



Annexure IV

To,
Regional Director,
Securities and Exchange Board of India
Plot No. C 4-A, G Block, Near Bank of India,
Bandra Kurla Complex, Bandra East, Mumbai,
Maharashtra 400051.

Dear Sir/ Madam,

Sub: Public Offer of up to 1,74,00,000 Equity Shares including Offer for Sale of up to 21,00,000 Equity Shares of Rs. 10/- each (the “Offer”) by Ratnaveer Precision Engineering Limited (“Company” or “Issuer”)

Unistone Capital Private Limited being the Book Running Lead Manager (“**BRLM**”) to the abovementioned forthcoming Offer state and confirm as follows:

1. We have examined various documents including those relating to litigation, including commercial disputes, patent disputes, disputes with collaborators, etc. and other material while finalising the Prospectus of the subject Offer.
2. On the basis of such examination and the discussions with the Issuer, its directors and other officers, other agencies, and independent verification of the statements concerning the objects of the Offer, price justification, contents of the documents and other papers furnished by the Issuer, we confirm that:
 - (a) The Draft Red Herring Prospectus filed with the Securities of Exchange Board of India (“SEBI” or “Board”) is in conformity with the documents, materials and papers which are material to the Offer;
 - (b) All material legal requirements relating to the Offer as specified by the Board, the Central Government (“CG”) and any other competent authority in this behalf have been duly complied with; and
 - (c) The material disclosures made in the Draft Red Herring Prospectus are true and adequate to enable the investors to make a well informed decision as to the investment in the proposed Offer and such disclosures are in accordance with the requirements of the Companies Act, 2013, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“**SEBI ICDR Regulations, 2018**”) and other applicable legal requirements.
3. Besides ourselves, all the intermediaries named in the Draft Red Herring Prospectus are registered with the Board and that till date, such registration is valid.
4. We have satisfied ourselves about the capability of the underwriters to fulfil their underwriting commitments.-
Noted for Compliance
5. Written consents from the promoter have been obtained for inclusion of their specified securities as part of the promoters’ contribution subject to lock-in and the specified securities proposed to form part of promoters’

contribution subject to lock-in shall not be disposed or sold or transferred by the promoters during the period starting from the date of filing the Draft Red Herring Prospectus with the Board till the date of commencement of lock-in period as to be stated in the Prospectus.- **Noted for Compliance**



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6. All applicable provisions of the SEBI ICDR Regulations, 2018, which relates to specified securities ineligible for computation of promoters' contribution, have been and shall be duly complied with and appropriate disclosures as to compliance with the said regulation(s) have been made in the Draft Red Herring Prospectus.
7. All applicable provisions of SEBI ICDR Regulations, 2018, which relate to receipt of promoters' contribution prior to opening of the Offer, shall be complied with. Arrangements have been made to ensure that the promoters' contribution shall be received at least one day before the opening of the Issue and that the auditors' certificate to this effect shall be duly submitted to the Board. We further confirm that arrangements have been made to ensure that the promoters' contribution shall be kept in an escrow account with a scheduled commercial bank and shall be released to the Issuer along with the proceeds of the Offer- **Not Applicable**
8. Necessary arrangements shall be made to ensure that the monies received pursuant to the Issue are credited or transferred to in a separate bank account as per the provisions of sub-section (3) of section 40 of the Companies Act, 2013 and that such monies shall be released by the said bank only after permission is obtained from all the stock exchanges, and that the agreement entered into between the bankers to the Offer and the Issuer specifically contains this condition- **Noted for Compliance.**
9. The existing business as well as any new business of the Issuer for which the funds are being raised fall within the 'main objects' in the object clause of the Memorandum of Association or other charter of the Issuer and that the activities which have been carried in the last ten years are valid in terms of the object clause of the Memorandum of Association.
10. Following disclosures have been made in the Draft Red Herring Prospectus:
 - a. An undertaking from the Issuer that at any given time, there shall be only one (1) denomination for the equity shares of the Issuer ~~excluding SR equity shares, wherein Issuer has outstanding SR equity shares; and~~
 - b. An undertaking from the Issuer that it shall comply with all disclosure and accounting norms specified by the Board.
11. We shall comply with the regulations pertaining to advertisement in terms of the SEBI ICDR Regulations, 2018- **Noted for compliance.**
12. If applicable, the entity is eligible to list on the innovators growth platform in terms of the provisions of Chapter X of SEBI ICDR Regulations, 2018- **Not Applicable**

