

This is an abridged prospectus containing salient features of the Prospectus dated November 22, 2022 (the “Prospectus”). You are encouraged to read greater details available in the Prospectus (Download link:- <http://www.bahetiindustries.com/>). Unless otherwise specified all capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Prospectus.

THIS ABRIDGED PROSPECTUS CONSISTS OF EIGHT PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.



BAHETI RECYCLING INDUSTRIES LIMITED
(Formerly known as Baheti Metal and Ferro Alloys Limited)

CIN: U37100GJ1994PLC024001

Date of Incorporation: December 28, 1994

Registered Office	Contact Person	Email and Telephone	Website
A-2/3, L.R. Apartments, Opp. Police Commissioner Office, Shahibaug, Ahmedabad – 380 004, Gujarat, India	Mrs. Mansi Harsh Darji, Company Secretary & Compliance Officer	Email ID: info@bahetiindustries.com Tel No: +91-79-25627681/82	www.bahetiindustries.com

Promoters of Our Company: Mr. Shankerlal Bansilal Shah, Mr. Balkishan Shankerlal Shah and Mr. Yash Shankerbhai Shah

Type of Issue (Fresh/OFS/ Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	Total Issue Size (by no. of shares or by amount in Rs)	Issue Under 6(1)/ 6(2)	Share Reservation		
					QIB & NII	RII	Market Maker
Fresh Issue	Rs. 1242.00 Lakhs	Nil	Rs. 1242.00 Lakhs	This Issue is being made in terms of chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.	Not more than 13,05,000 Shares	Atleast 13,08,000 Shares	1,47,000 Shares

These equity shares are proposed to be listed on NSE Emerge (i.e. SME platform of National Stock Exchange of India Limited).

OFS: Offer for Sale

Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders

Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity
NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES							

P: Promoter; PG: Promoter Group; OSS: Other Selling shareholder; WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis

PRICE, MINIMUM BID LOT & INDICATIVE TIMELINES	
Price*	Rs 45/- per Equity Share of Face Value of Rs 10/- Each
Minimum Bid Lot Size	3000 Equity Shares
Offer Open On	November 28, 2022
Offer Closes On	November 30, 2022
Finalization of Basis of Allotment	December 05, 2022
Initiation of Refunds	December 06, 2022
Credit of Equity Shares to Demat accounts of Allottees	December 07, 2022
Commencement of trading of Equity Shares	December 08, 2022

*For details of price and basis of issue price, please refer to page 89 of the Prospectus.

Details of WACA of all shares transacted over the trailing eighteen months from the date of Prospectus

Except for the allotment of 15,00,000 Equity Shares made on March 31, 2022 pursuant to Scheme of amalgamation and bonus issue of 30,43,412 Equity Shares made by our Company on June 27, 2022 in the ratio of 2:3 i.e. Two (2) Bonus Equity Shares for every One (3) Equity Shares held by shareholders, no shares has been transacted in trailing eighteen months.

Period	Weighted Average Cost of Acquisition (in Rs.)	Issue Price is 'X' times the WACA	Range of acquisition price Lowest Price- Highest Price (in Rs.)
May 23, 2021 to November 22, 2022	Nil	Cannot be defined	Lowest & Highest price – Nil

RISKS IN RELATION TO THE FIRST OFFER

The face value of the Equity Shares is ₹10/- each. The Issue Price of ₹ 45/- per equity share (determined and justified by our Company in consultation with the Lead Manager as stated in “Basis for Issue Price” on page 89 of the prospectus) 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 RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 23 of the Prospectus.

PROCEDURE

You may obtain a physical copy of the Application Form and the Prospectus from the stock exchange, syndicate members, registrar to the issue, share transfer agents, depository participant s, stock brokers, underwriters, bankers to the issue, investors’ associations or Self Certified Syndicate Banks.

If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the Prospectus and/or the General Information Document (GID) from the LM or download it from the website of the Stock Exchange i.e. www.nseindia.com and the LM (www.hemsecurities.com).

PRICE INFORMATION OF LM

Issue Name	Name of Merchant Banker	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
Kesar India Limited	Fedex Securities Private Limited & Hem Securities Limited	46.47% [10.11%]	32.94% [7.62%]	N.A.
Cargotrans Maritime Limited	Hem Securities Limited	182.44% [5.25%]	N.A.	N.A.
Cargosol Logistics Limited	Hem Securities Limited	201.79% [5.25%]	N.A.	N.A.
Silicon Rental Solutions Limited	Hem Securities Limited	39.74% [5.25%]	N.A.	N.A.
Concord Control Systems Limited	Hem Securities Limited	248.82% [5.25%]	N.A.	N.A.
Lloyds Luxuries Limited	Hem Securities Limited	25.63% [6.15%]	N.A.	N.A.
Vedant Asset Limited	Hem Securities Limited	44.25% [5.91%]	N.A.	N.A.

