

## **BASIS FOR ISSUE PRICE**

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Financial Information of the Company**” beginning on page **Error! Bookmark not defined.**, **Error! Bookmark not defined.** and **Error! Bookmark not defined.** respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

Price Band/ Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹10/- each and the Issue Price is 13.50 times of the face value at the lower end of the Price Band and 14.30 times of the face value at the upper end of the Price Band.

### **QUALITATIVE FACTORS**

We believe the following business strengths allow us to successfully compete in the industry:

1. *Established manufacturing facility with easy access to raw material sources*
2. *Long-standing customer relationships with customers along with location advantage.*
3. *Experienced Promoter and Management team*
4. *Expansive product portfolio;*
5. *Track record of healthy financial performance*

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page **Error! Bookmark not defined.** of this Red Herring Prospectus.

### **QUANTITATIVE FACTORS**

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “**Financial Information of the Company**” on page **Error! Bookmark not defined.** of this Red Herring Prospectus.

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

#### **1. Basic & Diluted Earnings per share (EPS) (Face value of ₹ 10 each):**

As per the Restated Financial Statements:-

Sr. No	F.Y./Period	Basic & Diluted (₹)	Weights
1.	Financial Year ending March 31, 2025	9.11	3
2.	Financial Year ending March 31, 2024	5.39	2
3.	Financial Year ending March 31, 2023	2.88	1
	<b>Weighted Average</b>	<b>6.83</b>	

#### **Notes:**

- i. *The figures disclosed above are based on the Restated Financial Statements of the Company.*
- ii. *The face value of each Equity Share is ₹10.00.*
- iii. *Earnings per Share has been calculated in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.*
- iv. *The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.*
- v. *Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period*
- vi. *Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.*

#### **2. Price Earning (P/E) Ratio in relation to the Price Band of ₹[●] to ₹[●] per Equity Share of Face Value of ₹10/- each fully paid up**

Particulars	(P/E) Ratio at the Floor Price	(P/E) Ratio at the Cap Price
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P/E ratio based on the Basic & Diluted EPS, as restated for the period ending March 31, 2025	14.82	15.70
P/E ratio based on the Weighted Average EPS, as restated.	19.77	20.94

Industry P/E Ratio*	(P/E) Ratio
Industry Average – Refractory material sector*	88.64
Highest & Lowest (Raghav Productivity Enhancers Limited)	88.64

\*For the purpose of industry, we believe the companies engaged in the same sector or engaged in the similar line of business segment, however, they may not be exactly comparable in terms of size or business portfolio on a whole with that of our business. Industry Average PE have been calculated based on the PE of the Peer company i.e. Raghav Productivity Enhancers Limited.

**Note:**

- The P/E ratio has been computed by dividing Market Price with EPS.
- P/E Ratio of the Company is based on the results published for the Company for the year 2024-25 and stock exchange data dated June 2, 2025.

### 3. Return on Net worth (RoNW)

Sr. No	Period	RONW (%)	Weights
1	Financial Year ending March 31, 2025	41.15%	3
2	Financial Year ending March 31, 2024	45.97%	2
3	Financial Year ending March 31, 2023	45.41%	1
	<b>Weighted Average</b>	<b>43.47%</b>	

\*not annualized

**Note:**

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- The RoNW has been computed by dividing restated net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/period.
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

### 4. Net Asset Value (NAV) per Equity Share:

Sr. No.	NAV per Equity Share	Outstanding at the end of the year (Amt. in Rs.)
1	As at March 31, 2023	6.33
2	As at March 31, 2024	11.72
3	As at March 31, 2025	22.13
4	NAV per Equity Share after the Issue	
	(i) At Floor Price	51.82
	(ii) At Cap Price	53.93
6	Issue Price	[●]

\*The above NAV has been calculated based on weighted number of shares outstanding at the end of the respective year/period.

**Notes:**

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- NAV per share=Restated Net worth at the end of the year/period divided by weighted average number of equity shares outstanding at the end of the year/period
- Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.
- Issue Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.

### 5. Comparison of Accounting Ratios with Industry Peers:

(Rs. In Lakhs)

Name of Company			EPS	PE			
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	Current Market Price (₹)	Face Value	Basic	Diluted		RoNW (%)	Book Value (₹)	Revenue from Operations
Monolithisch India Limited	[●]	10	9.11	9.11	[●]	41.15	22.13	9734.43
<b>Peer Group</b>								
Raghav Productivity Enhancers Limited	713.55	10	8.05	8.05	88.64	19.12	42.10	19964.79

**Notes:**

- (i) Source – All the financial information for listed industry peers mentioned above is sourced from the exchange announcements of the aforesaid companies for the year ended March 31, 2025 and stock exchange data dated June 2, 2025 to compute the corresponding financial ratios. For our Company, we have taken Current Market Price as the Issue price of equity share. Further, P/E Ratio is based on the current market price of the respective scrips.
- (ii) The EPS, NAV, RoNW and total Income of our Company are taken as per Restated Financial Statement for the Year March 31, 2025.
- (iii) NAV per share is computed as the closing net worth divided by the weighted average number of paid up equity shares as on March 31, 2025.
- (iv) RoNW has been computed as net profit after tax divided by closing net worth.
- (v) Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- (vi) The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is [●] times the face value of equity share.

