

**IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS**



(Please scan this QR code to view the RHP)

This is an abridged prospectus containing salient features of the red herring prospectus of Azad Engineering Limited (the "Company") dated December 14, 2023 filed with the Registrar of Companies, Telangana at Hyderabad (the "RHP" or "Red Herring Prospectus"). You are encouraged to read greater details available in the RHP, which is available at <https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListing=yes&sid=3&ssid=15&smid=11>. Unless otherwise specified all capitalized terms used herein and not specifically defined shall bear the same meaning as ascribed to them in the RHP. This abridged prospectus is not for distribution outside of India.

**THIS ABRIDGED PROSPECTUS CONSISTS OF FOUR PAGES OF BID-CUM-APPLICATION FORM ALONG WITH INSTRUCTIONS AND EIGHT PAGES OF ABRIDGED PROSPECTUS. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**

Please ensure that you have read the RHP, this abridged prospectus ("Abridged Prospectus") and the general information document for investing in public issues ("GID") undertaken through the Book Building Process before applying in the Offer. The investors are advised to retain a copy of the RHP/Abridged Prospectus for their future reference. You may obtain a physical copy of the Bid-cum-Application Form and the RHP from the Stock Exchanges, Members of the Syndicate, Registrar to the Offer, Registrar and Share Transfer Agents ("RTAs"), Collecting Depository Participants ("CDPs"), Registered Brokers, Bankers to the Offer, Investors' Association or Self Certified Syndicate Banks ("SCSBs"). You may also download the RHP from the website of Securities and Exchange Board of India ("SEBI") at [www.sebi.gov.in](http://www.sebi.gov.in), at the websites of National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"), and together with NSE, the "Stock Exchanges" at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com), respectively, at the website of the Company at [www.azad.in](http://www.azad.in) and the website of the Book Running Lead Managers at [www.axiscapital.co.in](http://www.axiscapital.co.in), [www.icicisecurities.com](http://www.icicisecurities.com), [www.sbcaps.com](http://www.sbcaps.com) and [www.anandratihb.com](http://www.anandratihb.com).



**AZAD ENGINEERING LIMITED**

**Corporate Identity Number:** U74210TG1983PLC004132; **Date of Incorporation:** September 14, 1983

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
90/C, 90/D, Phase-1, I.D.A. Jeedimetla, Hyderabad 500055, Telangana, India	Ful Kumar Gautam (Company Secretary and Compliance Officer)	Email: <a href="mailto:cs@azad.in">cs@azad.in</a> Telephone: +91 40 2309 7007	<a href="http://www.azad.in">www.azad.in</a>
<b>THE PROMOTER OF OUR COMPANY IS RAKESH CHOPDAR</b>			

DETAILS OF THE OFFER				
TYPE	SIZE OF FRESH ISSUE	SIZE OF OFFER FOR SALE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIBs AND RIBs
Fresh Issue and Offer for Sale	Up to [●] equity shares of face value of ₹2 each aggregating up to ₹2,400.00 million	Up to [●] equity shares of face value of ₹2 each aggregating up to ₹5,000.00 million	Up to [●] equity shares of face value of ₹2 each aggregating up to ₹7,400.00 million	This Offer is being made in terms of Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"). For details in relation to share reservation among QIBs, Non-Institutional Bidders, Retail Individual Bidder and Eligible Employees, see "Offer Structure" beginning on page 389 of the RHP.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE			
NAME OF THE SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OF FACE VALUE OF ₹2 EACH ("EQUITY SHARES") OFFERED/ AMOUNT IN ₹	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)#
Rakesh Chopdar	Promoter Selling Shareholder	Up to [●] Equity Shares aggregating up to ₹2,049.65 million	0.34
Piramal Structured Credit Opportunities Fund	Investor Selling Shareholder	Up to [●] Equity Shares aggregating up to ₹2,608.51 million	321.41
DMI Finance Private Limited	Other Selling Shareholder	Up to [●] Equity Shares aggregating up to ₹341.84 million	267.03

# As certified by the Independent Chartered Accountant, by way of their certificate dated December 14, 2023.

The Equity Shares are proposed to be listed on National Stock Exchange of India Limited and BSE Limited For the purposes of the Offer, BSE Limited is the Designated Stock Exchange (the "Designated Stock Exchange").

