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**GRACE RENEWABLE ENERGY LIMITED**  
CORPORATE IDENTITY NUMBER: U74110GJ2013PLC076707

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
43, The Chamber Near TGB Hotel, S G Highway, Bodakdev, Ahmedabad, Gujarat, India, 380054	Office No 404, 405, 406 Sarthik Square, Near Pakwan Char Rasta, Bodakdev, Ahmedabad -380054	Vivekkumar Barlotia	<b>Tel. No:</b> +91 7573903035 <b>Email Id:</b> <a href="mailto:cs@gracerenew.com">cs@gracerenew.com</a>	<a href="http://www.gracerenew.com">www.gracerenew.com</a>

**PROMOTER OF OUR COMPANY: MANISH BAGADIA & KARUNA BAGADIA**

**DETAILS OF THE ISSUE**

TYPE	FRESH ISSUE SIZE (in ₹ lakhs)	OFFER FOR SALE	TOTAL ISSUE SIZE (in ₹ lakhs)	ELIGIBILITY AND SHARE RESERVATION AMONGST QIBS, NIIS AND RIIS
Fresh Issue and Offer for Sale	Upto 44,00,000 Equity Shares aggregating up to ₹ [●] lakhs	Upto 11,00,000 Equity Shares aggregating up to ₹ [●] lakhs	Upto 55,00,000 Equity Shares aggregating up to ₹ [●] lakhs	The issue is being made in terms of Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 through Book Building Process in accordance with Regulation 229 (2) and 253(1) of the SEBI ICDR Regulations. For further details, see "Other Regulatory and Statutory Disclosures - Eligibility of the Issue" on page 253. For details in relation to share reservation among QIBs, NIIs and RIIs, see "Issue Structure" on page 274.

**DETAILS OF OFFER FOR SALE, PROMOTER SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION**

NAME OF THE SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT (IN ₹ lakhs)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)
Manish Bagadia	Promoter Selling Shareholder	Up to 11,00,000 Equity Shares aggregating ₹ [●] Lakhs	0.08
Karuna Bagadia	Promoter Selling Shareholder		0.05

*As Certified by the Tibrewal Bhagat & Associates, Chartered accountants*

**RISK IN RELATION TO THE FIRST ISSUE**

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 the Equity Shares is ₹10/- each and the Floor Price, Cap Price and Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager in accordance with SEBI ICDR Regulations and on the basis of the assessment of market demand for the Equity Shares by way of Book Building process as stated in chapter titled "Basis for Issue Price" beginning on Page 107, 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on 30 of this Draft Red Herring Prospectus.

**COMPANY'S ABSOLUTE RESPONSIBILITY**

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.


**LISTING**

The Equity Shares Issued through this Draft Red Herring Prospectus are proposed to be listed on SME Platform of BSE Limited ("BSE SME") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received "in-principle" approval letter [●] dated [●] from [●] for using its name in the Red Herring Prospectus / Prospectus for listing of our shares on the BSE SME. For the purpose of this Issue, the Designated Stock Exchange will be the BSE SME.

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

NAME AND LOGO	CONTACT PERSON	EMAIL AND TELEPHONE
 <p>MARWADI CHANDARANA GROUP Marwadi Chandarana Intermediaries Brokers Private Limited</p>	Radhika Maheshwari / Jigar Desai	<b>E-mail:</b> <a href="mailto:mb@marwadichandarana.com">mb@marwadichandarana.com</a> <b>Telephone:</b> 022-69120027

**REGISTRAR TO THE ISSUE**

NAME AND LOGO	CONTACT PERSON	EMAIL AND TELEPHONE
 <p>KFINTECH EXPERIENCE TRANSFORMATION KFin Technologies Limited</p>	M. Murali Krishna	<b>Email:</b> <a href="mailto:grace.ipo@kfintech.com">grace.ipo@kfintech.com</a> <b>Tel. No:</b> + 91-40-67162222

**BID / ISSUE PERIOD**

ANCHOR INVESTOR BIDDING ISSUE PERIOD OPENS ON* [●]	BID / ISSUE OPENS ON * [●]	BID / ISSUE CLOSES ON **# [●]

\*The Company and the Promoter Selling Shareholders may, in consultation with the Book Running Lead Manager, 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.

\*\*Our Company and the Promoter Selling Shareholders may in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.



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DRAFT RED HERRING PROSPECTUS

Dated: March 25, 2025

Please read Section 26 and 32 of the Companies Act, 2013

(This Draft Red Herring Prospectus will be updated upon filing with the RoC)

100% Book Built issue



**GRACE RENEWABLE ENERGY LIMITED**

**CORPORATE IDENTITY NUMBER: U74110GJ2013PLC076707**

Our Company was originally incorporated and registered as a Private Limited Company under Companies Act, 1956 in the name and style of “Winwin Building Materials Private Limited” vide certificate of incorporation dated September 05, 2013 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further, the name of our Company was changed to “Grace Renewable Energy Private Limited” and a fresh certificate of incorporation was issued by Registrar of Companies, Ahmedabad dated February 22, 2017. Further, pursuant to a resolution passed by our Board on May 17, 2024 and a resolution passed by our shareholders on June 21, 2024, our Company was converted into a public limited company. Consequently, the name of our company was changed to “Grace Renewable Energy Limited”, and a fresh certificate of incorporation consequent upon conversion to public company issued by Registrar of Companies, Central Processing Centre on September 03, 2024.

**Registered Office:** 43, The Chamber Near TGB Hotel, S G Highway, Bodakdev, Ahmedabad – 380054, Gujarat, India

**Corporate Office:** Office No 404, 405, 406 Sarthik Square, Near Pakwan Char Rasta, Bodakdev, Ahmedabad, Gujarat -380054 India

**Website:** [www.gracerenew.com](http://www.gracerenew.com) **E-Mail:** [cs@gracerenew.com](mailto:cs@gracerenew.com) **Tel. No:** +91 7573903035

**Company Secretary and Compliance Officer:** Vivekkumar Barlotia

**PROMOTERS OF OUR COMPANY: MANISH BAGADIA & KARUNA BAGADIA**

INITIAL PUBLIC OFFER OF UPTO 55,00,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (“EQUITY SHARES”) OF GRACE RENEWABLE ENERGY LIMITED (“OUR COMPANY” OR “THE ISSUER”) AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹[●] LAKHS (“PUBLIC ISSUE”) OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹[●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹[●] LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND GUJARATI EDITION OF [●], REGIONAL NEWSPAPER (GUJARATI BEING THE REGIONAL LANGUAGE OF GUJARAT WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO [●] (“[●]”) FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least one additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of one Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”, the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors, out of which (a) one third of such portion was reserved for applicants with application size of more than 2 lots and up to such lots equivalent to not more than ₹ 10,00,000 and (b) two-third of such portion was reserved for applicants with application size of more than ₹ 10,00,000 provided that the unsubscribed portion in either of such subcategories could have been allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts, and UPI ID in case of IBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSEBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see “Issue Procedure” beginning on page 278 of this Draft Red Herring Prospectus. Provided further that for the purpose of public issue by an issuer to be listed /listed on SME exchange made in accordance with Chapter IX of these regulations, the words “retail individual investors” shall be read as words “individual investors who applies for minimum application size”.

**RISK IN RELATION TO THE FIRST ISSUE**

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 the Equity Shares is ₹10/- each and the Floor Price, Cap Price and Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager in accordance with SEBI ICDR Regulations and on the basis of the assessment of market demand for the Equity Shares by way of Book Building process as stated in chapter titled “Basis for Issue Price” beginning on Page 107 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on Page 30 of this Draft Red Herring Prospectus.

**COMPANY’S ABSOLUTE RESPONSIBILITY**

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

**LISTING**

The Equity Shares Issued through this Draft Red Herring Prospectus are proposed to be listed on SME Platform of BSE Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received “in-principle” approval letter dated [●] from [●] for using its name in the Red Herring Prospectus / Prospectus for listing of our shares on SME Platform of BSE. For the purpose of this Issue, the Designated Stock Exchange will be BSE SME.

**BOOK RUNNING LEAD MANAGER**

 **MARWADI CHANDARANA GROUP**  
**Marwadi Chandarana Intermediaries Brokers Private Limited**  
 X-change Plaza, Office no. 1201 to 1205, 12th Floor, Building No. 53E, Zone-5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat, India  
**Telephone:** 022-69120027  
**E-mail:** [mb@marwadichandarana.com](mailto:mb@marwadichandarana.com)  
**Investors Grievance e-mail:** [mbgrievances@marwadichandarana.com](mailto:mbgrievances@marwadichandarana.com)  
**Contact Person:** Radhika Maheshwari / Jigar Desai  
**Website:** [jb.marwadichandarana.com](http://jb.marwadichandarana.com)  
**SEBI Registration Number:** INM000013165

**REGISTRAR TO THE ISSUE**

 **KFINTECH**  
 EXPERIENCE TRANSFORMATION  
**Kfin Technologies Limited**  
**Address:** Selenium, Tower-B, Plot 31 & 32, Financial District Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana, India  
**Tel:** + 91-40-67162222.  
**Email:** [grace.ipo@kfintech.com](mailto:grace.ipo@kfintech.com)  
**Investor grievance e-mail:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
**Website:** [www.kfintech.com](http://www.kfintech.com)  
**Contact Person:** M. Murali Krishna  
**SEBI registration number:** INR000000221

**ISSUE PROGRAMME\***

**ANCHOR INVESTOR BIDDING DATE \* [●]**

**BID / ISSUE OPENS ON \* [●]**

**BID / ISSUE CLOSES ON \*\*\* [●]**

The Company and the Promoter Selling Shareholders may, in consultation with the Book Running Lead Manager, 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.

\*\*Our Company and the Promoter Selling Shareholders may in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

# The UPI mandate end time and date shall be at 5:00 p.m. on Bid / Issue Closing Day.

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Further, Issue related terms used but not defined in this Draft Red Herring Prospectus and Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document.*

*Notwithstanding the foregoing, the terms used in the sections “Industry Overview”, “Key Industry Regulations and Policies”, “Statement of Possible Special Tax Benefits”, “Financial Information”, “Basis for Issue Price”, “Outstanding Litigation and Material Developments” and “Description of Equity Shares and Terms of the Articles of Association” beginning on page 119, 154, 116, 188, 107, 245 and 311 respectively, of this DRHP shall have the meaning ascribed to them in the relevant section.*

#### GENERAL TERMS

Term	Description
“Grace Renewable Energy Limited”, “GREL”, “Our Company”, “the Company”, “the Issuer”	Grace Renewable Energy Limited (formerly known as Grace Renewable Energy Private Limited), a public limited company incorporated in India under the Companies Act, 2013 having its Registered Office at 43, The Chambers, Near TGB Hotel, S G Highway, Bodakdev, Ahmedabad, Gujarat, India, 380054
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your” or “yours”	Prospective investors in this Issue

#### COMPANY AND PROMOTER SELLING SHAREHOLDERS RELATED TERMS

Term	Description
AOA /Articles of Association / Articles	The Articles of Association of or Company, as amended, from time to time
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “Our Management – Committees of our Board of Directors – Audit Committee” on page 170 of this DRHP.
Auditor / Statutory Auditor	Tibrewal Bhagat & Associates, Chartered Accountants (FRN: 128374W) having their office at B-304, Narnarayan Complex, Near Navrangpura Bus Stand, Navrangpura, Ahmedabad– 380009, Gujarat, India
Board of Directors/ the Board/ our Board	The board of directors of our Company, as constituted from time to time or any duly constituted committee thereof. For further details of our Directors, please refer to section titled “Our Management” beginning on page 168 of this Draft Red Herring Prospectus.
Chief Financial Officer/CFO	Chief financial officer of our Company being, Radhika Niravkumar Bhut. For details, see “Our Management” on page 168 of this DRHP.
Corporate Office	404, 405, 406 Sarthik Square, S.G.Highway Road, Ahmedabad
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company being, Vivekkumar Barlota. For details, see “Our Management” beginning on page 168 of this DRHP
Companies Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.