Source: Price Information www.bseindia.com & www.nseindia.com, Issue Information from respective Prospectus.

Name of LM and contact details (telephone and email id) of each LM	Hem Securities Limited Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India Tel No.: +91-22-4906 0000 Email: ib@hemsecurities.com Contact Person: Mr. Akun Goyal
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Name of Market Maker	Hem Finlease Private Limited Address: 203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India Tel No.: 0141-4051000, Email: ib@hemsecurities.com Contact Person: Mr. Ashok Soni www.hemsecurities.com SEBI Registration No. INZ000167734 Market Maker Registration No. INB231110033
Name of Registrar to the Issue and contact details (telephone and email id)	PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED Address: 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (East), Mumbai – 400 011, Maharashtra, India Tel No.: +91-022-23018261; Fax No.: +91-022-23012517 Email: support@purvashare.com; Website: www.purvashare.com Contact Person: Ms. Deepali Dhuri SEBI Regn. No. INR000001112
Name of Statutory Auditor	M/s. Wadhwan & Co., Chartered Accountants
Name of Credit Rating Agency and the rating or grading obtained, if any	Not Applicable
Name of Debenture trustee, if any.	Not Applicable
Self-Certified Syndicate Banks	The list of banks is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Non Syndicate Registered Brokers	You can submit Application Forms in the Issue to Non Syndicate Registered Brokers at the Non Syndicate Broker Centres. For further details, see section titled “Issue Procedure” beginning at page 228 of the Prospectus
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes

PROMOTERS OF THE ISSUER COMPANY

Sr. No.	Name	Individual/ Corporate	Experience & Educational Qualification
1	Mr. Shankerlal Bansilal Shah	Individual	Mr. Shankerlal Bansilal Shah, aged 56 years, is the Promoter, Chairman and Whole-Time Director. He has completed his Higher Secondary qualification from S.B. Kapadia School, Ahmedabad. He has work experience of around 35 years in the Metal Industry.
2	Mr. Balkishan Shakerlal Shah	Individual	Mr. Balkishan Shankerlal Shah, aged 34 years, is the Promoter, Managing Director of our Company. He has completed his Bachelor of Commerce from Gujarat University in 2008 and post Graduate Program in Management (Family Managed Business) from S.P. Jain Institute of Management and Research, Mumbai in 2010. He has an experience of around 10 years in the metal industry
3	Mr. Yash Shankerbhai Shah	Individual	Mr. Yash Shankerbhai Shah, aged 29 years, is the Promoter & Joint Managing Director of our Company. He has completed his Bachelor of Commerce from Ahmedabad University in 2014 and post Graduate Program in Global Family Managed Business from SP Jain School of Global Management in 2016. He has an experience of around 6 years in the metal industry.

BUSINESS OVERVIEW AND STRATEGY

Company Overview: We are an aluminium recycling Company, primarily engaged in processing aluminium based metal scrap to manufacture (i) aluminium alloys in the form of ingots and (ii) aluminium de-ox alloys in the form of cubes, ingots, shots and notch bar. Our manufacturing unit, situated at Dehgam (Gandhinagar, Gujarat) has 12,000 MT installed capacity for processing aluminium scrap. We are a customer centric company, constantly striving to create value for our customers through products offered and committed deliveries. We primarily cater to the automotive parts and steel sector in India. Some of our esteemed customers includes Arcelor Mittal Nippon Steel India, Tata Steel, Minda Corporation, Sigma Electric, Sunflag Iron & Steel Co. Ltd. etc. Currently, we market our products to around 11 states & Union Territories in India of which majority portion of the revenue comes from the state of Gujarat, Maharashtra, Orissa and Jharkhand. We also sell our products to the foreign buyers located in Japan, Canada, USA, China, Hong Kong, UAE, Taiwan etc. We export these products at the preferred location of the buyer, which is either the consignee’s country or buyer’s country. We are also engaged in trading of scrap materials such as aluminium scrap, brass scrap, copper scrap, zinc scrap etc. We are also engaged in trading of scrap materials such as aluminium scrap, brass scrap, copper scrap, zinc scrap etc. Our revenue from trading operations for two months period ended May 31, 2022, F.Y. 2021-22 and F.Y. 2020-21 has been Rs. 740.16 lakhs, Rs. 2905.11 lacs and Rs. 2022.97 lakhs respectively which constituted 12.89%, 11.69% and 15.87% of our revenue from operations for the respective period/fiscal. We employ an extensive and stringent quality control mechanism at each stage of the manufacturing process to ensure that our finished product conforms to the exact requirement of our customers. As on the date of this Draft Prospectus, our manufacturing facility has accreditations such as ISO 9001:2015 for quality management systems, ISO 14001:2015 for environmental management systems and ISO 45001:2018 for occupational health and safety management systems.