## 6. Key Performance Indicators

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated May 31, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years' period prior to the date of filing of this Red Herring Prospectus. Further, the KPIs herein have been certified by P.N. & Company, Chartered Accountants, by their certificate dated May 31, 2025.

The KPIs of our Company have been disclosed in the sections titled **“Our Business”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators”** on pages **Error! Bookmark not defined.** and **Error! Bookmark not defined.**, respectively. We have described and defined the KPIs as applicable in **“Definitions and Abbreviations”** on page 1 of this Red Herring Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

## Key Performance Indicators of our Company

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	FY 2024-25	FY 2023-24	FY 2022-23
Revenue from operations <sup>(1)</sup>	9734.43	6,888.71	4,187.79
EBITDA <sup>(2)</sup>	2106.24	1,295.98	671.69
EBITDA Margin <sup>(3)</sup>	21.64%	18.81%	16.04%
PAT <sup>(4)</sup>	1448.80	851.18	454.29
PAT Margin <sup>(5)</sup>	14.88%	12.36%	10.85%
RoE(%) <sup>(6)</sup>	53.94%	59.69%	58.74%
RoCE (%) <sup>(7)</sup>	46.22%	57.86%	46.80%

### Notes:

<sup>(1)</sup>Revenue from operation means revenue from sales, service and other operating revenues

<sup>(2)</sup>EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income

<sup>(3)</sup>‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> PAT is calculated as Profit before tax – Tax Expenses

<sup>(5)</sup> ‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.

<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Shareholders Fund + Long term borrowing + Short term borrowing+ Deferred Tax Liability.

Explanation for KPI metrics:

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
RoE(%)	RoE provides how efficiently our Company generates profits from shareholders’ funds.
RoCE (%)	RoCE provides how efficiently our Company generates earnings from the capital employed in the business.

1. Set forth below are the details of comparison of key performance of indicators with our listed industry peer:

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	Monolithisch India Limited			Raghav Productivity Enhancers Limited		
	March 31, 2025	March 31, 2024	March 31, 2023	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from operations <sup>(1)</sup>	9734.43	6,888.71	4,187.79	19,964.79	13,276.57	13,738.78
EBITDA <sup>(2)</sup>	2106.24	1,295.98	671.69	5371.79	4,005.60	3,589.65
EBITDA Margin (%) (3)	21.64%	18.81%	16.04%	26.91%	30.17%	26.13%
PAT <sup>(4)</sup>	1448.80	851.18	454.29	3703.59	2,597.00	2,521.79
PAT Margin (%) <sup>(5)</sup>	14.88%	12.36%	10.85%	18.55%	19.56%	18.36%
RoE <sup>(6)</sup>	53.94%	59.69%	58.74%	21.05%	17.82%	20.86%
RoCE <sup>(7)</sup>	46.22%	57.86%	46.80%	18.09%	20.75%	22.89%

**Notes:**

(1) Revenue from operation means revenue from sales, service and other operating revenues

(2) EBITDA is calculated as Profit before tax + Depreciation + Finance Cost/Interest Expenses - Other Income

(3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

(4) PAT is calculated as Profit before tax – Tax Expenses

(5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

(6) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

(7) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Shareholders Fund + Long term borrowing + Short term borrowing+ Deferred Tax Liability.

## 7. Weighted average cost of acquisition

- a) The price per share of our Company based on the primary/ new Issue of shares (equity/ convertible securities)

Except as disclosed below, there has been no issuance of Equity Shares, other than Equity Shares issued pursuant to a bonus issue on September 25, 2024 during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

Date of Allotment	No. of equity Shares allotted	Face value per Equity share (₹)	Issue price per Equity share (₹)	Adjusted Price Per equity share (post bonus)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
September 18, 2024	1,99,997	10/-	110/-	13.75	Right Issue	Cash	220.00

- b) The price per share of our Company based on the secondary sale/ acquisition of shares (equity shares)

There have been no secondary sale/ acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts of shares), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

- c) Since there is eligible transaction reported under (a) above, the price per equity share of our Company based on last five primary and secondary transactions (secondary transactions where promoters, promoter group or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction), not older than three years prior to the date of the Red Herring Prospectus irrespective of the size of transactions, has not been computed.

### Weighted average cost of acquisition, floor price and cap price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (i.e. ₹ [135])	Cap price* (i.e. ₹ [143])
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	13.75	9.82	10.40
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA^	NA^	NA^
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	NA	NA	NA

#### Note:

^There were no secondary sales / acquisition of shares of shares (equity/ convertible securities) covered under para 8 (b) above in last 18 months from the date of this Red Herring Prospectus.

\* To be updated at Prospectus stage.

This is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Issue in all editions of the English national newspaper Business Standard , all editions of Hindi national newspaper Business Standard and Bengali edition of Regional newspaper Ekdin where the registered office of the company is situated each with wide circulation.

The Price Band/ Floor Price/ Issue Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors

should read the above mentioned information along with *“Our Business”*, *“Risk Factors”* and *“Restated Financial Statements”* on pages **Error! Bookmark not defined.**, **Error! Bookmark not defined.** and **Error! Bookmark not defined.** respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in *“Risk Factors”* or any other factors that may arise in the future and you may lose all or part of your investments.