<b>Term</b>	<b>Description</b>
Corporate Social Responsibility Committee	Corporate social responsibility committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management – Committees of our Board of Directors – Corporate Social Responsibility Committee</i> ” on page 175 of this DRHP
CIN	Corporate Identification Number of our company i.e., U74110GJ2013PLC076707
Director(s)	Directors on our Board as described in “ <i>Our Management</i> ”, beginning on page 168 of this DRHP.
Equity Shares	The equity shares of our Company of face value of ₹ 10 each.
Executive Directors	Executive Directors of our Company as appointed from time to time
Group Companies	Companies with which there were related party transactions as disclosed in the Restated Consolidated Financial Statements as covered under the applicable accounting standards, and also other companies as considered material by our Board of the Issuer as disclosed in “ <i>Our Group Companies</i> ” on page 186 of this Draft Red Herring Prospectus
Independent Directors	Independent directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, see “ <i>Our Management</i> ” beginning on page 168 of this DRHP.
ISIN	International Securities Identification Number. In this case being INE1DVP01016
KMP/Key Managerial Personnel	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 as applicable and as further disclosed in “ <i>Our Management- Key Managerial Personnel of our Company</i> ” on page 176 of this DRHP.
Materiality Policy	The policy adopted by our Board of Directors on March 10, 2025 for identification of material: (a) outstanding litigation proceedings; (b) Group Companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, Red Herring Prospectus.
MoA/ Memorandum of Association	The Memorandum of Association of our Company, as amended, from time to time
Managing Director	Managing Director of our Company, being Manish Bagadia.
Monitoring Agency	Monitoring Agency appointed pursuant to the Monitoring Agency Agreement dated [●], namely [●]
Monitoring Agency Agreement	Agreement to be entered between our Company and Monitoring Agency, as applicable.
Nomination and Remuneration Committee	Nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management – Committees of our Board of Directors – Nomination and Remuneration Committee</i> ” on page 174 of this DRHP
Non-Executive Director(s)	Non-executive directors on our Board, as described in “ <i>Our Management</i> ”, beginning on page 168 of this DRHP
Promoter(s)	The promoters of our Company, being Manish Bagadia and Karuna Bagadia. For details, see “ <i>Our Promoter and Promoter Group</i> ” on page 182 of this DRHP.
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in “ <i>Our Promoter and Promoter Group</i> ” on page 182 this DRHP.
Registered Office	43, The Chambers Near TGB Hotel, S G Highway, Bodakdev, Ahmedabad, Gujarat–380054 India
Restated Financial Statements/ Restated Financial Information	The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities, the Restated Statement of Profit and Loss, the Restated Statement of Cash Flows, for the period ended September 30, 2024 and for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
RoC/Registrar of Companies	Registrar of Companies, Ahmedabad at Gujarat.

<b>Term</b>	<b>Description</b>
Shareholder(s)	Shareholders of our Company, from time to time.
Senior Managerial Personnel	Senior management personnel of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations as described in “ <i>Our Management – Senior Management Personnel of our Company</i> ” on page 176 of this Draft Red Herring Prospectus.
Stakeholders Relationship Committee	Stakeholders’ relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management</i> ”, beginning on page 168 of this DRHP

## ISSUE RELATED TERMS

<b>Term</b>	<b>Description</b>
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to an Applicant as proof of registration of the Application Form
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf. Abridged Prospectus is to be issued under SEBI ICDR Regulations and appended to the Application Forms.
Allot/ Allotment/ Allotted	Allotment of the Equity Shares pursuant to the Fresh Issue and transfer of Equity Shares offered by the Promoter Selling Shareholders pursuant to the Offer for Sale to the successful Bidders.
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Applicant(s)/Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form and unless otherwise stated or implied includes an ASBA Applicant.
Application Form	The Form (with and without the use of UPI, as may be applicable), in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
Allottee	A successful Applicant to whom the Equity Shares are allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Draft Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an application and authorising an SCSB to block the Bid Amount in the specified bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investor who makes an application pursuant to the terms of the Draft Red Herring Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Applicant and which will be considered as the application for Allotment in terms of the Prospectus
Banker(s) to the Issue and Refund Banker	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Public Issue Account will be opened, in this case being [●].
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Applicants under the Issue, as described in “ <i>Issue Procedure</i> ” beginning on page 278 of this DRHP.
Bid	An indication to make an Offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Draft Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this

<b>Term</b>	<b>Description</b>
	Draft Red Herring Prospectus
Bidding Centers	The centers at which the Designated Intermediaries shall accept the ASBA Forms to a Registered Broker, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Running Lead Manager/ BRLM	The Book Running Lead Manager to the Issue, being Marwadi Chandarana Intermediaries Brokers Private Limited
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
Broker Centres	Broker Centres notified by the Stock Exchanges where ASBA Applicants can submit the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges.
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalised and above which no Bids will be accepted
Client ID	The client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI.
Cut- off Price	Offer Price, authorized by our Company and the Selling Shareholders, in consultation with the BRLM, which shall be any price within the Price Band. Only Individual Investor are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Circular on Streamlining of Public Issues/ UPI Circular	Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular no. (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021, circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI master circular with circular number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard.
Controlling Branches	Such branches of SCSBs which coordinate Applications under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	Details of the Applicants including their address, name of the father/husband, investor status, occupation and bank account details and UPI ID, where applicable
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.



<b>Term</b>	<b>Description</b>
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue
Designated Intermediaries/ Collecting agent	In relation to ASBA Forms submitted by IIBs authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.  In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs.  In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by IIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such II using the UPI Mechanism), a list of which is available on the website of SEBI 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> . Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	SME Platform of BSE Limited
DP ID	Depository Participant's identity number
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Draft Red Herring Prospectus/DRHP	This Draft Red Herring Prospectus dated March 25, 2025 issued in accordance with Section 26 of the Companies Act, 2013 and SEBI ICDR Regulation.
Eligible FPI(s)	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Application Form and the Prospectus constitutes an invitation to subscribe to the Equity Shares.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares.
Escrow and Sponsor Bank Agreement	Agreement dated [●] entered into amongst our Company, the Registrar to the Issue, the Book Running Lead Manager and Banker to the Issue and Sponsor Bank, to receive

<b>Term</b>	<b>Description</b>
	monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Escrow Account(s)	Account(s) opened with the Bank(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) will be opened, in this case being [●]
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable
First Applicant	The Applicant whose name appears first in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price will be finalized and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations
Fresh Issue	The Fresh Issue of up to 44,00,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] Lakhs
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchange and the Book Running Lead Manager.
Gross Proceeds	The Offer Proceeds, less the amount to be raised with respect to the Offer for Sale.
IPO/ Offer/ Offer Size/ Public Offer	Initial Public Offering
Issue / Offer	The initial public offer of up to 55,00,000 Equity Shares of face value of ₹10 each aggregating up to ₹[●] comprising of a fresh issue of up to 44,00,000 Equity Shares aggregating up to ₹ [●] and offer for sale up to 11,00,000 Equity Shares aggregating to ₹ [●].
Issue Agreement	The agreement dated February 06, 2025 amongst our Company, Promoter Selling Shareholders and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price / Offer Price	<p>The final price at which Equity Shares will be Allotted to successful ASBA Bidders (except for the Anchor Investors) in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company, Promoter Selling Shareholders in consultation with the BRLM in terms of the Red Herring Prospectus and the Prospectus.</p> <p>The Offer Price will be decided by our Company, Promoter Selling Shareholders in consultation with the BRLMs on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.</p>
Issue Proceeds	The proceeds of the Issue shall be available to our Company. For further information about the use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” beginning on page 89 of this DRHP

<b>Term</b>	<b>Description</b>
Issue Opening	The date on which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Closing	The date after which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Market Maker	Market Maker of the Company, in this case being [●]
Market Maker Reservation Portion	The Reserved portion of [●] Equity shares of ₹ 10 each at an Issue Price of ₹ [●] aggregating to ₹ [●] for Designated Market Maker in the Public Issue of our Company
Market Making Agreement	The Agreement among the Market Maker, the Book Running Lead Manager and our Company dated [●]
Minimum Bid Lot Size	The minimum bid lot size shall of two lots i.e [●] Equity Shares ([●]X2)
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> or such other website as may be updated from time to time, which may be used by IIs to submit Bids using the UPI Mechanism
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of face value of ₹10 each fully paid for cash at a price of ₹ [●] per Equity Share (the “Issue Price”), including a share premium of ₹ [●] per equity share aggregating to ₹ [●]
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Issue. For further information about use of the Issue Proceeds and the Issue expenses, see “ <i>Objects of the Issue</i> ” on page 89 of this DRHP.
Net QIB Portion	The QIB Portion less the number of Equity Shares allocated to the Anchor Investors
Non-Institutional Investors/ Non-Institutional Bidders/ NIB’s	All Applicants that are not QIBs or Individual Investor and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price or through such other method of allocation as may be introduced under applicable law
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
OFS/ Offer for Sale	The offer for sale of up to 11,00,000 Equity Shares aggregating to ₹ [●] Lakhs by the Promoter Selling Shareholder.
Offer document	Includes Draft Red Herring Prospectus/ Red Herring Prospectus and Prospectus to be filed with Registrar of Companies.
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Promoter Selling Shareholder. For further information about use of the Offer Proceeds, see “ <i>Objects of the Issue</i> ” on page 89.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted

<b>Term</b>	<b>Description</b>
	and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Issue opening and closing dates, the size of the Issue and certain other information.
Public Issue Account(s)	Account to be opened with Banker to the Issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Bank	The bank(s) which is a clearing member and registered with SEBI as a banker to an issue with which the Public Issue Account(s) is opened for collection of Application Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●]
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●]. The Price Band will be decided by our Company and Promoter Selling Shareholders in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Offer Opening Date.
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalise the Offer Price.
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of [●] Equity Shares aggregating to ₹ [●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors).
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.
Registered Brokers	Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 and the UPI Circulars issued by SEBI.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto.
Registrar Agreement	The agreement dated February 06, 2025 among our Company, Promoter Selling Shareholders and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar and Share Transfer Agents/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Issue/ Registrar	Kfin Technologies Limited
Individual Investor(s)/ II(s)	Individual Applicants, who have applied for the Equity Shares for a minimum application size of two lots wherein amount exceeds ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs)
Individual Investor Portions	Portion of the Offer being not less than 35% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to IIBs (subject to valid Bids being received at or above the Offer Price), which shall not be less than the minimum Bid Lot subject to availability in the Individual Investor Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Bid

Term	Description
	Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Individual Applicants can revise their Applications during the Issue Period and withdraw their Applications until Issue Closing Date
Refund Bank(s) /Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Offer at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●].
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Refund Account	Account to be opened with a SEBI Registered Banker to the Offer from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Reservation Portion	The portion of the Offer reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018
Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System
Promoter Selling Shareholder	Manish Bagadia and Karuna Bagadia
Self-Certified Syndicate Bank(s) or SCSB(s)	<p>The list of SCSBs notified by SEBI for the ASBA process is available at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://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 IIB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the 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.</p> <p>In relation to Bids submitted 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 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. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see 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>) as updated from time to time.</p> <p>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 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<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">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a>) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as ‘Annexure A’ for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019</p>
“Syndicate” or “Members of the Syndicate”	Together, the BRLM and the Syndicate Members
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Applicants, a list of which will be included in the Application Form
Sponsor Bank	The Banker to the Issue registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the IIBs using the UPI and