Our Spectrum of Manufacturing and Trading: Our spectrum of Manufacturing includes (i) aluminium alloys in the form of ingots and (ii) aluminium de-ox alloys in the form of cubes, ingots, shots and notch bar.

Revenue segmentation by services For F.Y. 2021-22, Our category wise revenue are stated below:

Aluminum De-ox (mfg.): 10141.58 Lakh, Aluminum Alloys (mfg.): 9583.22 Lakh; Aluminium Ash/Dross (mfg.): 17.54 Lakh; Revenue from Trading operations: 2905.11 Lakh.

Geographies Served: Currently, we market our products to around 12 states & Union Territories in India of which majority portion of the revenue comes from the state of Gujarat, Maharashtra, Orissa and Jharkhand. We also sell our products to the foreign buyers located in Japan, Canada, USA, China, Hong Kong, UAE, Taiwan etc. We export these products at the preferred location of the buyer, which is either the consignee's country or buyer's country. Our revenue from exports for two months period ended May 31, 2022, F.Y. 2021-22 and F.Y. 2020-21 has been Rs. 254.97 lakhs, Rs. 2192.32 lacs and Rs. 1619.71 lakhs respectively which constituted 4.44%, 8.83% and 12.71% of our revenue from operations for the respective period/fiscal.

Revenue segmentation by geographies: For F.Y. 2021-22, the revenue from operations of the Company from India were 91.17% and from foreign markets were 8.83%.

Key Performance Indicators: Our total income for the period ended May 31, 2022, March 31, 2022, 2021 and 2020 was Rs. 5757.00 Lakh; Rs.24,926.06 Lakh; Rs. 12,780.02 Lakh and Rs.10,595.84 Lakh respectively. Our restated profit after tax for the period ended May 31, 2022, March 31, 2022, 2021 and 2020 was Rs. 57.36 Lakh; Rs. 291.98 Lakh; Rs. 47.78 lakh and Rs. 19.19 Lakh respectively.

Client Profile or Industries Served: We primarily cater to the automotive parts and steel sector in India. Some of our esteemed customers includes ArcelorMittal Nippon Steel India, Tata Steel, Minda Corporation, Sigma Electric, Sunflag Iron & Steel Co. Ltd. etc.

Revenue segmentation in terms of top 5 clients – The top five customers of the Company accounted for 60.94% (aprox.) of its revenue from operations for the F.Y. ended March 31, 2022

Intellectual Property, if any: As on date of Prospectus, we do not have any intellectual property, as the trademark applied by us is under objection.

Market Share: Not available

Manufacturing plant, if any: One located at 176-197-198, Shreenath Ind, Estate, Post- Sampa, Tal. Dehgam, Gandhinagar, Gujarat, 382305

Employee Strength: As on October 31, 2022, our Company has employed around 275 employees (including labour) at various levels of the Organization.

ANNEXURE A

BOARD OF DIRECTORS				
Sr. No.	Name	Designation (Independent / Whole time / Executive / Nominee)	Experience & Educational Qualification	Other Directorships
1	Shankarlal Bansilal Shah	Chairman and Whole Time Director	Experience: 35 years Qualification: Higher Secondary	Indian Companies: Nil Foreign Companies: Nil
2	Balkishan Shakerlal Shah	Managing Director	Experience: 10 years Qualification: B. Com, Post Graduate Programme in Management (Family Managed Business)	Indian Companies: Foreign Companies: Nil
3	Yash Shankerbhai Shah	Joint Managing Director	Experience: 6 years Qualification: B. Com, Post Graduate Program in Global Family Managed Business	Indian Companies: Nil Foreign Companies: Nil
4	Ayushi Yash Shah	Non-Executive Director	Experience: 2 Year Qualification: MBA (Finance)	Indian Companies: Nil Foreign Companies: Nil
5	Satya Narain Mittal	Independent Director	Experience: 38 years Qualification: MBA	Indian Companies: Nil Foreign Companies: Nil
6	Jaimish Govindbhai Patel	Independent Director	Experience: 8 years Qualification: Company Secretary	Indian Companies: Nil Foreign Companies: Nil

