

This is an abridged prospectus containing salient features of the Red Herring Prospectus dated March 16, 2022 (the “RHP”). You are encouraged to read greater details available in the RHP (Download link:- <https://krishnaallied.com/wp-content/uploads/2022/03/RHP.pdf>). Unless otherwise specified all capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

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



KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
(Formerly known as Krishna Allied Industries Limited)

CIN: U74900MH2013PLC248021; Date of Incorporation: September 10, 2013

Registered Office	Contact Person	Email and Telephone	Website
344, Floor-3, Plot-267, A To Z Industrial Estate, Ganapatrao Kadam Marg, Lower Parel, Delisle Road, Mumbai Maharashtra 400013 India.	Ms. Charmy Shah, Company Secretary & Compliance Officer	E-mail: cs@krishnaallied.com Tel No: +91 22 4220 3800/99	Website: www.krishnaallied.com

PROMOTER OF THE COMPANY

Mr. Ankur Ashwin Shah

Type of Issue (Fresh/OFS/ Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in ₹)	OFS Size (by no. of shares or by amount in ₹)	Total Issue Size (by no. of shares or by amount in ₹)	Issue Under 6(1)/ 6(2)	Share Reservation			
					QIB	NII	RII	Market Maker
Fresh Issue	Upto 30,48,000 Equity Shares	Nil	Upto 30,48,000 Equity Shares	This issue is being made in terms of regulation 229 and 253(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.	Not more than 14,43,000 equity shares	At least 4,35,000 equity shares	At least 10,14,000 equity shares	Upto 1,56,000 equity 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 ₹	WACA in Rs per Equity	Name	Type	No of Shares offered/ Amount in Rs	WACA in ₹ 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 Band, Minimum Bid Lot & Indicative Timelines

Price Band*	For details of price band and basis of issue price, please refer to price band advertisement and page 96 of RHP.
Minimum Bid Lot Size	For details of minimum bid lot size, please refer to price band advertisement to be published in all editions of English National Newspaper “Business Standard”, all editions of Hindi National Newspaper “Business Standard” and Mumbai edition of regional newspaper “Navshakti”.
Bid/Offer Open On	Friday, March 25, 2022
Bid/Closes Open On	Tuesday, March 29, 2022
Finalisation of Basis of Allotment	On or about Friday, April 01, 2022
Initiation of Refunds	On or about Monday, April 04, 2022
Credit of Equity Shares to Demat accounts of Allottees	On or about Tuesday, April 05, 2022
Commencement of trading of Equity Shares	On or about Wednesday, April 06, 2022

*For details of price band and basis of issue price, please refer to price band advertisement and page 96 of RHP.

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

Period	Weighted Average Cost of Acquisition (in ₹)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price- Highest Price (in ₹)
September 17, 2020 to March 16, 2022	Nil	N/A	Lowest price – 0 Highest price – 0

RISKS IN RELATION TO THE FIRST OFFER

The face value of the Equity Shares is ₹ 10/- per equity share. The Floor Price, Cap Price and Offer Price determined by our Company, in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Issue Price” on page 96 should not be considered to be indicative of the market price of the Equity Shares after listing. No assurance can be given regarding frequency of trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity & 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 investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares 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 contents of the RHP. Specified attention of the investors is invited to the section titled “Risk Factors” at page 29 of the RHP and on 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 exchange, syndicate members, registrar to the issue, share transfer agents, depository participants, 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 RHP and/or the General Information Document (GID) from the BRLM's or download it from the website of the Stock Exchange i.e. www.nseindia.com and the BRLMs (websites to be specified).