<b>Term</b>	<b>Description</b>
	carry out other responsibilities, in terms of the UPI Circulars, in this case being [●]
Syndicate Agreement	The agreement to be entered into amongst our Company, the Promoter Selling Shareholder, the BRLMs and the Syndicate Members, in relation to collection of Bids by the Syndicate.
Syndicate Members	Intermediaries (other than BRLMs) registered with SEBI who are permitted to carry out activities in relation to collection of Bids and as underwriters, namely, [●]
Stock Exchange	SME Platform of BSE Limited
Systemically Important Non-Banking Financial Companies	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriters	The [●] who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, (Repeal) 2021, as amended from time to time.
Underwriting Agreement	The agreement dated [●] among the Underwriter, Promoter Selling Shareholders and our Company to be entered prior to filing of the Prospectus with RoC.
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Individual Bidders in the Individual Investor Portion, and (ii) Non- Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.  Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the websites of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidders by way of a notification on the UPI linked mobile application and by way of an SMS on directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The Bidding mechanism that may be used by UPI Bidders to make ASBA Bids in the Issue in accordance with UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Working Days	All days on which commercial banks in Mumbai, India are open for business, provided however, with reference to (a) announcement of the Issue Price; and (b) Issue Period, Term Description. The term “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Issue Closing Date and listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI

## CONVENTIONAL AND GENERAL TERMS AND ABBREVIATIONS

<b>Term</b>	<b>Description</b>
₹ or Rs. or Rupees or INR	Indian Rupees
A/c	Account
AGM	Annual general meeting
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	Bombay Stock Exchange of India Limited
CAGR	Compounded Annual Growth Rate
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
CBDT	The Central Board of Direct Taxes
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Competition Act	Competition Act, 2002, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020
CRAR	Capital to Risk Asset Ratio
CSR	Corporate social responsibility
Demat	Dematerialised
Depositories Act	Depositories Act, 1996.
Depository or Depositories	NSDL and CDSL both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
DIN	Director Identification Number
DP ID	Depository Participant’s Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary general meeting
EPF Act	Employees’ Provident Fund and Miscellaneous Provisions Act, 1952

<b>Term</b>	<b>Description</b>
EPS	Earnings per share
EUR/ €	Euro
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year, Fiscal, FY/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
FY	Financial Year
FPI(s)	Foreign Portfolio Investor, as defined under the FPI Regulations
FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
FIPB	The erstwhile Foreign Investment Promotion Board
FVCI	Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
GDP	Gross domestic product
GoI or Government or Central Government	Government of India
GST	Goods and services tax
HR	Human resource
HUF	Hindu undivided family
I.T. Act	The Income Tax Act, 1961, as amended
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
Ind AS or Indian Accounting Standards	The Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Ind AS Rules
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015
IGAAP or Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
INR	Indian National Rupee
IPR	Intellectual property rights
IRR	Internal rate of return
IPO	Initial public offer
IRDAI	Insurance Regulatory Development Authority of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information technology
India	Republic of India
KPI	Key Performance Indicators
“Listing Regulations” or “SEBI LODR Regulations”	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015



<b>Term</b>	<b>Description</b>
Listing Agreement	The equity listing agreement to be entered into by our Company with each of the Stock Exchanges
LIBOR	London Inter-Bank Offer Rate
MCA	Ministry of Corporate Affairs, Government of India
Mn/ mn	Million
MSME	Micro, Small, and Medium Enterprises
Mutual Fund(s)	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not applicable
NACH	National Automated Clearing House
NAV	Net asset value
NCDs	Non-Convertible Debentures
NBFC	Non-Banking Financial Company
NBFC-ND-SI	Non-Banking Financial Company - Systemically Important Non-Deposit taking Company
NBFC-SI Master Directions	Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (Master Direction DNBR. PD. 008/03.10.119/2016-17) dated September 1, 2016 (updated on February 17, 2020)
NEFT	National electronic fund transfer
NFE	Net foreign exchange
NGT	The National Green Tribunal
Non-Resident	A person resident outside India, as defined under FEMA
NPCI	National payments corporation of India
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
PAT	Profit after tax
PIO	Person of India Origin
R&D	Research and development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
RTI	Right to Information, in terms of the Right to Information Act, 2005
RONW	Return on net worth
Rs./ Rupees/ ₹ / INR	Indian Rupees
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992

<b>Term</b>	<b>Description</b>
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Mutual Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
State Government	Government of a State of India
STT	Securities Transaction Tax
SICA	The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
TAN	Tax deduction account number
TDS	Tax deducted at source
US GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
USD / US\$	United States Dollars
UT	Union Territory
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations
w.e.f.	With effect from
Willful Defaulter or Fraudulent Borrower	Willful Defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
WTD	Whole Time Director as defined in Companies Act, 2013
Year/Calendar Year	Unless context otherwise requires, shall refer to the 12 month period ending Dec 31

#### **TECHNICAL/ INDUSTRY RELATED TERMS**

<b>Terms</b>	<b>Description</b>
ACS	Average Cost of Supply
AI	Artificial Intelligence
ALMM	Approved List of Models and Manufacturers as notified by MNRE from time to time
ARR	Average Revenue Realized
CAD	Current Account Deficit
CAGR	Compounded annual growth rate
CEEW	Council on Energy, Environment and Water's
CEA	Central Electricity Authority
CEF	Centre for Energy Finance

<b>Terms</b>	<b>Description</b>
C&I	Commercial & Industrial
CPI	Consumer Price Index
Capacity in GW	This refers to the total production capacity of all the manufacturing units taken together in gigawatt.
DDUGJY	Deen Dayal Upadhyaya Gram Jyoti Yojana
DII	Domestic Institutional Investors
Debt	Debt is calculated as total debt minus current and non-current lease liabilities.
Debt to Equity Ratio	Debt to equity ratio has been calculated as debt divided by total equity (excluding non-controlling interest).
Debt to EBITDA ratio	Debt to EBITDA ratio has been calculated as debt divided by EBITDA for the relevant fiscal.
Direct Sales to Utilities and Enterprises	Direct Sales to Utilities and Enterprises refers to our sales to utilities and enterprise customers.
DPIIT	Department for Promotion of Industry and Internal Trade
EBITDA	EBITDA has been calculated as profit for the year before exceptional items and taxes plus finance cost, depreciation and amortization
EBITDA Margin	EBITDA Calculated as profit for the year before exceptional items and taxes plus finance cost, depreciation and amortization. EBITDA margin has been calculated as EBITDA divided by total income.
Export Sales	Export Sales includes solar PV module sales to international customers as well as international EPC revenue.
FII	Foreign Institutional Investors
FPI	Foreign Portfolio Investors
FY	Fiscal Year
GBI	Generation Based Incentive
GDP	Gross Domestic Product
GEC	Green Energy Corridor
GST	Goods and Services Tax
GW	Giga watt
HFI	High-Frequency Indicators
HPO	Hydro Purchase Obligation
HVDC	High voltage direct current
IIP	Index of Industrial Production
IMF	International Monetary Fund
IP	Intellectual Property
IPDS	Integrated Power Development Scheme
ISTS	Inter-State Transmission System
KfW	Kreditanstalt für Wiederaufbau (German Development Bank)
kV	Kilo volt
LIC	Life Insurance Corporation
LC	Letter of credit
MNRE	Ministry of New and Renewable Energy
MSE	Micro and Small Enterprises
MW	Megawatt
NABFID	National Bank for Financing Infrastructure and Development
NABL	National Accreditation Board for Testing and Calibration Laboratories
NIP	National Infrastructure Pipeline
NISE	National Institute of Solar Energy
NSM	National Solar Mission
NSO	National Statistical Office
NVVN	NTPC Vidyut Nigam Limited
Order Book in GW	This refers to the total confirmed total order book, to be delivered in over a period of ascertained timeline in gigawatt.
Other Revenue from Operations	Other Revenue from Operations includes EPC services for domestic utilities and enterprise customers, O&M services, trading in ancillary products, export incentives, generation of electricity from renewable resources and scrap sale.

<b>Terms</b>	<b>Description</b>
PAT	Profit After Tax
PAT Margin	PAT Margin has been calculated as profit for the year/period divided by total income
PLI	Production Linked Incentive Scheme
PV	Photovoltaic solar module
RBI	Reserve Bank of India
RE	Renewable Energy
Retail Sales	Retail Sales includes solar PV module sales through our franchisee network focused on commercial and industrial, and residential business verticals as well as franchisee EPC revenue and other products sold to franchisees.
RPO	Renewable Purchase Obligation
SCD	Scheduled commissioning date
SEZ	Special Economic Zone
T&D	Transmission and Distribution
Total Debt	Total debt is calculated as current borrowings plus non-current borrowings plus current lease liabilities plus non-current lease liabilities.
UDAY	Ujjwal DISCOM Assurance Yojana
UNESCO	United Nations Educational, Scientific and Cultural Organization
WP	Watt peak
WSH	Wind-solar hybrid
WTO	World Trade Organization
XUAR	Xinjiang Uyghur Autonomous Region in People's Republic of China

Notwithstanding the foregoing, terms in “*Description of Equity Shares and Terms of Articles of Association*”, “*Statement of Tax Benefits*”, “*Industry Overview*”, “*Key Industrial Regulations and Policies*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*” and “*Issue Procedure*” on pages 311, 116, 119, 154, 188, 245 and 278 respectively of this Draft Red Herring Prospectus, will have the meaning ascribed to such terms in these respective sections.

## **CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY & MARKET DATA AND CURRENCY OF PRESENTATION**

### **Certain Conventions**

All references to “India” contained in this Draft Red Herring Prospectus are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable. Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

### **Use of Financial Data**

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Red Herring Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “*Financial Information*” on page 188 of this Draft Red Herring Prospectus

Our Company’s financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Statements of our Company for the period ended September 30, 2024 and for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 which comprise restated summary statement of assets and liabilities, the restated summary statement of profit and loss, the restated summary statement of cash flow and restated summary statement of changes in equity together with the annexures and notes thereto and the examination report thereon, as compiled from the Indian GAAP financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly, be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 30, 136, and 231 respectively, of this Draft Red Herring Prospectus, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with Indian GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on pages 30, 119 and 136 respectively, this Draft Red Herring Prospectus

### **Currency and Units of Presentation**

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in is Draft Red Herring Prospectus in “Lakhs” units or in whole numbers where the numbers have been too small to represent in lacs. One Lakh represents 1,00,000 and one million represents 10,00,000.

## Exchange rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	Exchange rate as on			
	For the period ended September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1 USD	83.79	83.37*	82.22	75.81

Source: [www.fbil.org.in](http://www.fbil.org.in)

\*As on March 28, 2024

Note: Exchange rate is rounded off to two decimal places

## Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Draft Red Herring Prospectus has been obtained and derived from data provided by management of the company, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Draft Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI ICDR Regulations, “*Basis for Issue Price*” on page 107 of this Draft Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 30 of this Draft Red Herring Prospectus.

## FORWARD- LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “*aim*”, “*anticipate*”, “*believe*”, “*expect*”, “*estimate*”, “*intend*”, “*objective*”, “*plan*”, “*propose*”, “*project*”, “*will*”, “*will continue*”, “*will pursue*” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements.

All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- Inability to grow our portfolio of renewable energy power projects;
- For imported components, variations in currency exchange rates could affect our cost structure and margins;
- Variation in the electricity demand and supply situations;
- Delays in project timelines, unforeseen logistical or supply chain disruptions, and unexpected cost increases for materials, labour, or other resources could affect the timing and profitability of our projects;
- General economic and business conditions in the markets in which we operate and in the local, regional and national & international economies;
- Our ability to successfully implement our growth strategy and expansion plans, technological initiatives;
- Our ability to respond to technological changes;
- Changes in laws and regulations that apply to the industries in which we operate;
- Potential mergers, acquisitions restructurings and increased competition;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Our ability to meet our capital expenditure requirements;
- Occurrence of Environmental Problems & Uninsured Losses;
- Any failure to raise additional financing for our Company could have an adverse effect on our business results of operations, financial condition and cash flows;
- Global distress due to pandemic, war or by any other reason;
- Unsecured loan taken by our Company from our Promoters and directors can be recalled at any time.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see section “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 30, 136, and 231 respectively, of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflects current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions,

which in turn are based on currently available information. Although we believe the assumptions upon which these forward- looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoter, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company, the Promoter and the Book Running Lead Manager will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Issue.