We enclose a note explaining the process of due diligence (Annexure IVA) that has been exercised by us including in relation to the business of the Issuer, the risks in relation to the business, experience of the promoters and that the related party transactions entered into for the period disclosed in the Draft Red Herring Prospectus have been entered into by the Issuer in accordance with applicable laws. **Complied with to the extent of the related party transactions reported, in accordance with IND-AS 24, in the financial statements of the Issuer in the Draft Red Herring Prospectus as certified by the peer review auditors.**



UNISTONE CAPITAL PRIVATE LIMITED

CIN - U65999MH2019PTC330850



Registered Office : A/305, Dynasty Business Park,
Andheri Kurla Road, Andheri East, Mumbai - 400059.



Admin Office: 14th Floor, Dhukka Chambers, Poddar Road,
Malad East, Mumbai - 400 097.



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We enclose a checklist (Annexure IVB) confirming regulation-wise compliance with the applicable provisions of SEBI ICDR Regulations, 2018, containing details such as the regulation number, its text, the status of compliance, page number of the Draft Red Herring Prospectus where the regulation has been complied with and our comments, if any.

Enclosed

For **Unistone Capital Private Limited**
SEBI Registration Code- INM000012449

Brijesh Parekh
Director

Place: Mumbai
Date: January 26, 2023

Encl: A/A



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Annexure IVA

DUE DILIGENCE PROCESS NOTE

We, the Book Running Lead Manager to the proposed Main Board IPO (the “Offer”) of Ratnaveer Precision Engineering Limited (the “Company”), have conducted the Due Diligence of the Company for the purposes of complying with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”) and other applicable laws, and to the extent that it is customary for initial public offerings of this nature in India, along with other professionals and experts engaged in this Offer. A summary of the due diligence process is provided herein below. Please note that the Due Diligence process set forth below is only a summary and is not exhaustive in nature.

A step-wise process of our due diligence exercise is depicted below for sale of brevity:



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Some of the key highlights of the above process are captured below as a summary:

Kick-off Meeting and Preliminary Background Check: A kick-off meeting was organized to understand the business of the Company and other related matters. The discussion was attended by the Promoter, Director, Key managerial personnel and senior management personnel of the Company and representatives of BRLM and Legal advisors. A broad overview of the business of the Company, industry in which it operates, regulatory framework with respect to the business, the corporate structure, the capital structure, and financial statements, its shareholding pattern and details of the Promoter of the Company was presented to us which was followed by detailed discussions. Based on the discussions, we conducted a preliminary background check of the Company, its existing Directors and Promoter through publicly available sources such as watchoutinvestors.com, RBI list of wilful defaulters and the like.

First & Second level Diligence: We submitted a check list of documents containing salient features of the Draft Red Herring Prospectus covering areas like General Corporate Information, Capital Structure, Subsidiaries, Business Overview, Management, History and Corporate Structure, Legal Information, Governments as well as general approvals amongst others.

On receipt of documents from the Company as per the Due Diligence Checklist, we visited the Company's registered office and examined all the documents with their supporting back up source documents and have evaluated the products offered by the Company, the management team and their background, technology (if any), market, competition, differentiators, financial plan amongst other areas. Conducted check of invoices on sample basis with the Company's bank statements of the top 10 customers and suppliers.