PRICE INFORMATION OF BRLM's*

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
Suratwala Business Group Limited	Hem Securities Limited	6.67% [1.38%]	46.67% [13.79%]	210.00% [33.98%]
Knowledge Marine & Engineering Works Limited		0.68% [-3.40%]	31.08% [5.63%]	14.59% [17.52%]
EKI Energy Services Limited		225.20% [-0.92%]	608.48% [6.44%]	3029.41% [19.41%]
DU Digital Technologies Limited		53.85% [7.32%]	113.85% [4.68%]	257.85% [2.74%]
Prevest Denpro Limited		186.61% [1.77%]	270.83% [-4.92%]	NA
Jainam Ferro Alloys (I) Limited		3.57% [0.97%]	21.43% [-0.83%]	NA
Shri Venkatesh Refineries Ltd.		9.50% [0.36%]	47.88% [-0.65%]	NA

The scrip of of Prevest Denpro Limited, Jainam Ferro Alloys (I) Limited and Shri Venkatesh Refineries Ltd. have not completed its 180th day from the date of its listing.

Name of BRLM and contact details (telephone and email id) of each BRLM	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: Mrs. Roshni Lahoti
Name of Syndicate Members	Hem Finlease Private Limited Address: 203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India Telephone: 0141-4051000 Email: ib@hemsecurities.com Website: www.hemsecurities.com Contact Person: Mr. Ashok Soni SEBI Registration Number: INZ000167734
Name of Market Maker	Hem Finlease Private Limited Address: 203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India. Telephone: 0141-4051000 Email: ib@hemsecurities.com Website: www.hemsecurities.com Contact Person: Mr. Ashok Soni SEBI Registration Number: INZ000167734 Market Maker Registration No.: SMEREG2020090906741
Name of Registrar to the Issue and contact details (telephone and email id)	Bigshare Services Private Limited Address: - 1 st Floor, Bharat Tin Works Building Opp. Vasant Oasis, Makwana Road Marol, Andheri (East), Mumbai 400059, India Tel No.: +91 22 6263 8200 Email: ipo@bigshareonline.com Contact Person: Mr. Swapnil Kate
Name of Statutory Auditor	M/s. CNK & Associates LLP, 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 Bid cum 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 288 of the RHP
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. Ankur Ashwin Shah	Individual	Mr. Ankur Ashwin Shah is the Managing Director of our Company. He has been on the Board since 2013. He holds a degree of Bachelor of Engineering (Production) from University of Bombay. He has an overall experience of 22 years in all kinds of Steel working including Smelting, Rolling, Drawing, Heat Treatment etc. He is currently involved in managing the overall business operations of the Company.

Details of promoter/s should not exceed 500 words while explaining their experience and educational qualifications

BUSINESS OVERVIEW AND STRATEGY

Company Overview: In 1997, the company started its operations in the dairy equipment manufacturing as a partnership firm, M/s Krishna Industries and over the years the company developed a wide range of products. The Company is engaged in the diversified business of manufacturing defence application products, dairy equipment products and kitchen equipments. The Company has entered into various licensing agreement with Defence Research and Development Organisation (“DRDO”) for obtaining the know-how and rights which enables to manufacture and supply specialized defence application products for the Indian Armed Forces.

Product Offering: Under defence application, company provides products such as ship building steel bulb bar, special steel alloy bricks used as ballast weight for critical applications, super alloys weld consumables like welding wire, flux and electrodes, food container and improved space heating device, which is also known as bukhari. Under dairy equipment products company provides products such as stainless steel milk Cans, Milk Cooling Tanks or Bulk Milk Coolers, Milking Machine, Cow Brooming Brush and Robotic Milk Collection Unit. Under Kitchen Equipment we are manufacturing products like Bulk Cooking Equipment like Rice Cauldron, Dal Cauldron, Braising Pan, Distribution Vessels, Rice Chute, Dal Storage Tank.

Revenue segmentation by product:

Particulars	Fiscal year ended March 31, 2021 (₹ in lacs)	% of Revenue
Sale of manufactured goods	2,404.66	70.15%
Defence Product	653.09	19.05%
Dairy & Kitchen Equipment	3,057.74	89.20%
Sale of Traded goods		
Defence Product	2.97	0.09%
Dairy & Kitchen Equipment	367.08	10.71%
Others		
	370.05	10.80%
Total Sale of Products	3,427.79	100.00%

Geographies Served: The Company markets its defence application products majorly to GOI Entities and its dairy products across almost all states in India of which majority portion of the revenue comes from the state of Maharashtra, Gujarat, Uttar Pradesh, Andhra Pradesh and Karnataka. It also exports its dairy equipment products to countries such as Finland, Sri Lanka, Fiji etc

Revenue segmentation by geographies: For the Fiscal 2021, the revenue from operations of the Company were Rs. 3502.66 lakhs which were from domestic markets and for stub period ended on September 30, 2021, the revenue from operations of the Company were Rs. 2071.56 lakhs, of which 98.88% of revenue from operations accounted from domestic markets and 1.12% of revenue from operations accounted from international markets.