## SECTION II -SUMMARY OF THE ISSUE DOCUMENT

The following is a general summary of the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this DRHP when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this DRHP, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Our Business”, “Our Promoter and Promoter Group”, “Restated Financial Statements”, “Outstanding Litigation and Other Material Developments” and “Issue Procedure” on pages 30,57, 74, 89, 119, 136, 182, 188, 245 and 278 respectively of this DRHP.

### 1. Summary of the Industry in which the Company operates:

India's energy demand is expected to increase more than that of any other country in the coming decades due to its sheer size and enormous potential for growth and development. Therefore, most of this new energy demand must be met by low-carbon, renewable sources. India's announcement that it intends to achieve net zero carbon emissions by 2070 and to meet 50% of its electricity needs from renewable sources by 2030 marks a historic point in the global effort to combat climate change.

India was ranked fourth in wind power capacity and solar power capacity, and fourth in renewable energy installed capacity, as of 2023. Installed renewable power generation capacity has increased at a fast pace over the past few years, posting a CAGR of 15.4% between FY16 and FY23. India has 125.15 GW of renewable energy capacity in FY23. India is the market with the fastest growth in renewable electricity, and by 2026, new capacity additions are expected to double.

With the increased support of the Government and improved economics, the sector has become attractive from an investor's perspective. As India looks to meet its energy demand on its own, which is expected to reach 15,820 TWh by 2040, renewable energy is set to play an important role.

Source: (<https://www.ibef.org/industry/renewable-energy>)

For further details, please refer to “Industry Overview” on page 119 of this DRHP.

### 2. Summary of the primary business of our Company:

We specialise in providing solar Energy Solutions to residential, commercial and industrial. Our Company offers low carbon energy solutions by installing on-site solar projects such as rooftop and ground-mounted systems, as well as off-site solar farm. In addition, we also deal in sale and supply of battery energy storage solution under the brand name “Grace” manufactured by third party. Our comprehensive range of value-added services include installation, after-sales service, operation and maintenance (“O&M”) services. Our O&M services are tailored to meet the unique needs of each solar power plant, ensuring reliable and efficient operations. Our portfolio includes residential installations, commercial and industrial installations, along with battery energy storage solutions (“BESS”) (“Energy Solutions”). From the period April 01, 2021 to September 30, 2024, we have successfully executed and commissioned 36,450 KW solar projects at over 3,359 sites having presence in the 8 states across India and 2 countries. These projects comprise 3,180 residential sites with a capacity installed about 14,746 KW, 179 commercial and industrial sites with a capacity installed about 21,704 KW. We are also channel partner of solar panel of reputed Indian Company and distributor of Inverter of reputed Chinese Company.

For further details, please refer to “Our Business” on page 136 of this DRHP.

### 3. Names of the Promoters:

Promoters of our company are Manish Bagadia and Karuna Bagadia. For further details, please refer to the chapter titled “Our Promoter and Promoter Group” beginning on page 182 of this DRHP.

### 4. Details of the Issue:

Initial Public Issue of up to 55,00,000 Equity Shares consisting of fresh issue of upto 44,00,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakhs and an Offer for Sale by the Promoter Selling Shareholder of 11,00,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakhs (“The Issue”), out of which upto [●] Equity Shares of face value of ₹ 10/- each aggregating to ₹ [●] lakhs will be reserved for subscription by the market maker to the issue (the “Market Maker Reservation Portion”). The Issue less Market Maker Reservation Portion i.e.; Issue of upto [●] Equity Shares of face value of ₹ 10/- each, at an issue

price of ₹ [●]/- per Equity Share for cash, aggregating to ₹ [●] lakhs is hereinafter referred to as the “Net Issue”. The Public Issue and Net Issue will constitute [●] % and [●] % respectively of the post- issue paid-up Equity Share capital of our Company.

The Issue has been authorized by our Board pursuant to a resolution dated January 16, 2025, and by our Shareholders pursuant to a special resolution dated January 20, 2025.

For further details, refer chapter “The Issue” and “Other Regulatory and Statutory Disclosures” beginning on page 57 and 252 respectively of this DRHP.

## 5. Objects of the Issue

The details of the Issue Proceeds and Net Proceeds are as follows:

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Issue*	[●]
Less: Issue Related Expense	[●]
Net Proceeds of the Issue	[●]

\* To be finalised upon determination of the Issue Price and will be updated in the Prospectus prior to filing with the ROC.

## 6. Utilization of Net Issue Proceeds

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1.	Purchase of Machinery for setting up BESS facility	998.50
2.	Meeting Working Capital Requirements	[●]
3.	General Corporate Purposes*	[●]
	<b>Total</b>	[●]

\*To be determined upon finalisation 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 15% of the Gross Proceeds from the Fresh Issue or ₹ 10 Crore whichever is lower.

For further details, please see “Objects of the Issue” beginning on page 89 of this Draft Red Herring Prospectus.

## 7. Aggregate Pre-Issue Shareholding of our Promoters, Promoter Group and Promoter Selling Shareholders as a percentage of the paid-up Equity Share capital of our Company

Our Promoters, Promoter Group and Promoter Selling Shareholders collectively holds 1,55,99,220 Equity Shares of our company aggregating to 100.00 % of the pre-Issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and the Promoter Group, as on the date of this Draft Red Herring Prospectus:

S. No	Name of the Shareholders	No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital
<b>Promoters</b>			
1.	Manish Bagadia <sup>^</sup>	1,08,25,620	69.40
2.	Karuna Bagadia <sup>^</sup>	46,80,000	30.00
	<b>Total (A)</b>	<b>1,55,05,620</b>	<b>99.40</b>
<b>Promoter Group</b>			
3.	Manish Bagadia HUF	31,200	0.20
4.	Arun Bagadia	31,200	0.20
5.	Harsh Bagadia	31,200	0.20
	<b>Total (B)</b>	<b>93,600</b>	<b>0.60</b>
	<b>Total (A+B)</b>	<b>1,55,99,220</b>	<b>100.00</b>

<sup>^</sup>Also Promoter Selling Shareholders

For further details, please refer chapter titled “Capital Structure” beginning on page 74 of this DRHP.

**8. Shareholding of Promoter / Promoter Group and Additional Top 10 Shareholders of the Company as at allotment:**

S. No.	Pre- Issue Shareholding as on the date of this DRHP			Post-Issue shareholding as at Allotment*			
	Shareholders	No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital	At the Lower end of the Price Band		At the Upper end of the Price Band	
				No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital	No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital
<b>(A) Promoter</b>							
1.	Manish Bagadia	1,08,25,620	69.40				
2.	Karuna Bagadia	46,80,000	30.00				
<b>Total (A)</b>		<b>1,55,05,620</b>	<b>99.40</b>				
<b>(B) Promoter Group</b>							
3.	Manish Bagadia HUF	31,200	0.20				
4.	Arun Bagadia	31,200	0.20				
5.	Harsh Bagadia	31,200	0.20				
<b>Total (B)</b>		<b>93,600</b>	<b>0.60</b>				
<b>(C) Additional Top 10 Shareholder</b>							
6.	Jigar Patel	260	Negligible				
7.	Prashant Pratapbhai Agrawal	260	Negligible				
8.	Radhika Bhut	260	Negligible				
<b>Total (C)</b>		<b>780</b>	<b>Negligible</b>				
<b>Total (A) + (B) + (C)</b>			<b>100.00</b>				

\*Subject to finalization of the Basis of the Allotment

**9. Summary of Financial Information:**

A summary of the financial information of our Company as derived from the Restated Financial Statements for the period ended September 30, 2024 and for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022 are as follows:

(in ₹ Lakhs, except per share data)

Particulars	For the period ended on September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Equity Share Capital	300.00	300.00	5.00	5.00
Net Worth <sup>(1)</sup>	1,620.29	920.71	346.22	273.15
Revenue from Operations	5,237.80	7,790.91	3,854.98	4,936.23
Restated profit for the year	699.57	574.50	73.07	86.63
Restated Basic & Diluted Earnings per Share <sup>(2)</sup>	23.32	19.15	2.44	2.89
Restated Net Asset Value per Share <sup>(3)</sup>	54.01	30.69	11.54	9.10
Total Borrowings <sup>(4)</sup>	216.96	324.32	410.22	302.85

1. "Net Worth is calculated as the sum of equity share capital and other equity attributable to owners of the Company;
2. Basic EPS & Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period adjusted for Bonus
3. Net Asset Value per share = Net worth attributable to the owners of the company divided by the numbers of shares outstanding as at year end adjusted for Bonus.

4. Total borrowings is the sum of Short term borrowings and Long term borrowings.

For further details, please see “Restated Financial Statements” on page 188 of this DRHP.

#### 10. Auditor Qualifications which have not been given effect to in the Restated Financial Statements

The Restated Financial Statements do not contain any qualifications which have not been given effect in the Restated financial statements.

#### 11. Summary of Outstanding Litigations:

A summary of outstanding litigation proceedings involving our Company, Directors, and Promoters to the extent applicable, as on the date of this Draft Red Herring Prospectus is provided below:

(₹ in Lakhs)

Name of the Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Aggregate Amount (Rs. In Lakhs)
<b>Company</b>						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	9	Nil	Nil	Nil	256.56
<b>Directors</b>						
By the Director	Nil	Nil	Nil	Nil	Nil	Nil
Against the Director	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoter</b>						
By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	Nil	Nil	Nil	Nil
<b>Key Managerial Personnel and Senior Managerial Personnel (Other than Directors and Promoters)</b>						
By the KMP and SMP	Nil	Nil	Nil	Nil	NA	Nil
Against the KMP and SMP	Nil	Nil	Nil	Nil	NA	Nil
<b>Group Companies</b>						
By the Group Companies	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Against the Group Companies	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

For further details, please refer chapter “Outstanding Litigation and Material Developments” beginning on page 245 of this DRHP.

#### 12. Risk Factors

For details on the risks involved in our business, please refer the chapter titled “Risk Factors”, beginning on page 30 of this DRHP, to have an informed view before making an investment decision.

#### 13. Summary of Contingent Liabilities and Commitments

Except as stated below as per Restated Financial Statements, there are no contingent liability for the period ended

September 30, 2024, and for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022.

(₹ in lakhs)

Particulars	For the Period ended September 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Bank Guarantee	163.56	20.00	7.00	101.85
Income Tax Demand	-	-	-	-
<b>Total</b>	<b>163.56</b>	<b>20.00</b>	<b>7.00</b>	<b>101.85</b>

For further details, please refer “Annexure XII: Restated Contingent Liabilities” as disclosed in restated financial statements on page 226 of this DRHP

#### 14. Summary of Related Party Transactions

The below table represents the Related Party Transactions during the period ended September 30, 2024 and Fiscal 2024, 2023 and 2022.