PRICE BAND, MINIMUM BID LOT AND INDICATIVE TIMELINES	
Price Band	₹499 per Equity Share to ₹524 per Equity Share of face value of ₹2 each.
Minimum Bid Lot Size	28 Equity Shares and in multiples 28 Equity Shares thereafter
Bid/Offer Opens On	Wednesday, December 20, 2023 <sup>(1)</sup>
Bid/Offer Closes On	Friday, December 22, 2023 <sup>(2)</sup>
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Tuesday, December 26, 2023
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about Wednesday, December 27, 2023
Credit of Equity Shares to demat accounts of Allottees	On or about Wednesday, December 27, 2023
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Thursday, December 28, 2023

<sup>1</sup> Our Company shall, in consultation with the Book Running Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations, i.e. Tuesday, December 19, 2023.

<sup>2</sup> UPI mandate end time and date shall be at 5.00 p.m. on Bid/Offer Closing Date.

\* In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day

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or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/ CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable. The processing fees for applications made by UPI Bidders 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 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI master circular no. SEBI/HO/CFD/ PoD-2/P/CIR/2023/00094 dated June 21, 2023.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U. S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdictions where such offers and sales are made.

**Weighted average cost of acquisition for all Equity Shares transacted over the preceding eighteen months preceding the date of the Red Herring Prospectus.**

Period	Weighted Average Cost of Acquisition (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price Lowest Price - Highest Price (in ₹)
Last 18 months preceding the date of the Red Herring Prospectus	254.47	2.06 times	NIL to ₹321.41

As certified by the Independent Chartered Accountant, by way of their certificate dated December 14, 2023.

### RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹2. The Floor Price, Cap Price and Offer Price (determined by our Company, in consultation with the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations), and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in "Basis for Offer Price" beginning on page 101 of the RHP, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have neither been recommended, nor approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the Bidders is invited to "Risk Factors" beginning on page 28 of the Red Herring Prospectus and page 9 of this Abridged Prospectus.

### PROCEDURE

You may obtain a physical copy of the Bid-cum-Application Form and the RHP from the Stock Exchanges, Members of the Syndicate, Registrar to the Offer, Registrar and Share Transfer Agents ("RTAs"), Collecting Depository Participants ("CDPs"), Registered Brokers, Underwriters, Bankers to the Offer, Investors' Associations or Self Certified Syndicate Banks ("SCSBs").

If you wish to know about processes and procedures applicable to this Offer, you may request for a copy of the RHP and/or the GID from the BRLMs or download it from the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), the websites of NSE and BSE at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com), respectively and the websites of the BRLMs at [www.axiscapital.co.in](http://www.axiscapital.co.in), [www.icicisecurities.com](http://www.icicisecurities.com), [www.sbcaps.com](http://www.sbcaps.com) and [www.anandraithib.com](http://www.anandraithib.com).

### PRICE INFORMATION OF BRLMs

S. No.	Issue Name	Name of the BRLMs	+/- % change in closing price, +/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1	Flair Writing Industries Limited	Axis	-	-	-
2	ASK Automotive Limited	Axis, ICICI Securities	-	-	-
3	JSW Infrastructure Limited	Axis, SBICAPS	+41.34%, [-2.93%]	-	-
4	SignatureGlobal (India) Limited	Axis	+35.79%, [-4.36%]	-	-
5	R R Kabel Limited	Axis	+34.45%, [-1.75%]	-	-
6	TVS Supply Chain Solutions Limited	Axis	+8.71%, [+1.53%]	+6.57%, [+1.29%]	-
7	SBFC Finance Limited	Axis	+51.75%, [+3.28%]	+61.14%, [-0.11%]	-
8	Blue Jet Healthcare Limited	ICICI Securities	+4.08% [+6.02%]	-	-
9	Cello World Limited	ICICI Securities	+21.92% [+7.44%]	-	-
10	ESAF Small Finance Bank Limited	ICICI Securities	+12.87%, [+7.58%]	-	-