Key Performance Indicators: In the six months period ended Sept. 21 and Fiscal 2021, Fiscal 2020 and Fiscal 2019, the Company has generated total income of ₹ 2098.20 lakhs., ₹ 3618.84 lakhs, ₹ 2572.37 lakhs., and ₹ 5890.85 lakhs. respectively, EBITDA of ₹ 297.87 lakhs, ₹ 458.10 lakhs, ₹ 349.45 lakhs, and ₹ 541.61 lakhs respectively and net profit after tax of ₹ 122.11 lakhs, ₹ 193.65 lakhs, ₹ 74.61 lakhs and ₹ 206.44 lakhs respectively. The Company has reported Return on Net Worth of 10.74%, 4.64% and 13.45% for the Fiscal 2021, Fiscal 2020 and Fiscal 2019, respectively.

Client Profile or Industries Served: The Dairy customer base includes customers like: The Panchmahal District Co-operative Milk Producers’ Union Ltd, Hatsun Agro Products Limited, Delicia Foods India Pvt Ltd, Thanjavur Dist Co-Op Milk Prod. Un. Ltd (Aavin Federation), Amritsar Dist Co-Op Milk Prod Union Ltd (Verka Federation), Pune Zillha Sahakari Dudh Utpadak Sangh Limited (Katraj), Bihar State Milk Co-Operative Federation Ltd (COMFED) etc and various other milk cooperative societies in India and the Defence customer base includes Ministry of Defence, Mazagaon Dock Shipbuilders Limited, Garden Reach Shipbuilders & Engineers Ltd, Goa Shipyard Limited.

Revenue segmentation in terms of top 10 clients – The top ten customers of the Company accounted for 90.62% (aprox.) of its revenue from operations for the F.Y. ended March 31, 2021.

Intellectual Property, if any: As on date of Red Herring Prospectus, the Company has applied for 3 trademarks registration which are Objected with the Registrar of Trademarks in its own name.

Market Share: Not available

Manufacturing plant, if any: The Company has two manufacturing plants at Kalol and Halol district near Vadodara

Employee Strength: As on December 31, 2021, the Company has 209 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	Mr. Ankur Ashwin Shah	Managing Director	Experience: 22 years Qualification: Bachelor of Engineering (Production)	Indian Companies: 1. Krish Industries Private Limited 2. Krish Commodities (India) Private Limited 3. Vystra Systems Private Limited Foreign Companies: Nil
2	Mr. Sandeep Ramrao Kadam	Whole time Director	Experience: 25 years Qualification: Bachelor of Engineering (in Mechanical)	Indian Companies: 1. White Gold Technologies LLP Foreign Companies: Nil
3	Mr. Suwendu Banerjee	Whole time Director	Experience: 25 years Qualification: Bachelor of Science	Indian Companies: 1. White Gold Technologies LLP Foreign Companies: Nil
4	Mrs. Preyal Ankur Shah	Non-Executive Director and Chairperson	Experience: 15 years Qualification: Bachelor of Commerce	Indian Companies: 1. Krish Industries Private Limited 2. Krish Commodities (India) Private Limited LLP: 1. White Gold Technologies LLP Foreign Companies: Nil
5	Mr. Divyakant Ramniklal Zaveri	Independent Director	Experience: 45 years Qualification: Chartered Accountant	Indian Companies: 1. Saptarishi Agro Industries Limited 2. Gujarat Containers Limited 3. Mercury Laboratories Limited 4. Shroffs Engineering Private Limited Foreign Companies: Nil
6	Mr. Jay kumar Toshniwal	Independent Director	Experience: 35 years Qualification: Chartered Accountant	Indian Companies/LLP: 1. Mohit Realty Private Limited 2. Toshniwal Commodities Services Private Limited 3. Toshniwal Equity Services Private Limited Foreign Companies: Nil