Nature of Transactions	For the period ended 30.09.2024	For the year ended 31.03.2024	For the year ended 31.03.2023	For the year ended 31.03.2022
<b>Director/Managerial Remuneration</b>				
Manish Bagadia	30.00	46.00	18.00	18.00
Karuna Bagadia	24.00	25.50	18.00	18.00
Jigar Patel	3.90	-	-	-
<b>Reimbursement of Expenses</b>				
Manish Bagadia	7.59	36.49	15.34	9.88
Karuna Bagadia	-	12.77	3.28	-
<b>Advance Paid for Expenses</b>				
Manish Bagadia	0.20	-	-	-
Karuna Bagadia	0.13	-	-	-
<b>Unsecured Loans Taken</b>				
Manish Bagadia	10.00	20.00	66.00	24.00
Karuna Bagadia	19.00	13.00	16.00	17.00
Manish Bagadia HUF	9.00	25.00	50.90	76.90
Harsh Trust	-	-	-	-
Harsh Bagadia	-	20.00	3.00	57.78
Rajshree Bagadia	45.00	-	1.50	21.63
Arunkumar Bagadia	-	-	4.80	4.00
Sunita Bagadia	-	-	0.90	0.50
Mitosh Bagadia	-	-	-	-
Arunkumar Bagadia HUF	-	-	0.90	-
Savitri Devi Family trust	-	1.70	1.88	2.90
<b>Unsecured Loans Repaid</b>				
Manish Bagadia	21.00	67.00	-	32.00
Karuna Bagadia	-	-	17.00	16.57
Manish Bagadia HUF	50.00	40.00	20.00	40.00
Harsh Trust	-	-	0.76	53.01
Harsh Bagadia	50.00	-	-	-
Rajshree Bagadia	-	27.03	-	14.00
Arunkumar Bagadia	4.23	18.40	40.00	2.00
Sunita Bagadia	5.32	-	20.00	-
Mitosh Bagadia	-	-	0.84	-
Arunkumar Bagadia HUF	7.68	6.00	8.20	2.80
Savitri Devi Family trust	13.61	9.75	-	-
<b>Interest Paid</b>				
Manish Bagadia	0.36	1.09	1.69	0.34

Nature of Transactions	For the period ended 30.09.2024	For the year ended 31.03.2024	For the year ended 31.03.2023	For the year ended 31.03.2022
Karuna Bagadia	1.10	0.62	0.61	0.34
Manish Bagadia HUF	3.59	8.94	7.57	5.76
Harsh Trust	-	-	-	0.84
Harsh Bagadia	2.89	7.55	5.67	3.92
Rajshree Bagadia	0.51	0.47	2.15	1.59
Arunkumar Bagadia	0.06	1.25	3.67	4.33
Sunita Bagadia	0.08	0.44	1.65	1.84
Mitosh Bagadia	-	-	0.04	0.07
Arunkumar Bagadia HUF	-	0.89	1.38	1.69
Savitri Devi Family trust	0.54	1.67	1.57	1.19
<b>Rent Paid</b>				
Manish Bagadia	5.10	15.60	15.60	15.60
Karuna Bagadia	2.96	6.60	6.60	6.60

For further details, please refer *Annexure VII “related party transactions”* as disclosed in restated financial statements.

#### 15. Financing Arrangements:

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our directors and their relatives (as defined in the Companies Act, 2013) have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity, during a period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

#### 16. Weighted average price at which the Equity Shares were acquired by our Promoters and Promoter Selling Shareholders in the last one year preceding the date of this Draft Red Herring Prospectus:

The weighted average price at which the Equity Shares were acquired by the Promoters in one year preceding the date of this Draft Red Herring Prospectus is as follows:

Name of Promoter	Number of Equity Shares acquired in one year preceding the date of this Draft Red Herring Prospectus	Weighted average price per Equity Share (in ₹) *
Manish Bagadia <sup>^</sup>	1,07,95,620	0.06
Karuna Bagadia <sup>^</sup>	46,65,000	Nil

\*As certified by *Tibrewal Bhagat & Associates, Chartered Accountants* pursuant to their certificate dated March 25, 2025

<sup>^</sup>Also Promoter Selling Shareholders

For further details, please see “*Capital Structure*” beginning on page 74 of this DRHP.

#### 17. Details of price at which the Equity Shares were acquired by our Promoters and members of the Promoter Group, Promoter Selling Shareholder and other shareholders entitled with right to nominate directors or any other rights in three years preceding the date of this Draft Red Herring Prospectus.

The details of price at which the Equity Shares were acquired by our Promoter in three years preceding the date of this Draft Red Herring Prospectus is as follows:

Name of the acquirer/ Shareholder	Date of acquisition of securities	Number of Securities acquired	Acquisition price per security (in ₹)	Nature of Transaction
<b>Promoters</b>				
Manish Bagadia <sup>^</sup>	March 30, 2024	17,70,000	Nil	Bonus Issue
	August 01, 2024	18,000	23.33	Transfer

	August 28,2024	2,58,000	Nil	Transfer pursuant to gift
	August 29, 2024	5850	31.76	Transfer
	January 25, 2025	87,43,770	Nil	Bonus Issue
Karuna Bagadia <sup>^</sup>	March 30, 2024	8,85,000	Nil	Bonus Issue
	January 25, 2025	37,80,000	Nil	Bonus Issue
<b>Promoter Group</b>				
Manish Bagadia HUF	March 30, 2024	5900	Nil	Bonus Issue
	January 20, 2025	25,200	Nil	Bonus Issue
Arun Bagadia	March 30, 2024	5900	Nil	Bonus Issue
	January 25, 2025	25,200	Nil	Bonus Issue
Harsh Bagadia	April 10, 2022	100	10.00	Transfer
	March 30, 2024	5900	Nil	Bonus Issue
	January 25, 2025	25,200	Nil	Bonus Issue

*\*As certified by Tibrewal Bhagat & Associates, Chartered Accountants pursuant to their certificate dated March 25, 2025*

*<sup>^</sup>Also Promoter Selling Shareholders*

### 18. Weighted average cost of acquisition for all Equity Shares transacted in One year, 18 months and Three years preceding the date of this Draft Red Herring Prospectus

The weighted average price for all Equity Shares acquired by the Promoters, members of the Promoter Group, Promoter Selling Shareholder and other shareholders with rights to nominate Directors or any other rights in the last one year, 18 months and three years preceding the date of this Draft Red Herring Prospectus is as set out below:

Period	Weighted average cost of acquisition <sup>^</sup> (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition*	Range of acquisition price: Lowest Price – Highest Price <sup>^</sup> (in ₹)
Last one year	0.04	[•]	[•]
Last 18 months	0.04	[•]	[•]
Last three years	0.04	[•]	[•]

*\*As certified by Tibrewal Bhagat & Associates, Chartered Accountants pursuant to their certificate dated March 25, 2025*

*\*To be updated upon finalization of price band.*

### 19. Average cost of acquisition of Equity Shares for our Promoters and Promoter Selling Shareholders

The average cost of acquisition of Equity Shares held by our Promoter set forth in the table below:

Name of Promoter	No. of Equity Shares held	Average cost of Acquisition per Equity Share (in ₹) *
Manish Bagadia <sup>^</sup>	1,08,25,620	0.08
Karuna Bagadia <sup>^</sup>	46,80,000	0.05

*\*As certified by Tibrewal Bhagat & Associates, Chartered Accountants pursuant to their certificate dated March 25, 2025*

*<sup>^</sup>Also Promoter Selling Shareholder*

### 20. Details of Pre-IPO Placement

Our company does not contemplate any issuance or placement of Equity Shares in this Issue until the listing of the Equity Shares.

### 21. Issuance of equity shares for consideration other than cash in the last one year

Except as set out below, our Company has not issued Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

<b>Date of Allotment</b>	<b>Reason for Allotment</b>	<b>No. of Equity Shares Allotted</b>	<b>Face value (₹)</b>	<b>Issue price (₹)</b>	<b>Benefits accrued to our Company</b>
March 30, 2024	Bonus Issue	29,50,000	10.00	Nil	Capitalisation of Reserves
January 25, 2025	Bonus Issue	1,26,00,000	10.00	Nil	Capitalisation of Reserves

For further details, please refer chapter titled “*Capital Structure*” beginning on page 74 of this DRHP.

**22. Split/consolidation of Equity Shares in the last one year**

There was no split or consolidation of equity shares has been made in the last one year preceding the date of filling this Draft Red Herring Prospectus.

**23. Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

As on the date of this Draft Red Herring Prospectus, our Company has not sought or received any exemption from complying with any provisions of the Securities laws.



### SECTION III: RISK FACTORS

*An investment in our Equity Shares involves a high degree of risk. Prospective Investors should carefully consider all the information in the Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, but also to the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “Our Business”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 136, 188, 231, respectively of this DRHP, as well as the other financial and statistical information contained in this DRHP. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Issue including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section.*

*This DRHP also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this DRHP. For further information, please refer to section titled “Forward-Looking Statements” beginning on page 20 of this DRHP.*

*Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this DRHP. For further information, please refer “Restated Financial Statements” on 188 of this DRHP. We have, in this DRHP, included various operational and financial performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditors. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this DRHP.*

#### **Materiality**

*The Risk Factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality of Risk Factors:*

- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively; and*
- *Some events may not be material at present but may have a material impact in future.*

*The financial and other related implications of risks concerned, whether quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.*

*In this Draft Red Herring Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.*

*In this section, unless the context requires otherwise, any reference to "we", "us" or "our" refers to Grace Renewable Energy Limited.*

#### **INTERNAL RISK FACTORS**

***1. We may be unable to accurately estimate costs under fixed-price EPC contracts, fail to maintain the quality and performance guarantees under our EPC contracts, we may experience delays in completing the construction of solar power projects, which may increase our construction costs and working capital requirements and thus may have a material adverse effect on our financial condition, cash flow and results of operations.***

We enter into fixed-price EPC contracts with most of our customers. We estimate essential costs, such as the cost of construction materials and direct project costs, at the time we enter into an EPC contract for a particular project and these are reflected in the overall fixed-price that we charge our customers for the solar power project. However, these cost estimates are preliminary and at the time we enter into EPC contracts, we may not have finalized these costs in our related contracts with subcontractors, suppliers and other parties involved in the solar power project. If we miscalculate or misjudge and incorrectly factor the costs of construction, development, land acquisition and price of the components, the projects may become economically unviable. While there have been no such instances in the last three Fiscals, where we have miscalculated or misjudged and incorrectly factored the costs of construction, development, land acquisition and price of the components.

We offer a warranty period of one year for all installed projects, covering any defects or issues during this time. In addition to this, we also offer warranty on the equipments installed as per the terms in the purchase order. While there have been no such instances in the last three Fiscals, where we have failed to meet our performance or generation guarantees under our EPC contracts, we cannot assure you that we will continue to meet our performance or generation guarantees in all our EPC contracts

Our EPC contracts may include provisions allowing for changes by our customers to the scope of work. Such provisions generally allow us to reprice the EPC contract and charge our customer for any additional work. Other than through such changes, we generally cannot reprice or renegotiate an EPC contract once it has been entered into with our customer. As a result, any failure to accurately estimate costs could result in our actual costs exceeding our estimated costs, thereby causing an increase in our construction costs and working capital requirements and as a result, we may incur losses.

***2. Any restrictions in supply or failure of supply or defects in quality could cause delays in project construction or implementation and impair our ability to provide our services to customers at a price that is profitable to us which could have a material adverse effect on our business, financial condition and results of operation.***

The quality and timely supply of our products (and consequently, customer acceptance of such products) depends on the quality of the raw materials, components and spares such as solar panels, inverters, solar structures, transformers, electrical panels, cables, etc. to timely deliver such materials. The prices and supply of such materials and components depend on factors beyond our control, including general economic conditions, competition, production levels, transportation costs and import duties. Suitable alternative suppliers who can meet our technical and quality standards, and who can supply the necessary quantities, may be hard to find in the event of a supply failure. The failure of any of our suppliers to deliver these materials or components in the necessary quantities, to adhere to delivery schedules for supply, or to comply with specified quality standards and technical specifications, could adversely affect our EPC projects, and O&M services. For example, for the period ended September 30, 2024 and in Fiscals 2024, 2023 and 2022 our top 10 suppliers constituted 88.99%, 86.36%, 81.48% and 75.17% of the aggregate purchases. We cannot assure you that we will not face such issues with the failure of our suppliers which could adversely affect our EPC projects and O&M services.

If any of our suppliers suffer any damage to their facilities, theft of materials, encounter financial difficulties, are unable to secure necessary raw materials from their suppliers or suffer any other reduction in efficiency, we may experience significant business disruption. While we have not faced any such instances for the period ended September 30, 2024, in the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022, in the event of any such disruptions in the future, we would need to seek and source other qualified suppliers, likely resulting in further delays and increased costs, which could affect our business adversely.