Detailed Discussions & Visit: This stage involved regular visits to the Company's corporate office, interacting with the senior management of the Company as well as the senior personnel from the secretarial, legal and finance departments, for the purpose of understanding the business, the risks involved and the financial overview of the Company, amongst other matters. These interactions included (i) due diligence meetings, drafting sessions and conference calls to discuss the disclosures in the DRHP, (ii) due diligence calls with the Statutory Auditors; (iii) seeking appropriate clarifications from the Company for key operational data and other information; (iv) bring down due diligence calls to receive updated information from the Company before filing the DRHP; and (v) seeking appropriate certifications from the Company. These interactions were conducted with an objective to assist the Company to prepare disclosures as required under the SEBI ICDR Regulations, the Companies Act, 2013 (the "**Companies Act**") and other applicable laws with regard to the Offer. In the due diligence process, we were assisted by the Legal Advisors and the Statutory Auditors. We also visited the production units of the Company situated at Plot no. E-77, G.I.D.C., Savli (Manjusar), Vadodara - 391 775, Gujarat (Unit I), Plot no. E-120, G.I.D.C., Savli (Manjusar), Vadodara - 391 775, Gujarat (Unit II), Plot no. 548/549, G.I.D.C., Waghodia, Vadodara – 390019, Gujarat (Unit III) and Plot no. 1901, Phase IV, G.I.D.C. Vatva, Ahmedabad – 382440, Gujarat (Unit IV) to understand the production process of the Company.

Other steps involved in the process included:

- Requesting the Company to make available the due diligence documents and reviewing those documents along with the Legal Advisor, based on the requirements under the SEBI ICDR Regulations and other applicable laws, as is customary in such transactions;



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- Obtaining and relying on certificates and formal representations and undertakings from the Company, Directors, Promoter, members of the Promoter Group, Key Managerial Personnel of the Company, and other documents, including extracts of report by independent industry sources, in support of certain disclosures included in the DRHP;
- Visiting the Company's corporate office located at Office No. 703 & 704 Ocean Building, 7th Floor, Vikram Sarabhai Campus, Genda Circle Wadiwadi, Vadodara- 390 023, Gujarat and interacting with the Promoter and Key Managerial Personnel of the Company, to understand the Company's operations, the product portfolio, the manufacturing process involved and to make appropriate disclosures in the DRHP to that effect;
- Obtaining circle-ups from the Statutory Auditors on financial information on the operational data and/ or certain finance related information included in the DRHP, obtaining certifications from the Statutory Auditors on certain key performance indicators, financial and other business related information of the Company mentioned in the DRHP and certifications with respect to certain other information included in the DRHP, such as, details of the amounts outstanding to MSMEs and other creditors of the Company, if any;
- We conducted due diligence on financial matters, which included meetings and due diligence calls with the Statutory Auditors, discussions with the finance department of the Company, review of the auditors' reports and other related documents. The Statutory Auditors provided the restated financial information of the Company which was prepared in accordance with the Companies Act, 2013, applicable Accounting Standards, other regulations and restated in accordance with the SEBI ICDR Regulations for the financial period ended March 31, 2020, March 31, 2021 and March 31, 2022 and the period ended August 31, 2022.
- Requesting for relevant supporting documents for material civil cases, all outstanding proceedings against the Company, actions by statutory / regulatory authorities, and taxation matters, as may be applicable involving the Company. With respect to the litigation involving the Directors and Promoter, relevant supporting documents and certificates have been received from the Company's Directors and Promoter, respectively, based on which appropriate disclosures or a negative confirmation, as the case may be, have been made in the DRHP.
- Obtaining certifications from the practicing Statutory Auditors on compliance with corporate governance requirements by the Company, among others;

Post several visits, we made broad comparison of the Company's process with the help of Company write ups, published documents, annual reports, etc. which enabled us to carry out SWOT analysis and identify areas of risk relating to the industry as well as specific to the Company.

We expect these interactions and due diligence calls and discussions to continue until closure of the Offer.

Concluding Due Diligence:

In this phase of Due Diligence, we consolidated the inputs received through the earlier phases and concluded our Due Diligence with carrying out inter alia the following activities:

- a) We have verified whether the Company is regular with their ROC compliances, Income Tax and compliances of other statutory authorities by reviewing ROC Forms, Income Tax Acknowledgements, and Company's Resolutions etc.