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S. No.	Issue Name	Name of the BRLMs	+/- % change in closing price, +/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
11	Protean eGov Technologies Limited	ICICI Securities	+45.21%,[+7.11%]	-	-
12	Gandhar Oil Refinery (India) Limited	ICICI Securities	-	-	-
13	Fedbank Financial Services Limited	ICICI Securities	-	-	-
14	Indian Renewable Energy Development Agency Limited	SBICAPS	-	-	-
15	Updater Services Ltd	SBICAPS	-13.73% [-1.56%]	-	-
16	Yatra Online Limited	SBICAPS	-11.06% [2.63%]	-	-
17	Senco Gold Limited	SBICAPS	25.28% [0.70%]	105.32% [1.26%]	-
18	Tamilnad Mercantile Bank Limited	SBICAPS	-8.43% [3.36%]	2.14% [+4.34%]	-15.82% [-2.83%]
19	Paradeep Phosphates Limited	SBICAPS	-10.24% [3.93%]	27.50% [+7.65%]	31.19% [+11.91%]
20	Paras Defence and Space Technologies Limited	Anand Rathi	+435.77%[+0.92%]	+321.77% [-1.63%]	+259.29%[-1.99%]
21	Anand Rathi Wealth Limited	Anand Rathi	+12.38%[+5.22%]	+4.46%[-4.42%]	+19.55%[-6.56%]
22	Electronics Mart India Limited	Anand Rathi	+46.02%[+5.88%]	+42.63%[+3.72%]	+23.81%[+2.98%]

Source: [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)

Notes:

- Issue Size derived from Prospectus/final post issue reports, as available.
- The CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
- Price on NSE or BSE is considered for all of the above calculations as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
- In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.
- Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

For further details, please refer to "Other Regulatory and Statutory Disclosures - Price information of past issues handled by the BRLMs" on page 373 of the RHP.

**BOOK RUNNING LEAD MANAGERS**

<b>Axis Capital Limited</b> Tel: +91 22 4325 2183 E-mail: <a href="mailto:azad.ipo@axiscap.in">azad.ipo@axiscap.in</a> Investor Grievance E-mail Id: <a href="mailto:complaints@axiscap.in">complaints@axiscap.in</a>	<b>SBI Capital Markets Limited</b> Tel: +91 22 4006 9807 E-mail: <a href="mailto:azad.ipo@sbicaps.com">azad.ipo@sbicaps.com</a> Investor Grievance E-mail Id: <a href="mailto:Investor.Relations@sbicaps.com">Investor.Relations@sbicaps.com</a>	<b>ICICI Securities Limited</b> Tel: +91 22 6807 7100 E-mail: <a href="mailto:azad.ipo@icicisecurities.com">azad.ipo@icicisecurities.com</a> Investor Grievance E-mail Id: <a href="mailto:customercare@icicisecurities.com">customercare@icicisecurities.com</a>	<b>Anand Rathi Advisors Limited</b> Tel: +91 22 4047 7120 E-mail: <a href="mailto:ael.ipo@rathi.com">ael.ipo@rathi.com</a> Investor Grievance E-mail Id: <a href="mailto:grievance.ecm@rathi.com">grievance.ecm@rathi.com</a>
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<b>Name of Syndicate Members</b>	Investec Capital Services (India) Private Limited, SBICAP Securities Limited and Anand Rathi Share and Stock Brokers Limited
<b>Name of Registrar to the Offer</b>	<b>KFin Technologies Limited</b> (formerly known as KFin Technologies Private Limited) Tel: +91 40 6716 2222; E-mail ID: <a href="mailto:azad.ipo@kfintech.com">azad.ipo@kfintech.com</a> ; Investor grievance e-mail ID: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a>
<b>Name of Statutory Auditor</b>	M S K A & Associates
<b>Name of Credit Rating Agency and the rating or grading obtained, if any</b>	As this is an Offer consisting only of Equity Shares, there is no requirement to obtain credit rating for the Offer.
<b>Name of Debenture Trustee</b>	Not Applicable

<b>Self-Certified Syndicate Banks</b>	The list of recognised intermediaries notified by SEBI is available at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> , or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB branches with which an ASBA Bidder (other than a UPI Bidders), not Bidding through Syndicate/ Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> , or at such other websites as may be prescribed by SEBI from time to time.
<b>Self-Certified Syndicate Banks and mobile applications enabled for Unified Payments Interface Mechanism</b>	In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated April 5, 2022, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, read with other applicable UPI Circulars, UPI Bidders bidding through UPI Mechanism may apply through the SCSBs and mobile applications, using UPI handles, whose names appears on the SEBI website. A list of SCSBs and mobile applications, which, are live for applying in public issues using UPI mechanism is provided in the list available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> and <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> , respectively, and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