The fund requirements for each of the objects of the Issue are stated as follows: (Rs. in lakhs)

Sr. No.	Objects of the Issue	Total estimate cost	Amount deployed till date of Prospectus	Amount to be financed from Net Proceeds	Estimated Net Proceeds Utilization
					Fiscal 2022-23
1	Modernization and expansion of existing manufacturing unit	255.21	Nil	255.21	255.21
2	To meet Working Capital requirements	700.00	Nil	700.00	700.00
3	General Corporate Purpose	190.29	Nil	190.29	190.29
	Total Net Proceeds	1145.50	Nil	1145.50	1145.50

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issue, if any, of the Company in the preceding 10 years. - NIL

Name of monitoring agency, if any – Not Applicable

Terms of Issuance of Convertible Security, if any - Not Applicable

Shareholding Pattern:

Sr. No.	Particulars	Pre Issue number of shares	% Holding of Pre issue
1.	Promoter and Promoter Group	76,07,190	99.98%
2.	Public	1,340	0.02%
	Total	76,08,530	100.00%

Number/amount of equity shares proposed to be sold by selling shareholders, if any. – Not Applicable

RESTATED AUDITED FINANCIALS

Annexure A

Particulars	May 31, 2022	F.Y. 2021-22	F.Y. 2020-21	F.Y. 2019-20
Total income from operations (Net)	5,740.84	24,839.76	12,748.33	10,575.75
Net Profit/(Loss) before tax and extraordinary items	79.66	405.65	75.34	27.99
Net Profit / (Loss) after tax and extraordinary items	57.36	291.98	47.78	19.19
Equity Share Capital	456.51	456.51	375.00	375.00
Reserves and Surplus	1,270.36	1,213.00	706.02	658.23
Net worth	1,726.87	1,669.51	1,081.02	1,033.23
Basic earnings per share (Rs.)	0.75	3.84	0.76	0.31
Diluted earnings per share (Rs.)	0.75	3.84	0.76	0.31
Return on net worth (%)	3.32%	17.49%	4.42%	1.86%
Net asset value per share (Rs.)	22.70	21.94	17.30	16.53

INTERNAL RISK FACTORS

The below mentioned risks are top 5 risk factors as per the Prospectus.

1. Substantial portion of our revenues has been dependent upon few customers, with which we do not have any firm commitments. The loss of any one or more of our major customer would have a material adverse effect on our business, cash flows, results of operations and financial condition.
2. Volatility in the supply and pricing of our raw materials, restrictions on import of raw materials or failure by suppliers to meet their obligations, may have an adverse effect on our business, cash flows, financial condition and results of operations.
3. We are subject to strict quality requirements and are consequently required to incur significant expenses to maintain our product quality. Any failure to comply with such quality standards may lead to cancellation of existing and future orders which may adversely affect our reputation, financial conditions, cash flows and results of operations.
4. Our inability to accurately forecast demand for our products, and accordingly manage our inventory, may have an adverse effect on our business, cash flows, financial condition and results of operations.
5. Our business is significantly dependent upon the steel and automotive-parts industry. Any downturn or cyclical fluctuation in both these sectors could reduce the demand for our products which can adversely impact our business, results of operations, cash flows and financial condition.

For further details on 'Risk Factors' please refer page no. 23 of the Prospectus.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the company and amount involved

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	1	2	-	-	-	10.59
Against the Company	-	6	1	-	-	24.29*
Directors						
By our Directors	-	-	-	-	1	0.74
Against the Directors	-	2	-	-	1	Not Ascertainable*
Promoters						
By Promoters	-	-	-	-	1	0.74
Against Promoters	-	2	-	-	1	Not Ascertainable*

* to the extent ascertainable

B. Brief details of top 5 material outstanding litigations against the company and amount involved

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved
1	Case under Employees Compensation Act, 1923	Mr. Janardansingh Dineshwarsingh	Pending	11.77 lakhs
2	TDS liability as per TRACES	-	Pending	6.78 lakhs
3	Outstanding tax demand of as per Assessment order U/s 143(1) (a) dated July 07, 2022 for the Assessment year 2021-22	-	Pending	3.85 lakhs
4	Outstanding tax demand of Rs. 172,160/- as per the Assessment order u/s 143(1) (a) dated October 27, 2022 for the Assessment year 2021-22	-	Pending	1.72 lakhs
5	Outstanding tax demand for the Assessment year 2009-2010	-	Pending	0.17 lakhs

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 Promoters – Nil

ANY OTHER IMPORTANT INFORMATION AS PER LM / ISSUER COMPANY - NIL

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Prospectus are true and correct.

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