***3. Our business is driven by a mix of revenue from residential projects and commercial and industrial projects and trading.***

The table below sets forth details of the revenue from operation segment wise:

Category of customers	For the period ended September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Gross Amount	%	Gross Amount	%	Gross Amount	%	Gross Amount	%
<b>Solar EPC Contract</b>								
Residential	920.80	18.38	1,923.58	24.69	1,511.45	39.21	2,643.91	53.56
C&I	1,634.26	32.61	3,449.61	44.28	1,618.12	41.97	1,741.75	35.29
O&M	1.71	0.03	9.33	0.12	11.09	0.29	9.33	0.19
Other services	32.56	0.65	25.04	0.32	3.99	0.10	9.09	0.18
<b>Total (A)</b>	<b>2,589.33</b>	<b>51.68</b>	<b>5,407.56</b>	<b>69.41</b>	<b>3,144.65</b>	<b>81.57</b>	<b>4,404.08</b>	<b>89.22</b>
<b>Trading</b>								
Panel	2,418.00	48.29	2,383.35	30.59	710.33	18.43	532.15	10.78
Inverter	1.73	0.03	-	-	-	-	-	-
<b>Total (B)</b>	<b>2,419.73</b>	<b>48.32</b>	<b>2,383.35</b>	<b>30.59</b>	<b>710.33</b>	<b>18.43</b>	<b>532.15</b>	<b>10.78</b>
<b>Total (A+B)</b>	<b>5,009.06</b> *	<b>100.00</b>	<b>7,790.91</b>	<b>100.00</b>	<b>3,854.98</b>	<b>100.00</b>	<b>4,936.23</b>	<b>100.00</b>

\*It does not include an unbilled revenue of ₹ 228.74 lakhs

For the period ended September 30, 2024 and Fiscals 2024, 2023 and 2022, our revenue from solar EPC has contributed to 51.68%, 69.41%, 81.57% and 89.22% of our revenue from operations. Any decrease in revenue from any specific segment, including due to increased competition or supply, or reduction in demand, or our inability to extend or renew subsisting contracts at commercially viable terms, may have an adverse effect on our business, cash flows, results of operation and financial condition.

**4. We rely on third parties, including for equipment and contract labour agencies, to complete our projects and any failure arising from non-performance, delayed performance or inadequate quality in the performance of work by such third parties, or a failure by third-party contract labour agencies to comply with applicable laws, to obtain the necessary approvals, or provide services on agreed terms, could adversely affect our business, financial condition, results of operations and cash flows.**

We are typically engaged as a principal contractor for the construction of a project, and we rely on contract labour agencies to complete a certain portion of our work. For the period ended September 30, 2024, Fiscals 2024, 2023 and 2022, our sub-contracting expenses amounted to ₹ 82.45 lakhs, ₹129.49 lakhs, ₹ 163.27 lakhs and ₹ 176.69 lakhs, respectively, representing 1.91%, 1.87%, 4.33% and 3.66%, respectively, of our total expenses.

For further details, see “Restated Financial Information” on page 188. We also rely on third- party equipment manufacturers or suppliers to provide the equipment and materials used for construction of our projects, and other vendors for IT services such as network infrastructure, communications, maintenance of websites and cyber security.

We utilize and rely on a limited number of third-party sub-contractors to construct and install portions of our EPC projects. While there have been no such instances of cost overruns in the last three Fiscals, we cannot assure you that, if our third-party contractors do not satisfy their obligations or do not perform work that meet our quality standards or if there is a shortage of third-party contractors or if there are labour strikes that interfere with the ability of our contractors to complete their work on time or within budget, we would not experience significant delays and potential cost overruns.

Engaging contract labour agencies is subject to certain risks, including difficulties in overseeing performance, delays which may arise on account of being unable to hire suitable subcontractors, or losses as a result of unexpected subcontracting cost overruns. Since contract labour agencies have no direct contractual relationship with our customers, we are subject to risks associated with non-performance, late performance or poor performance by our contract labour agencies. As a result, we may incur additional costs or be exposed to liability arising from poor performance by subcontractors, which may impact our business, reputation and profitability, and may result in litigation or other claims against us. While we may attempt to seek compensation from the relevant subcontractors, we cannot assure you that we will be successful in such a claim.

Further, if contract labour agencies engaged by us fail to obtain government or third-party approvals, we may be subject to claims by government authorities or third parties. In addition, if we are unable to hire qualified

subcontractors or find competent equipment manufacturers or suppliers, our ability to successfully complete a project could be affected. If the amount we are required to pay for contract labour agencies, equipment or supplies exceeds our estimates, we may suffer losses. If a supplier, manufacturer, or contract labour agency fails to provide supplies, equipment or services on agreed terms, we may be required to source these supplies or equipment from another supplier or find a replacement for such a contract labour agency (as the case may be) at higher costs than anticipated, which could adversely affect our business, profitability, financial condition and results of operations. While we have faced any such instances in the last three Fiscals, where contract labour agencies failed to meet their obligations, any future failure by them to do so in the future could disrupt our project timelines, increase costs, and negatively impact our business, profitability, financial condition, and results of operations

***5. If any of our projects are terminated prematurely, we may not receive payments due to us, which could adversely affect our business, financial condition and results of operation.***

Due to changes in project scope and schedule, we cannot predict with certainty when, or if the solar power projects in our order book will be performed. In addition, when a project proceeds as scheduled, it is possible that our customers may default and fail to pay amounts due. We cannot guarantee that the income anticipated in our order book will be realized on time, or at all. Our agreements with project owners can be terminated prematurely by project owners for several reasons, including:

- failure to comply with operational or maintenance standards prescribed under agreements;
- failure to provide, extend or replenish performance security required under agreements,
- failure to cure a default within the stipulated cure period;
- failure to achieve project milestones to complete a project within the prescribed timelines;
- occurrence of a material adverse effect, as defined under our agreements,
- any assignment of rights, obligations, or assets by our Company or the relevant subsidiary or joint venture,
- occurrence of a force majeure event, such as an act of god, act of war, expropriation or compulsory
- bankruptcy, insolvency, initiation of liquidation, dissolution, winding up or amalgamation of our Company or the joint venture,
- have an execution levied by any competent court/authority on the goods or property on the work;
- disregard the instruction of the customer or contravene any provision of the contract;
- fail to adhere to agreed programme of work, programme of billing schedules, arrange reconciliation of materials and adhere to the specifications of work;
- fail to take steps to employ competent or additional staff, labour or workmen as required by the Customer;
- fail to resolve disputes if any, between the partners/ owners/ management of the Company leading to stoppage of work, reduction in levels of work progress required under the said contract;
- fail to co-operate with other agencies simultaneously working at site under first party and/or the customer;
- failure to comply with any other material term of the relevant agreement;
- failure to perform work in accordance with the terms of the agreement or stoppage of work, resulting in a breach of our agreements;
- or for convenience, with prior written notice.

If any of the foregoing occur, project owners may terminate our agreements with them, which will adversely affect our business, financial condition, cash flows and results of operations. However, we cannot assure you that project owners will actually make such payments or that such payments will be adequate to recover our costs. If any of the foregoing occur, project owners may terminate our agreements with them, which will adversely affect our business, financial condition, cash flows, and results of operations. While there have been no such instances in the period ended September 30, 2024 and Fiscals 2024, 2023 and 2022, we cannot assure you that we will receive termination payments if the agreements are terminated for reasons attributable to the project owner, nor can we guarantee that such payments will be sufficient to cover our costs

***6. We have experienced growth in recent years and may be unable to sustain our growth or manage it effectively. We cannot assure you that we will be able to successfully execute our growth strategies, which could affect our business, prospects, results of operations and financial condition.***

We have expanded our operations and experienced growth in recent years. Our revenue from operations grew at a CAGR of 25.63% from ₹4963 Lakhs in Fiscal 2022 to ₹ 7790.91 Lakhs in Fiscal 2024, based on our Restated Financial Information. Our profit for the year, calculated on the basis of our Restated Financial Information, increased from ₹ 89.27 Lakhs in Fiscal 2022 to ₹ 599.71 Lakhs in Fiscal 2024 at a CAGR of 159.19 %. For further details, see “Management's Discussion and Analysis of Financial Condition and Results of Operations” and “Restated Financial Information” on pages 231 and 188 respectively.

From the period April 01, 2021 to September 30, 2024, we have successfully executed and commissioned 36,450 KW solar projects at over 3,359 sites having presence in the 8 states across India and 2 countries.. For the period ended September 30, 2024, we have Completed Projects with a total capacity of 13,462 KW and Ongoing Projects with a cumulative capacity of 3,917 KW and as on September 30, 2024 we have an outstanding work order of 26,958 KW. Sustaining our growth will require working capital investments and will also put pressure on our ability to effectively manage and control historical and emerging risks. We may not be able to sustain our growth rates due to a variety of factors such as a work stoppages, labour or social unrest, environmental activism, adverse weather conditions such as cyclones and monsoons, natural calamities, delays in construction, delays in clearances, increased cost of raw materials, unavailability of adequate funding, inability to onboard experienced members for our management team or a general slowdown in the economy or the industries in which we operate. If we are unable to complete our projects on time in line with our customer requirements with our ability to maintain high levels of customer satisfaction and quality standards, develop and maintain relationships with our suppliers, improve our operations and technology systems and maintain risk management standards, operate in markets or geographies where we have limited experience and preserve a uniform culture, values and work ethic in our operations.

As part of our growth strategy, we propose to continue to strengthen our core competencies in solar EPC and capitalize on Government initiatives and policies. Our growth strategies could place significant demand on our management and our administrative, technological, operational and financial infrastructure. Any failure to sustain our growth or an expansion in the scope and complexity of our operations as a result of any or a combination of the foregoing factors may have an adverse effect on our revenues and our operating margins may also decline, which may adversely affect our business, results of operations and financial condition.

***7. We are in the process of setting up manufacturing facilities for manufacturing of Battery Energy Storage Solution. failure to obtain the required approvals may have an adverse effect on our business operations.***

We are entering into the manufacturing sector for the first time. We are setting up a battery pack production line of 248 MW in Ahmedabad, Gujarat. The setting up of the manufacturing facility Unit for the manufacture of BESS manufacturing lines are funded through internal accruals. Since this is our new venture into manufacturing, there are inherent risks related to unforeseen challenges and our lack of first-hand experience in this sector. These risks include potential difficulties in integrating the manufacturing workstream with our existing EPC and O&M businesses, which could affect operational efficiency and resource allocation.

The successful completion and operation of the manufacturing facilities are contingent upon obtaining various approvals from regulatory authorities, including environmental clearances, land-use, and construction permits. Failure to obtain these approvals in a timely manner or any changes in regulatory requirements could cause significant delays, increase costs, or even halt the project. If we are unable to effectively manage these risks, our business operations, financial condition, and future growth prospects may be materially and adversely affected.

***8. We are yet to place orders for certain equipment for establishing a manufacturing facility at Ahmedabad, proposed to be part funded through this Offer. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment or services in a timely manner, or at all, it may result in time and cost over-runs thereby affecting our business, prospects and results of operations adversely.***

We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements for purchase of new machinery for our business operations. We have estimated the total cost of such capital expenditure to be ₹ 998.50 Lakhs. We are yet to place orders for such machinery. There can be no assurance that we will be able to place orders for such machinery in a timely manner or at all. We have not entered into any definitive agreements in respect of such capital expenditure and have relied on the quotations received from third parties for estimation of the cost. The quotations relied on for such estimation are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. Additionally, in the event of any delay in placement of such orders, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated or that there will not be cost escalations. For details, see “Objects of the Issue” on page 89.

***9. Delays in the acquisition of private land or rights of way, eviction of encroachments, environmental clearances for the projects or resolution of associated land issues, which are though attributable to our customers, may adversely affect our timely performance of our contracts and lead to disputes and losses.***

Pursuant to the agreements, customers are typically required to acquire, lease, or secure rights of way, over the land underlying the projects we construct. The land to be free of encroachments and encumbrances and with environmental clearances are beyond our control and contingent on the government providing the tracts of land. Their failure to acquire the relevant land, free of encumbrances and on time, may cause project delays, cost overruns or even force us to change or abandon the projects completely. We may be entitled to terminate such contracts on the basis of our counterparty's default, such as the failure to acquire or lease the requisite land or right of way, and be entitled to a termination payment from the customer. However, such payment may not be sufficient to cover the losses incurred by the project companies in the construction of the projects. There may be cases which may further lead to disputes and cross-claims for liquidated damages between us and the customers. These factors, either individually or collectively, could have an adverse effect on our business, financial condition and results of operations. While we have had not faced any instances where the customer was unable to provide the project land and the contract was consequently terminated, any such instances in the future could have an adverse effect on our business, results of operations and financial condition.