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<b>Syndicate SCSB Branches</b>	In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> ) and updated from time to time or any such other website as may be prescribed by SEBI from time to time.
<b>Non-Syndicate Registered Brokers</b>	Bidders (other than RIBs) can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <a href="https://www.bseindia.com/static/markets/Derivatives/DeriReports/membership.aspx">https://www.bseindia.com/static/markets/Derivatives/DeriReports/membership.aspx</a> and <a href="https://enit.nseindia.com/MemDirWeb/searchBrokers_Beta?step=searchBrokersList">https://enit.nseindia.com/MemDirWeb/searchBrokers_Beta?step=searchBrokersList</a> , as updated from time to time. For further details, see section titled “Offer Procedure” beginning at page 393 of the RHP.
<b>Details regarding website address(es)/ link(s) from which the investor can obtain a list of CRTAs, CDPs and stock brokers who can accept applications from investors, as applicable:</b>	<p>The list of the RTAs eligible to accept ASBA Forms (other than RIBs) at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <a href="https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx">https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx</a> and <a href="https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures">https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures</a>, as updated from time to time.</p> <p>The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the Stock Exchanges at <a href="https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx">https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx</a> and <a href="https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures">https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures</a>, respectively, as updated from time to time.</p> <p>For further details, see “Offer Procedure” on page 393 of the RHP.</p>

### PROMOTERS OF OUR COMPANY

Sr. No.	Name	Individual/Corporate	Experience and Education Qualification / Corporate Information
1.	Rakesh Chopdar	Individual	He is the Chairman and CEO of our Company. He has completed his education until the 10th standard from Trinity Public School, Hyderabad, Telangana. He has been involved with our Company since 2003 and has more than two decades of experience in engineering and manufacturing activities. He has won the third prize at the “National Award for Outstanding Entrepreneurship” under “Small Enterprises (Manufacturing)” from the Government of India, MSME in 2012, “Young Asian Entrepreneur 2019-20” by CNBC – TV18 in 2020 and the National MSME Award-2022 first prize in manufacturing export medium enterprise by the Government of India, Ministry of Micro, Small and Medium Enterprises.

For details in respect of our Promoter, please see the section entitled “Our Promoter and Promoter Group” beginning on page 259 of the RHP.

### OUR BUSINESS OVERVIEW AND STRATEGY

**Company overview:** We are one of the key manufacturers of our qualified product lines supplying to global original equipment manufacturers (“OEMs”) in the energy, aerospace and defence, and oil and gas industries, manufacturing highly engineered, complex and mission and life-critical components (*Source: EY Report*). We manufacture complex and highly engineered precision forged and machined components that are mission and life-critical and hence, some of our products have a “zero parts per million” defects requirement (*Source: EY Report*). As of September 30, 2023, we generated a revenue of ₹1,142.92 million from sale of airfoils/ blades for the energy industry, which comprised of 72.00% of our revenue from operations. We compete with manufacturers from China, Europe, USA and Japan (*Source: EY Report*). Our customers include global OEMs across the energy, aerospace and defence, and oil and gas industries such as General Electric, Honeywell International Inc., Mitsubishi Heavy Industries, Ltd., Siemens Energy, Eaton Aerospace and MAN Energy Solutions SE.

**Geographies Served:** India, Japan, USA, UAE, Germany, Switzerland, UK, Hungary, France, Italy, Sweden, South Africa, Poland, Saudi Arabia and Singapore. The table below sets out the details of our total revenue from contracts with customers with geographical location outside India:

	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Outside India (in ₹ million)	1,423.79	2,023.08	1,518.17	1,007.33
Outside India % (in %)	89.69	80.38	78.07	82.08

**Product/ Service Offering and Industries Served :** Our diversified product ranges across energy, aerospace and defence, and oil and gas industries. The products that we manufacture are highly engineered, complex, mission and life critical high precision forged and machined components, which we believe, makes us stand out as a strategic partner to OEMs in the industries in which we operate. As of September 30, 2023, we have approximately 45 qualified manufacturing processes and 1,400 qualified parts and components.

Our products include 3D rotating airfoil/ blade portions of turbine engines and other critical components for (a) gas, nuclear and thermal turbines used in industrial applications or energy generation, and (b) defence and civil aircrafts and spaceships. The demand for such precision, forged and machined components is driven by requirements relating to energy turbines (industrial, gas, nuclear and coal), aircrafts (commercial and military), amongst others (*Source: EY Report*). Airfoils/ blades are one of the most critical 3D rotating and stationary parts of a turbine in the compression section. To sustain the high pressure, airfoils/ blades are made up of exotic/ super alloys and manufactured with a unique process designed by our Company.

