of quarterly report by Monitoring Agency, provide item by item description for all the expense heads under each object of the issue.
 - Issue Company shall in its quarterly Notes to Accounts of its Financial Statements include the employment of issue proceeds under various heads.
77. LM is advised to disclose offer expense to be borne by the issuer vis-à-vis Gross Fresh proceeds only (excluding expenses for OFS). LM is advised to ensure that Net offer should be calculated as Proceeds from Fresh issuance deducted by offer expense to be borne by the issuer.
78. LM is advised to ensure following disclosures in the Issue advertisement for announcement of Price Band and all further advertisements as a box item below the price band:
- "Risks to Investors:*
- The [to be disclosed] Merchant Bankers associated with the issue have handled [to be disclosed] public issues in the past three years out of which [to be disclosed] issues closed below the issue price on listing date."*
 - Any adverse data in the basis for issue price should be disclosed. For example:*

- “The Price/Earnings ratio based on diluted EPS for [latest full financial year] for the issuer at the upper end of the Price band is as high as [to be disclosed] as compared to the average industry peer group PE ratio of [to be disclosed].”

[if average industry peer group PE ratio is not available, then P/E of Nifty Fifty may be disclosed]

- “Average cost of acquisition of equity shares for the selling shareholders in IPO is [to be disclosed] and offer price at upper end of the price band is [to be disclosed].”
- “Weighted Average Return on Net Worth for [last three full financial years] is [to be disclosed] %.”

The data on above disclosures shall be updated and disclosed prominently (in the same font size as the price band) in advertisements of Price Band and all further advertisements, website of the company and the stock exchange. Further, any adverse ratio / data in basis for issue price should be disclosed.

79. LM shall submit the draft advertisement for announcement of Price Band with SEBI before its publication in the newspapers for our comments, if any.
80. In respect of advertisement for announcement of Price Band, LM shall ensure the following is included:
 - i. Recommendation of the Committee of Independent Directors that the price band is justified vis-à-vis the last round of fund raising giving quantitative factors / KPIs.
 - ii. The portion pertaining to “Risks to Investors” shall constitute at least 33% of the price band advertisement space.
 - iii. LM shall ensure that all issuer companies filing offer document should provide - Price at which specified security was acquired in the last 3 years, by each of the promoters, promoter group, selling shareholders, shareholders entitled with right to nominate directors or any other rights. Following details may be disclosed for such transactions in tabular format – name of acquirer, date of acquisition, number of shares acquired and acquisition price per share.
 - iv. The risks to investors shall include weighted average cost of acquisition of all shares transacted in last 3 years and 1 year, from the date of RHP, in the following format:

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

- v. The font size for price band and “Risk to investors” should be increased to match the font of BID/Offer Programme.
 - vi. Matters related to ASBA and UPI may be brought subsequent to Price Band, Risks to Investors, Bid/ Offer Programme and other offer details, and can be of smaller font.
 - vii. The portion pertaining to “BRLMs” shall not constitute more than 10% of the price band advertisement space.
81. LM shall ensure that the details with respect to Fresh Issue and Offer for Sale be separately disclosed in the Price Band advertisement and details of selling shareholders be presented in a tabular format.
82. LM shall ensure that the range of acquisition price (lowest price-highest price), as disclosed in the RHP and Price Band advertisement, should not be ‘Nil’ and be computed exclusive of bonus and gift.
83. LM is advised to disclose major risk factors concisely in the “Risk to investors” section of the Price Band Advertisement.
84. LM shall ensure that the details of past issues handled by BRLMs, which closed below the offer price on the listing date, to be published in the below mentioned format:

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

Annexure II**General Observations**

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

7. In terms of Regulation 7.(1)(c) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and Regulation 31.(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Issuer Company and the Lead Manger are advised to ensure compliance with the requirement pertaining to shareholding of promoter(s) and promoter group to be held in dematerialised form.
8. LM is advised to ensure that SCORES authentication is taken by the issuer company prior to listing.
9. In pursuance of Regulation 25 Sub-Regulation 9(a) of SEBI (ICDR) Regulations, 2018, LM is advised to certify while submitting the in-seriatim reply that all amendments, suggestions and observations advised by SEBI have been complied with and duly incorporated in the offer document, while also indicating the page number for the same.

10. ASBA:

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

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

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

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

ASBA *
 (APPLICATION SUPPORTED BY BLOCKED AMOUNT)

Simple, Safe, Smart way of Application !!!

Mandatory in public issue .No cheque will be accepted



now available in ASBA for retail individual investors.

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

For further details check section on ASBA below."

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

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

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

*ASBA bid-cum application forms can be downloaded from the websites of Bombay Stock Exchange and National Stock Exchange and can be obtained from the list of banks that is displayed on the website of SEBI at **www.sebi.gov.in**.**List of banks supporting UPI is also available on the website of SEBI at **www.sebi.gov.in****.*