In addition, relevant laws and regulations may change in the future, requiring the expenditure of resources and any changes in development plans and development control regulations of the various cities in which we operate are subject to change which may affect our business. Any changes and related uncertainties with respect to the implementation of new regulations may have an adverse effect on our business, financial condition and results of operations, including delays in commissioning schedule of our projects.

***10. As we undertake process of our EPC operations in-house, our projects are exposed to various risks and other uncertainties, and our risk management and project selection framework may be inadequate, which may adversely affect our business, results of operations and financial condition.***

We undertake process of our EPC operations in-house, ensuring back-to-back arrangements once our contracts have been secured. To the extent our EPC operations are undertaken in-house which exposes us to certain risks that would be borne by third parties if we outsourced these services. For example, entering into third-party EPC contracts on the basis of fixed price contracts would have insulated us from adverse price fluctuations for the equipment and materials we use for constructing solar power projects. As a result, we are exposed to construction cost risks that could be caused by various factors, including:

- engineering problems;
- unanticipated costs due to defective plans and specifications;
- inability to furnish required guarantees;
- delays in regulatory approvals and/or permits for our projects, such as environmental clearances, forestry or other approvals from environmental protection agencies, forestry, railway or other regulatory authorities;
- shortages of, and price increases in, materials and skilled and unskilled labour, and inflation in key supply markets,
- inability to procure sub-contractors or labourers or labour strikes or stoppage of work by labourers;
- inability to procure construction materials, including on account of shipping delays or shortages of, and price increases in, materials and skilled and unskilled labour, and inflation in key supply markets,
- spread of infectious diseases at our project sites, resulting in temporary shutdown of operations;
- equipment failure or industrial accidents that may cause injury and loss of life, and severe damage to and destruction of property and equipment, and
- other unanticipated circumstances.

Execution risks are compounded on projects which are executed in difficult conditions, such as rough weather conditions, high seas, high altitudes or rugged terrains.

If any or all of these risks materialize, we may suffer significant cost overruns or losses. We cannot assure you that our projects will be completed on schedule or at all or that we will recover our investments. If there are delays in the completion of projects, our customers may dispute our invoices or seek to renegotiate the terms of our contracts, or in case of significant delays, seek to terminate our contracts or we may lose any early completion bonus that we could have received. We may also be subject to penalties, liquidated damages or indemnity payments under the terms of our contracts with our customers and will also not be entitled to early-completion bonuses if projects are delayed. While we have not faced such instances in the past three Fiscals, any of the foregoing in the future could have an adverse effect on our business, financial condition and results of operations.

In addition, in the event the third parties in such EPC contracts fail to perform or default under such contracts, we may not be able to fulfil our obligations under such contracts. While we aim to maintain a competitive cost of

operations, increase in our cost structure could have a material adverse impact on our financial performance. Our cost of operations includes the costs of procuring materials and services required for our general operations and maintenance activities. Such costs may increase as a result of regulatory changes. Additionally, we will be primarily responsible for all equipment defects and construction defects, potentially adding to the cost of construction of our solar power projects. Although we generally obtain warranties from our equipment suppliers, we are responsible for initiating claims against equipment suppliers during the warranty period which will also delay the construction of the project and divert personnel attention on the construction of the project. We cannot assure you that we will be successful with such claims against our suppliers or that these claims will be resolved in a timely manner, or at all

***11. Our business and operation involve significant risks and operational hazards when operating and maintaining our solar power project which can be dangerous and could cause injuries to people or property, thereby having a material adverse impact on our operations.***

Power generation involves hazardous activities, including delivering electricity to transmission and distribution system. We may be subject to significant risks and operational hazards during the operation and maintenance of our solar power projects, including natural disasters, earthquake, fire, flood, lightning, cyclones and other hazards, such as equipment failures structural collapse and other unforeseen events.

Further, our business and operation involve inherent occupational hazards and are subject to hazards inherent in providing services, such as and including risk of equipment failure. Such inherent risks and hazards may not be eliminated through implementing safety measures. We participate in certain activities presenting risks and dangers, among which are underground excavation and construction and the use of heavy machinery. Our project sites also involve working at great heights and potentially dangerous locations which can seriously injure or even kill employees or labourers.

These operational hazards can cause personal injury and loss of life or destruction of property and equipment as well as environmental damage. In addition, the loss or shutting down of our project resulting from any accident in our operations could disrupt our business operations and adversely affect our results of operations, financial condition and reputation. We could also face claims and litigation filed on behalf of persons alleging injury predominantly due to occupational exposure to hazards at our project sites. If these claims and lawsuits, individually or in the aggregate, are resolved against us, our business, financial condition, results of operations and cash flows could be adversely affected. While there have been no such claims in the last three Fiscals, any such claims in the future could adversely affect our results of operations, financial condition and reputation. Further, there can be no assurance that our insurance policies will provide adequate coverage in the event of a legal claim.

***12. Our revenues are highly dependent on our operations in the geographical region of the State of Gujarat. Any adverse development affecting our operations in this region could have an adverse impact on our business, financial condition and results of operations.***

Our revenue from operation are generated from domestic and export sales. However, substantial part of our revenue is generated from the State of Gujarat i.e., ₹ 4,615.39 lakhs, ₹ 5,942.50 lakhs, ₹ 3,082.11 lakhs, and ₹ 4,297.44 lakhs, constituting 92.14%, 76.27%, 79.91% and 87.06% of the total revenue from operations for the period ended on September 30, 2024 and the financial year ended March 31, 2024, 2023 and 2022, respectively. The Geographical distribution of our revenue is set out below:

Particulars	For the period ended September 30, 2024		For the Financial year 2024		For the Financial year 2023		For the Financial year 2022	
	₹ in Lakhs	% of Revenue from Operations	₹ in Lakhs	% of Revenue from Operations	₹ in Lakhs	% of Revenue from Operations	₹ in Lakhs	% of Revenue from Operations
Gujarat	4,615.39	92.14	5,942.50	76.27	3,082.11	79.91	4,297.44	87.06
Maharashtra	136.93	2.73	-	-	535.63	13.89	13.93	0.28
Andhra Pradesh	70.41	1.41	-	-	-	-	-	-
Karnataka	4.87	0.10	-	-	-	-	-	-
Rajasthan	0.96	0.02	3.94	0.05	232.03	6.02	7.72	0.16
Tamil Nadu	-	-	0.49	0.01	-	-	-	-
Madhya Pradesh	-	-	0.10	0.00	2.92	0.08	405.76	8.22
Dadra & Nagar Haveli	-	-	0.03	0.00	4.08	0.11	44.91	0.91
<b>Total</b>	<b>4828.55</b>	<b>96.40</b>	<b>5,947.06</b>	<b>76.33</b>	<b>3,854.98</b>	<b>100.00</b>	<b>4,769.76</b>	<b>96.63</b>

Such concentration of revenue in the State of Gujarat may have an adverse effect. An economic slowdown or change of laws or regulations, particularly in relation to renewable energy sector in the State of Gujarat may have a significant adverse impact on our business, financial condition, cash flows and results of operations. Further, drastic changes in taxes and other levies imposed by the State Government of Gujarat as well as other financial policies and regulations, political and deregulation policies, if changed, could harm the business and economic conditions.

To the extent that we are unable to effectively manage the expansion of our operations and risks, as we implement our strategy to enter into new markets as we improve our domestic and global presence, where we do not have local knowledge and resources, we may be unable to grow or maintain our sales and profitability, or we may be subject to additional unanticipated costs or legal or regulatory action. While there have been no such instances where we had to face any unanticipated costs or any legal or regulatory actions on account of our expansion during the period ended September 30, 2024, and in the last three financial years, we cannot assure you that such instances will not arise in the future. As a consequence, our business, financial condition, results of operations and prospects may be adversely affected.

**13. We rely on third party logistics providers for transportation of our products and machines to the project site or distribution to our customers. Any delay or disruption or refusal by our third-party logistics providers in timely delivery of our products may affect our business, results of operations and cash flow adversely.**

We do not own any trucks, containers, commercial vehicles or marine cargo containers and typically use third-party logistics providers for all our transportation needs and as a result incur considerable expenditure. We have incurred freight and other related expenses (including plant machinery hire charges and transportation charges), details of which are set out below:

Particulars	For the period ended September 30, 2024	Fiscal March 31, 2024	Fiscal March 31, 2023	Fiscal March 31, 2022
Freight and other expenses (₹ in Lakhs)	21.54	29.66	21.19	43.04
Percentage contribution of freight and other expenses towards the total expenses (in %)	0.52	0.43	0.56	0.89

Since our projects are subject to completion within prescribed timelines under our EPC contracts, our customers rely significantly on timely deliveries of our projects and any delays in transportation of key materials to our project sites can lead to our customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such project.



Any service disruption by the logistics service providers as a result of a failure or disruption of their facilities or equipment, technological issues, lower capacity and congestion during peak, shipment volume periods, force majeure, prolonged power outage, third-party sabotages, disputes, employee delinquencies or strikes (including port led strikes), poor port management, political instability, government inspections or regulatory orders mandating service halt or temporary or permanent shutdowns could adversely impact our business operations.. While we have not faced disruptions in our operations once account of any of these factors in the past, such eventualities in the future may adversely affect our business, financial condition, result of operations and cash flows.

**14. Fluctuation in cost of raw materials or any shortages, delay or disruption in the supply of the raw materials we use in our manufacturing process due to factors beyond our control or may have a material adverse effect on our business, financial condition, results of operations and cash flows.**

The major raw materials used by our Company include raw materials, components and spares such as solar panels, inverters, solar structures, transformers, electrical panels, cables, etc. Our operations are dependent upon the price and availability of the raw materials. We usually keep inventory of raw materials on a need basis, as purchases are project specific and grades of raw materials vary project to project. If we face shortage in raw materials in the future, there can be no assurance that we may be able to acquire the raw materials from the market in a timely manner and at a reasonable price, or at all, and if we are not able to procure raw materials in sufficient quantities, we may not be able to manufacture our products or provide our services according to our pre-determined timeframes or as contracted with our customers, at our previously estimated product costs, or at all. Therefore, any shortage, delay or disruption in supply of any of our raw materials could have an adverse effect on our business, results of operations, cash flows and reputation. The table below sets out the breakdown of total cost of materials consumed and the number of days of inventory for the period ended September 30, 2024, in the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022:

Particulars	For the period ended September 30, 2024	Fiscal March 31, 2024	Fiscal March 31, 2023	Fiscal March 31, 2022
Cost of materials consumed (in ₹ Lakhs) <sup>(1)</sup>	1,891.08	4,055.03	2,911.01	3,679.47
Percentage contribution of cost of material consumed towards the total expenses (in %) <sup>(2)</sup>	46.19	57.93	77.08	76.28
Number of days of inventory <sup>(3)</sup>	20	15	17	11.00

<sup>(1)</sup> Cost of material consumed and changes in inventory as per the Restated Financial Information.

<sup>(2)</sup> Total cost of material consumed divided by total expenses.

<sup>(3)</sup> Average inventory divided by Direct Cost (Including Cost Of Goods Sold and Other Direct Expenses) multiplied by number of days for the period.

The prices and supply of these raw materials are also affected by, among others, general economic conditions, volatility in commodity markets, competition, production costs and levels, the occurrence of pandemic (such as COVID-19), transportation costs, indirect taxes and import duties, tariffs and currency exchange rate. If we are unable to pass on cost increases to our customers or are unsuccessful in managing the effects of raw material price fluctuations, our business, financial condition, results of operations and cash flows could be materially and adversely affected.