#### **Key Performance Indicators (“KPIs”) :**

The list of KPIs and as certified by the Independent Chartered Accountant by way of their certificate dated December 14, 2023, is set out below for the indicated period:

(in ₹ million, unless otherwise stated)

Particulars	Six months ended September 30, 2023	As at / for the Fiscal ended March 31,		
		2023	2022	2021
Revenue from operations	1,587.47	2,516.75	1,944.67	1,227.21
Revenue from operations growth <sup>(1)</sup> (%)	- **	29.42	58.46	- *
Revenue from customers outside India	1,423.79	2,023.08	1,518.17	1,007.33
Gross Profit <sup>(2)</sup>	1,388.48	2,215.24	1,737.05	1,089.12
Gross Margin <sup>(3)</sup> (%)	87.47	88.02	89.32	88.75
EBITDA <sup>(4)</sup>	525.29	722.78	622.68	281.54
EBITDA Growth <sup>(5)</sup> (%)	- **	16.08	121.17	- *
EBITDA Margin <sup>(6)</sup> (%)	33.09	28.72	32.02	22.94
Profit after tax for the period/year	268.89	84.73	294.57	115.00
Profit Margin <sup>(7)</sup> (%)	16.94	3.37	15.15	9.37
Return on Capital Employed <sup>(8)</sup> (%)	9.63***	12.99	16.95	12.09

\* Not included as the comparative period figures under Ind AS for FY 2020 / as on March 31, 2020 are not available

\*\* This figure has not been disclosed as it has not been annualised.

\*\*\* Not annualised

Notes: (1) Revenue from operations growth (year on year) means the annual growth in Revenue from operations. (2) Gross Profit is calculated as Revenue from operations less Cost of Goods Sold. Cost of goods sold is the sum of Cost of materials consumed, Purchases of stock-in-trade and increase/ decrease in inventories. (3) Gross Margin is calculated as Gross Profit divided by Revenue from Operations. (4) EBITDA is calculated as restated profit before tax plus finance costs, depreciation and amortisation expense less other income. (5) EBITDA Growth (year on year) means the annual growth in EBITDA. (6) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations. (7) Profit Margin is calculated as profit after tax as a percentage of revenue from operations. (8) Return on Capital Employed (%) is calculated as EBIT divided by Capital Employed. EBIT is calculated as restated profit after tax for the year/ period plus total tax expense plus finance costs and capital employed is calculated as the sum of total equity, current borrowings, and non-current borrowings.

**Intellectual Property:** Our intellectual property includes one domain name and applications have been made for two trademarks (word and device) i.e., our corporate logo “” and “AZAD ENGINEERING” (applications numbers 2354716 and 5810054). Our domain name expires on November 5, 2024. For further details, see “Our Business - Intellectual Property” on page 227 of the RHP.

**Market Share:** In Financial Year 2023, we have supplied to customers which control approximately 70% of the gas turbine market (based technology ownership and number of units ordered in first half of Fiscal 2022) globally (Source: EY Report). We supply components to five of the key manufacturers in the turbine manufacturing industry (Source: EY Report).

We supply components to six of the key manufacturers in the aerospace and defence industries (Source: EY Report).

We have supplied components to one of the global manufacturers in the drilling equipment manufacturing industry (Source: EY Report).

**Manufacturing Facilities:** We have four advanced manufacturing facilities in Hyderabad, Telangana, India, capable of producing high precision forged and machined components with a total manufacturing area of approximately 20,000 square metres.

**Employee Strength:** As of September 30, 2023, our skilled workforce of 1,300 personnel. As of September 30, 2023, we engaged a total of 248 contract workers/ temporary employees. For details, see “Our Business- Employees” on page 225 of the RHP.

## BOARD OF DIRECTORS

S. No.	Name and designation	Experience and educational qualification	Other directorships
1	Rakesh Chopdar Chairman and CEO	He has completed his education until the 10th standard from Trinity Public School, Hyderabad, Telangana. He has been involved with our Company since 2003 and has more than two decades of experience in engineering and manufacturing activities. He has won the third prize at the “National Award for Outstanding Entrepreneurship” under “Small Enterprises (Manufacturing)” from the Government of India, MSME in 2012, “Young Asian Entrepreneur 2019-20” by CNBC – TV18 in 2020 and the National MSME Award-2022 first prize in manufacturing export medium enterprise by the Government of India, Ministry of Micro, Small and Medium Enterprises.	<b>Indian Companies:</b> • Forgen Power Parts Private Limited; • Ohgo Engineering Private Limited; • Radhe Creations Private Limited; • Rouland Chemicals Private Limited; and • Swastik Coaters Private Limited. <b>Foreign Companies:</b> Nil
2.	Jyoti Chopdar Whole-Time Director	She has passed the examination for bachelor’s degree in arts from the Kurukshetra University. She has been associated with our Company for over eight years and is actively involved in our Company’s general administrative activities.	<b>Indian Companies:</b> • Forgen Power Parts Private Limited; • Ohgo Engineering Private Limited; • Rouland Chemicals Private Limited; and • Swastik Coaters Private Limited. <b>Foreign Companies:</b> Nil
3.	Vishnu Pramodkumar Malpani Whole-time Director	He holds a bachelor’s degree in technology from the Indian Institute of Technology, Guwahati, Assam. He has also completed the executive education programme on finance for non-finance managers from the Indian School of Business. He has previously worked with Wipro Technologies (a division of	<b>Indian Companies:</b> Nil <b>Foreign Companies:</b> Nil