- b) We have reviewed the Minutes books of AGM, EGM and Board Meetings, which helped us to know the important decisions taken by the Company and inherent risk with decisions and also checked the Company's compliances with RoC.
- c) We checked the registration of intermediaries proposed to be involved in Offer in various capacities.
- d) We prepared a checklist of all the disclosures required to be made in the Draft Red Herring Prospectus as per the SEBI (ICDR) Regulations and mapped all those against the actual disclosures made in the Draft Red Herring Prospectus of this Offer.
- e) We discussed the basis for Offer Price with the Company's management and its auditors. We reviewed the Statutory Auditors' reports and obtained certifications with respect to certain financial information included in the DRHP from the Statutory Auditors. Further, the Statutory Auditors were required to review the financial information relating to the Company in the DRHP.
- f) We understood the Objects of the Offer, checked the Company's Memorandum of Association and incorporated the proposed utilization of Offer Proceeds in the Draft Red Herring Prospectus.

We have examined originals or where that was not possible copies, certified or otherwise, of such documents, corporate records, certificates from public officials and other instruments as we have deemed relevant to the Offer. In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents and records submitted to us as originals and the conformity with the originals of all documents and records submitted to us as copies thereof.

We have relied on the Certifications or Undertakings provided by the Management of the Company, Statutory & Peer Review Auditors to the offer, Legal Advisor to the offer and other Advisors/ Consultants if any for various disclosures in the Offer Documents.

All capitalized terms used but not specifically defined herein will have the meaning ascribed to them under the DRHP.



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Annexure IVC

Statement of price information of past issues handled by the BRLM

Unistone Capital Private Limited

Sr. No.	Issue Name	Issue Size (in Lakhs)	Issue price	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180 th calendar days from listing
1	Likhitha Infrastructure Limited	6120.00	120	October 15,2020	136.60	16.14%, [10.22%]	41.43%, [23.74%]	170.87%, [24.84%]
2	Siddhika Coatings Limited	469.68	57	April 7, 2021	56.95	0.88%, [0.02%]	21.05%, [7.18%]	62.72%, [20.05%]
3	Bombay Metrics Supply Chain Limited	428.54	93	October 12,2021	103.20	28.35%, [0.62%]	59.09%, [1.22%]	329.09%, [-2.57%]
4	Sigachi Industries Limited	12,542.85	163	November 15, 2021	603.75	150.80%, [-4.90%]	96.26%, [-4.18%]	65.28%, [-12.85%]
5	HP Adhesives Limited	12,596.33	274	December 27,2021	334.95	42.34%, [0.14%]	38.21%, [0.39%]	31.30%, [-7.34%]
6	Integrated Personnel Services Limited	1,274.40	59	November 11, 2022	66.50	37.63% [0.80%]	-	-
7	All E Technologies Limited	4,377.60	90	December 21, 2022	125.00	23.72% [-0.94]	-	-

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

Notes:

(a)Source: www.nseindia.com for the price information

(b) Wherever 30th/90th/180th calendar day from the listing day is a holiday, the closing data of the next trading day has been considered.

(c)The Nifty 50 index is considered as the benchmark index.



Summary statement of price information of past public issues handled by Unistone Capital Private Limited

Financial year	Total no. of IPO	Total funds Raised (₹ Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30 th Calendar day from listing date			Nos of IPOs trading at discount on 180 th Calendar day from listing date			Nos of IPOs trading at premium on 180 th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less Than 25%
FY 2020-21	1	61.20	-	-	-	-	-	1	-	-	-	1	-	-
FY 2021-22	4	260.37	-	-	-	1	2	1	-	-	-	2	1	1
FY 2022-23	2	60.94	-	-	-	-	2	-	-	-	-	-	-	-

**The information is as on the date of the document. The information for each of the financial years is based on issues listed during such financial year.*

Track record of past issues handled by the Book Running Lead Manager

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