Details of means of finance –

OBJECTS OF THE ISSUE

The fund requirements for each of the objects of the Issue are stated as follows: (₹ In lakhs)

Sr. No.	Objects of the Issue	Total estimate cost	Amount deployed till	Amount to be financed from Net Proceeds	Estimated Net Proceeds Utilization
					Fiscal 2022-23
1	Working Capital requirements	900.00	-	900.00	900.00
2	General corporate purpose ⁽¹⁾	[•]	Nil	[•]	[•]
	Total Net Proceeds	[•]	[•]	[•]	[•]

⁽¹⁾ To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

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	84,00,000	100.00%
2.	Public	-	-
	Total	84,00,000	100.00%

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

RESTATED AUDITED FINANCIALS

Particulars	Half Year Ended 30 th Sept, 2021	2020-21	2019-20	2018-19
Total income from operations (Net)	2098.20	3618.84	2572.37	5890.85
Net Profit/(Loss) before tax and extraordinary items	166.26	262.20	113.43	288.30
Net Profit / (Loss) after tax and extraordinary items	122.11	193.65	74.61	206.44
Equity Share Capital	840.00	420.00	420.00	420.00
Reserves and Surplus	1084.89	1382.78	1189.13	1114.52
Net worth	1924.89	1802.78	1609.13	1534.52
Basic earnings per share (₹)	1.45	2.31	0.89	2.46
Diluted earnings per share (₹)	1.45	2.31	0.89	2.46
Return on net worth (%)	6.34%	10.74%	4.64%	13.45%
Net asset value per share (₹)	22.92	21.46	19.16	18.27

INTERNAL RISK FACTORS

(Minimum 5 and maximum 10 risk factors to be specified)

The below mentioned risks are top 5 risk factors as per the RHP. (500 word limit in total)

1. Our business of manufacturing and supply of Defence Application products for Indian Armed Forces is largely dependent on Transfer of Technology (TOT) contracts awarded to our company for each type of product by Defence Research & Development Organisation (DRDO) and associated entities for its development. Such agreements are usually valid for a period of 5 to 10 years and if such agreements are terminated or not renewed at favourable terms, our operations may be adversely affected.
2. Our business segment of defence is largely dependent on contracts from the GoI and associated entities including defence public sector undertakings and government organizations involved in related line of procurements. Any reduction in business from them may adversely affect our business, financial condition, results of operations and future prospects.
3. Any failure to comply with the provisions of the contracts entered with our customers, especially the GoI owned entities or cooperative milk unions/federations, could have an adverse effect on our business operations, financial condition and results of our operations.
4. We are subject to strict quality requirements, customer inspections and audits, and any failure to comply with quality standards may lead to cancellation of existing and future orders and could negatively impact our reputation and our business and results of operations and future prospects
5. We depend on our technical expertise and R&D initiatives to develop new products and/or improve our existing products and if we are unable to keep our technical knowledge and process know-how confidential or if our R&D initiatives do not succeed, we may suffer loss of our competitive advantage. Moreover if we are unable to protect the rights under Patent acquired by our company pursuant to our R&D activities, it may adversely affect our competitive business position and profitability.

For further details on 'Risk Factors' please refer page no. 29 of the Red Herring 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 (₹ in lakhs)
Company						
By the Company		1	1		1	114.16
Against the Company			1			Unascertainable
Directors and Promoters						
By our Directors						
Against the Directors		3				10.17

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

Sr. No.	Particulars	Litigation/Matter filed by/pending with	Current status	Amount involved (₹ in lacs)
1	Employees' Provident Funds And Miscellaneous Provisions Act, 1952.	Enforcement Officer, EPFO, Vadodara	Pending	Unascertainable

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 (200 – 300 word limit in total) - Nil

D. Brief details of outstanding criminal proceedings against Promoters (200 - 300-word limit in total) - 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 Red Herring 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 Red Herring Prospectus are true and correct.