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S. No.	Name and designation	Experience and educational qualification	Other directorships
		Wipro Limited) as project engineer, Prashaste Education and Management Consultancy Private Limited as lead consultant, Jubilant MotorWorks Private Limited as senior manager – business analytics, Raam Autobahn India Private Limited (Mercedes Benz Silver Star) as chief executive officer, BVS Nature Fresh Products Private Limited as chief operating officer and Visaka Industries Limited as general manager (strategy and business re-engineering). He has been associated with our Company for over three years.	
4.	Michael Joseph Booth Independent Director	He has obtained a higher national certificate in mechanical engineering and a higher national diploma in mechanical engineering from Kilmarnock Technical College. He has previously worked with GE Caledonian Limited as repair team leader and as lead middle east sales manager in Turbine Services Limited (owned by Chromalloy).	<b>Indian Companies:</b> Nil <b>Foreign Companies:</b> Nil
5.	Subba Rao Ambati Independent Director	He holds a bachelor's degree of Pharmacy (Honours) from the Birla Institute of Technology and Science and diploma in business management from the Indian Merchants' Chamber, Bombay. He has previously worked with Mars Therapeutics & Chemicals Limited as general manager – marketing, Jay Ambe Molecules Pvt. Ltd. as a consultant pharma operations and Vanguard Therapeutics Private Limited as manager – marketing services.	<b>Indian Companies:</b> Eubios Therapeutica (India) Private Limited <b>Foreign Companies:</b> Nil
6.	Madhusree Vemuru Independent Director	She holds a bachelor's degree in science from Rani Durgavati Vishwavidyalaya, Jabalpur, Madhya Pradesh. She has been admitted to the Bar Council of the State of Andhra Pradesh. She has previously worked with Andhra Paper Limited as general manager – corporate social responsibility, Hyderabad, Mahindra Namaste Pvt. Ltd. as chief placement officer and Dr. Reddy's Foundation as head, business development.	<b>Indian Companies:</b> Nil <b>Foreign Companies:</b> Nil

For further details in relation to our Board of Directors, see “Our Management” on page 244 of the RHP.

**OBJECTS OF THE OFFER**

The Offer comprises of Fresh Issue and the Offer for Sale, aggregating up to ₹7,400.00 million.

**Offer for Sale**

Each of the Selling Shareholders will be entitled to their respective portion of the proceeds from the Offer for Sale in proportion of the Equity Shares offered by the respective Selling Shareholders as part of the Offer for Sale after deducting their proportion of Offer related expenses and relevant taxes thereon. The proceeds of the Offer for Sale shall be received by the Selling Shareholders and will not form part of the Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale. For further details of the Offer for Sale, see “The Offer” beginning on page 64 of the RHP.

**Net Proceeds**

The details of the proceeds from the Fresh Issue are summarized in the table below:

S. No.	Particulars	Amount (in ₹ million)
1	Gross Proceeds from the Fresh Issue	2,400.00
2	(Less) Offer related expenses in relation to the Fresh Issue <sup>(1)(2)</sup>	[●]
	<b>Net Proceeds<sup>(2)</sup></b>	[●]

<sup>(1)</sup> For details, see “Objects of the Offer – General Corporate Purposes – Offer related expenses” on page 97 of the RHP.

<sup>(2)</sup> To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

**Proposed deployment of Net Proceeds**

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as follows:

(in ₹ million)

Particulars	Amount to be funded from the Net Proceeds	Estimated deployment of the Net Proceeds in Fiscals	
		2024	2025
Funding capital expenditure of our Company	603.95	360.19	243.76
Repayment/prepayment, in part or full, of certain of our borrowings availed by our Company	1,381.88	829.13	552.75
General corporate purposes <sup>(1)</sup>	[●]	[●]	[●]
<b>Net Proceeds<sup>(1)</sup></b>	[●]	[●] <sup>(2)</sup>	[●] <sup>(2)</sup>

<sup>(1)</sup> To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount to be utilised for general corporate purposes does not exceed 25% of the Gross Proceeds.

<sup>(2)</sup> Aggregate of estimated deployment of the Net Proceeds towards (a) funding capital expenditure of our Company; and (b) repayment/prepayment, in part or full, of certain of our borrowings availed by our Company.

**Means of finance:** We propose to fund the requirements of the Objects detailed above from the Net Proceeds and existing identifiable internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue as required under Regulation 7 of the SEBI ICDR Regulations.

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Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public offers / rights issues, if any, of our Company in the preceding 10 years: Not Applicable.

Terms of Issuance of Convertible Security, if any: Not Applicable.

Name of Monitoring Agency: CARE Ratings Limited

Shareholding Pattern as on the date of the RHP:

Category of Shareholder	Pre-Offer number of shares	% Holding of Pre-Offer
Promoters and Promoter Group	42,867,570	78.61
Public	11,665,272	21.39
<b>Total</b>	<b>54,532,842</b>	<b>100.00</b>

Number/Amount of equity shares proposed to be sold by Selling Shareholders: [●] Equity Shares aggregating up to ₹5,000.00 million. For further details please see page number 1 of this Abridged Prospectus.

**SUMMARY OF RESTATED FINANCIAL INFORMATION**

(in ₹ million, unless otherwise stated)

Particulars	As at and for the six months period ended	As at and for the Financial Year ended		
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share capital <sup>§</sup>	99.11	16.52	15.13	15.13
Total equity	2,305.39	2,039.88	1,200.07	908.92
Total income	1,695.35	2,615.21	1,992.63	1,250.30
Profit after tax	268.89	84.73	294.57	115.00
Profit Margin <sup>(4)</sup>	16.94	3.37	15.15	9.37
Earnings per share – Basic (in ₹)	5.43	1.79	6.49	2.53
Earnings per share – Diluted (in ₹)	5.43	1.79	6.49	2.53
EBIDTA Margin <sup>(5)</sup>	33.09	28.72	32.02	22.94
Return on Net Worth ratio <sup>(1)</sup> (%)	11.86	4.23	25.37	12.65
Net Asset Value per Equity Share (in ₹) <sup>(2)</sup>	45.74	42.30	25.58	20.02
Borrowings	3,249.36	3,006.01	1,971.80	877.13

<sup>#</sup> Pursuant to a resolution passed by our Board on September 11, 2023 and a resolution passed by the Shareholders on September 12, 2023, each equity share of face value of ₹10 each has been split into 5 Equity Shares of face value of ₹2 each. Accordingly, the issued, subscribed and paid-up capital of our Company was sub-divided from 1,651,826 equity shares of face value of ₹10 each to 8,259,130 Equity Shares of face value of ₹2 each.

<sup>§</sup> Our Board of Directors pursuant to a resolution dated September 11, 2023 and Shareholders pursuant to a special resolution dated September 12, 2023, have approved the issuance of 41,295,650 bonus Equity Shares in the ratio of five Equity Shares for every one existing fully paid up Equity Share.

1. Return on Net Worth (%) = Profit after tax for the period/year divided by total equity excluding capital redemption reserve.
2. Net Asset Value per equity share is calculated as total net worth divided by weighted average number of equity shares outstanding.
3. Net Worth represents Total Equity excluding capital redemption reserve.
4. Profit Margin is calculated as profit after tax as a percentage of revenue from operations.
5. EBIDTA Margin is calculated as EBIDTA as a percentage of revenue from operations.

For further details, see “Restated Financial Information” beginning on page 266 of the RHP and “Summary of Restated Financial Information” beginning on page 66 of the RHP.

**INTERNAL RISK FACTORS**

Below mentioned risks are the top 5 risk factors as per the RHP, For further details, see 'Risk Factors' on page 28 of the RHP.

1. Our business is dependent on the sale of our products to key customers. The loss of any of our key customers or loss of revenue from sales to our customers could have a material adverse effect on our business, results of operations, financial condition, cash flows and future prospects.
2. We are highly dependent on our Hyderabad, Telangana facilities for the entire portion of our revenue from operations. Any disruption, breakdown or shutdown of our Hyderabad facility may adversely affect our business, results of operations, financial condition, cash flows and future prospects.
3. Any failure to compete effectively in the highly competitive global industry of high precision and mission critical components manufacturing could have a material adverse effect on our business, results of operations, financial condition, cash flows and future prospects.
4. Our contracts/ purchase orders may not be indicative of our future growth rate or new business orders we will receive in the future. Further, we may not realize all of the revenue expected from our contracts/ purchase orders.
5. We depend on third party suppliers for raw materials, plant, machinery and components, which are on a purchase order basis. Such suppliers may not perform, or be able to perform their obligations in a timely manner, or at all and any delay, shortage, interruption, reduction in the supply of or volatility in the prices of raw materials, plant, machinery and components on which we rely may have a material adverse effect on our business, results of operations, financial condition, cash flows and future prospects.

**SUMMARY OF OUTSTANDING LITIGATION CLAIMS AND REGULATORY ACTION**

A. A summary of outstanding litigation proceedings as on the date of the Red Herring Prospectus as disclosed in the section titled “*Outstanding Litigations and Material Developments*” of the RHP in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material civil litigations	Aggregate amount involved (₹ in million) <sup>(1)</sup>
<b>Company</b>						
By the Company	Nil	Nil	Nil	N.A.	Nil	Nil
Against the Company	Nil	72	1*	N.A.	Nil	269.14
<b>Directors</b>						
By our Directors	Nil	Nil	Nil	N.A.	Nil	Nil
Against the Directors	Nil	Nil	1	N.A.	Nil	Nil
<b>Promoter</b>						
By Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Against Promoter	Nil	Nil	1	Nil	Nil	Nil
<b>Group Companies</b>						
By Group Companies	Nil	Nil	Nil	N.A.	Nil	Nil
Against Group Companies	Nil	Nil	Nil	N.A.	Nil	Nil

<sup>(1)</sup> To the extent quantifiable

\* This action has also been taken against our officers in default as defined under Companies Act, 2013, which include our Company’s Whole-time Directors and KMPs. For details see “*Outstanding Litigation and Material Developments*” beginning on page 360 of the RHP.

**B. Brief details of top 5 material outstanding litigation / legal proceedings initiated against our Company and amount involved:**

S. No.	Particulars	Litigation filed by	Current Status	Amount Involved
1.	Our Company received a show cause notice dated March 17, 2023 (“SCN”) from the MCA, Cost Audit Branch (“MCA”), alleging, <i>inter alia</i> , that our Company and our officers in default as defined under Companies Act, 2013, which include our Company’s Whole-time Directors and KMPs, were in default for non-maintenance of cost records for the Financial Year 2016-17 as prescribed under Section 148(1) of the Companies Act, 2013 read with Rule 3 & 5 of the Companies (Cost Records and Audit) Rules, 2014. Subsequently, our Company received a reminder dated April 20, 2023 from the MCA to submit a reply to the SCN. Our Company submitted its response dated July 5, 2023 (“SCN Response”), clarifying that (i) our Company was maintaining cost records in form CRA-1 as prescribed in Section 148 of the Companies Act, and (ii) our Company had made a typographical error in the relevant reporting; and accordingly, requested the MCA to withdraw the SCN. Our Company has since received a reminder by way of e-mail communication dated September 25, 2023 from the MCA asking our Company to submit a reply to the SCN, in response to which our Company has re-filed the SCN Response. The matter is currently pending.	MCA	Pending	Not quantifiable

**C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any : Nil**

**D. Brief details of outstanding criminal proceedings against the Promoters: Nil**

For further details of the outstanding litigation proceedings, see “*Outstanding Litigation and Material Developments*” on page 360 of the RHP.

**ANY OTHER IMPORTANT INFORMATION AS PER BRLMS/COMPANY - NIL**

**DECLARATION BY OUR COMPANY**

We hereby certify and declare that all relevant provisions of the Companies Act and the guidelines, rules or regulations issued by the Government of India or the guidelines, rules, or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with, and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended, or the rules made, guidelines or regulations issued thereunder, as the case may be. We further certify that all the disclosures and statements made in the Red Herring Prospectus are true and correct.

**DECLARATION BY THE SELLING SHAREHOLDERS**

Each of the Selling Shareholders, hereby confirm and declare that all statements, disclosures and undertakings made or confirmed by us in the Red Herring Prospectus in relation to ourselves, as the Other Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility as the Other Selling Shareholder, for any other statements, disclosures and undertakings including any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in the Red Herring Prospectus.