If we are unable to procure the requisite quantities of raw materials in a timely manner and within our budgeted costs, our business, financial condition and results of operations may be adversely affected. While there have been no such instances in the last three Fiscals, where we have failed to procure requisite quantities of raw materials in a timely manner, we cannot assure you that any failure to procure the requisite raw materials we will be able to arrange supply of the required materials from alternate suppliers in a timely manner. Further, the Government of India may change its laws from time to time. We cannot assure you that any change in the policies from the Government of India will not have an impact on our operations in terms of price.

**15. The generation of electricity from solar source depends heavily on suitable meteorological and climate conditions and our business prospects and future financial performance depends on such favourable and stable conditions. unfavourable weather conditions could have a material adverse effect on our business, financial condition and results of operations.**

The electricity produced and revenues generated by our solar projects are highly dependent on suitable solar irradiation levels, associated weather conditions and other climate conditions (including conditions resulting from man-made causes, such as smog conditions from crop burning or industrial pollution), which are beyond our control. Unfavourable weather and atmospheric conditions could impair the effectiveness of our assets or reduce their output beneath their rated capacity or require the shutdown of key equipment, impeding the operations of our solar assets. The occurrence of natural disasters, which may lead to or exacerbate any existing technical defaults in our grid systems, may result in a complete shutdown of certain of our projects for a prolonged period of time.

We base our investment decisions with respect to each of our solar project on the findings of related solar resource assessments and other technical studies conducted on-site prior to construction. However, actual climatic conditions at a project site may not conform to the findings of these studies and therefore, our facilities may not meet the anticipated production levels or the rated capacity of our generation assets, which could adversely affect our business, prospects, financial condition, results of operations and cash flows. Sustained unfavourable weather could unexpectedly delay the installation of solar energy systems, which could increase the cost of such projects. While there have been no such instances in the last three Fiscals, where the cost of projects increased due to unfavourable weather, we cannot assure due to unfavourable weather impact delay in installation of solar energy system, prospects, financial condition, results of operations and cash flows

***16. We do not own the premises in which our registered office and corporate office are located and the same are on lease arrangement. Any termination of such lease/license and/or non-renewal thereof and attachment by Property Owner could adversely affect our operations.***

Our registered office is situated at 43, The Chamber Near TGB Hotel, S G Highway, Bodakdev, Ahmedabad, Ahmedabad, Gujarat, India, 380054 India is a rented premise wherein an agreement for renting premises have been entered for a period of 11 months w.e.f. 08.01.2025 and part of our corporate office are on lease. For details, please refer to “Our Business Overview - Properties” page no. 153 of this Draft Red Herring Prospectus.

Our business operations are also conducted from the said premises. As per the lease agreement, if there are any non-compliance by us in relation to any term of lease, lease fee and any other terms and conditions, the lease may result in the termination of the lease agreement and consequently we have to vacate the said premises. We also cannot assure you that lessor will not terminate the lease agreement, which would require us to locate to another premise and may have an adverse effect on our conducting our business operations.

Our business operations are also conducted from the said premises. As per the lease agreements, if there are any noncompliance by us in relation to any term of lease, lease fee and any other terms and conditions; it may result in the termination of the lease agreement and consequently we may have to vacate the said premises. We also cannot assure you that lessor will not terminate the lease agreement, which would require us to locate to another premise and may have an adverse effect on our conducting our business operations. In case, we may have to relocate to another premise and/or agree to pay the extra amount for using the same premises. Increase in lease structure will lead to increase of our expenditure which in turn may affect our revenue and increase of operational cost. Also, searching for the suitable location, setting the branch from the scratch and relocating the inventory from location to another, may lead to loss of clients, reduction in sales thereby affecting our profitability.

***17. There are certain documents noticed in some of our corporate records not traceable relating to forms filed with the Registrar of Companies.***

Certain of our Company’s corporate records are not traceable as the relevant information was not available in the records maintained by our Company or on the online portal of the Ministry of Corporate Affairs (“MCA Portal”) or in the physical records available at the RoC. This was despite conducting internal searches and engaging an independent practicing company secretary as certified by Prachi Bansal dated February 20, 2025 to conduct a physical search of our records at the RoC and prepare a report on such search (the “RoC Search Report”). For instance, details are set out in the table below:

Sr. No.	Form / Return / document filed	Purpose / Details	Remarks
1.	INC 24	For change in name from Winwin Building Materials Private Limited to Grace Renewable Energy Private Limited	Unavailable Alternate Documents Relied on: MGT 14 filed for change in Name.
2.	Form 19	Declaration prior to the commencement of business	Unavailable
3.	ADT-1	Appointment of GAURANG & CO. as Statutory Auditor	Unavailable ADT- 3 filed for resignation

Although, as on date of filing this Draft Red Herring Prospectus, our Company has maintained appropriate system and has updated its corporate records such as minutes, statutory forms, registers and documents as required under Companies Act, 2013; while there has been no impact on our financial condition or any statutory or regulatory proceedings initiated in this regard as of the date of this Prospectus; there can be no assurance that any deficiencies in our internal controls and compliances will not arise, or that the regulator will not initiate proceeding against us or will not impose penalty on us or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any future deficiencies in our internal controls, in a timely manner or at all. Further, to improve our secretarial compliances we have appointed Vivekkumar Barlota as Company Secretary and Compliance Officer.

**18. There have been several instances of delay/ default in payment of statutory dues and filing of statutory returns by our Company in the past.**

There have been several instances of delay/ default in payment of statutory dues including EPF payments and filing of GST returns by our Company in the past which were not material in nature and the same were regularised subsequently by payments and filing of return with interest and penalty. For the last three Fiscals there has been generally delay in depositing undisputed statutory dues such as Employee Provident Fund, Employee State Insurance Corporation, Tax deducted at source and Income Tax. due to several reasons including liquidity issues.

Following are the details of delays in the payments of EPF:

Sr No.	Months	Due Date	Date Of Payment	Days of Delay	Reasons For Delay
1	August	15/09/2024	17/09/2024	2	Portal Issue
2	January	15/02/2022	25/02/2022	10	Non calculation of due Amount

Following are the details of delays in the payments of ESIC:

Sr No.	Months	Due Date	Date Of Payment	Days of Delay	Reasons For Delay
1	March	15/04/2024	25/04/2024	10	Due to delay in Calculation of due Amount

Following are the details of delays in the payments of Tax deducted at source, Good and Service Tax:

Name of Statutory Dues	Amount	Period to which Amount relates	Due Date	Date Of Payment	Days of Delay	Status of Payment as on date	Reason for delay
TDS	16763	Dec-24	07/01/2024	06/02/2024	30	Paid	Due to delay in Calculation of due Amount

Name of Statutory Dues	Amount	Period to which Amount relates	Due Date	Date Of Payment	Days of Delay	Status of Payment as on date	Reason for delay
TDS	84542	Sep-24	07/10/2024	24/10/2024	17	Paid	Due to delay in Calculation of due Amount
TDS	4500	Sep-24	07/10/2024	24/10/2024	17	Paid	Due to delay in Calculation of due Amount
TDS	3512	Apr-23	07/05/2023	06/06/2023	30	Paid	Due to delay in Calculation of due Amount
TDS	22581	Mar-22	07/04/2022	20/05/2022	43	Paid	Due to delay in Calculation of due Amount
TDS	3565	Feb-22	07/03/2022	30/04/2022	54	Paid	Due to delay in Calculation of due Amount

Though these delays have been regularised, we cannot assure you that there will be no default or delay in future in payment of such statutory dues. Further, we cannot assure that we will not be subject to any legal proceeding or regulatory actions, including monetary penalties by respective statutory authorities on account of such delay in payments or filing of returns, which may adversely affect our business, financial condition, and reputation.

**19. Our net cash flows from operating, activities have been negative in some years in the past. Any negative cash flow in the future may affect our liquidity and financial condition.**

We have, in the past, experienced negative net cash flows in operating activities for FY 2023 and negative cash flows in investing activities for FY 2024, FY 2023 and FY 2022 and negative cash flow in financing activities in FY 2024. Such negative cash flows from operating activities for FY 2023 were mainly attributable to change in working capital consist of increase in Inventories and Trade Receivables. Negative cash flows in investing activities for FY 2024, FY 2023 and FY 2022 were mainly attributable to purchase of Fixed Assets and Loans & Advances. Negative cash flows in financing activities for FY 2024 were primarily due to repayment of borrowings.

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

Particulars	(₹ In Lakhs)			
	For the period September 30, 2024	For the period ended March 2024	For the period ended March 2023	For the period ended March 2022
Net cash flow from Operating activities	358.82	344.92	(8.58)	53.08
Net cash from investing activities	(183.89)	48.00	(119.72)	(35.60)
Net cash from financing activities	(117.51)	(122.80)	72.19	43.81

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow in future, it may adversely affect our business and financial operations.

For further details, see “*Restated Financial Information – Restated Statement of Cash Flow*” and “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” on pages 195 and 231, respectively. We cannot assure you that our net cash flow will be positive in the future, which could adversely affect our ability to, among others, fund our operations or pay our debts in a timeline manner, which could in turn adversely affect our business, cash flows, financial condition and results of operations.

**20. We have working capital requirements. If we experience insufficient cash flows to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations.**

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors and inventories. Any delay in processing our payments by our customers may increase our working capital requirement. Further, if a customer defaults in making payments for a product on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses. Our Company's working capital requirements (i.e., sum of trade receivables and inventory, as reduced by trade payables) as on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 was ₹ 1012.37 Lakhs, ₹ 700.19 Lakhs, ₹ 428.90 Lakhs and ₹ 323.97 Lakhs, respectively. As on January 31, 2025, our Company had total sanctioned limit of (fund & non fund based) working capital facilities of ₹ 544.00 Lakhs and has utilized ₹ 89.39 Lakhs (fund based and non-fund based). Our working capital days for period ended September 30, 2024, and Fiscals 2024, Fiscal 2023 and Fiscal 2022 were 42 days, 35 days, 45 days and 25 days, respectively. While there have been no instances of claims filed for compensation for any loss incurred pursuant to defaults by the customers in the past 3 financial years and the current financial year, if we file a claim for compensation, the settlement of disputes may take time and involve us expending financial and other resources, and the outcome may be uncertain. In general, we take provisions for bad debts, including those arising from such defaults based primarily on ageing and other factors such as special circumstances relating to special customers. There can be no assurance that such payments will be remitted by our customers to us on a timely basis or that we will be able to effectively manage the level of bad debt arising from defaults. We may also have a higher inventory level at our facilities due to various factors such as, delay in deliveries to the customers, natural disasters, pandemic, government-imposed restrictions, etc.

All of these factors may result, in increase in the amount of receivables, inventory and short-term borrowings. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. While there have been no instances of inaccurate budgeting of working capital requirements in period ended September 30, 2024 and Fiscals 2024, 2023 and 2022, there may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows

The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if our management fails to accurately evaluate the terms and conditions with our customers, it may lead to write-offs bad debts and/ or delay in recoveries which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. In the event we are not able to recover our dues from our trade receivables or sell our inventory, we may not be able to maintain our Sales level and thus adversely affecting our financial health.

For further details of working capital requirements, please refer to the chapter titled "*Objects of the Issue*" on page 89 of this Draft Red Herring Prospectus.

***21. Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, financial condition, results of operations and cash flows.***

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and trade inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory, we may be required to dispose off our inventory or pay our suppliers without new purchases, or create additional vendor financing, which could have an adverse impact on our income and cash flows. We estimate our sales based on the forecast, demand and requirements and also on the customer specifications. Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or

droughts may adversely impact the supply of our products and local transportation. Should our supply of our products be disrupted, we may not be able to procure an alternate source of supply in time to meet the demands of our customers. Such disruption to supply would materially and adversely affect our business, profitability and reputation. The following table sets forth details on our inventory levels, as per our Restated Financial Information, as of and for the years indicated.

Particulars	For the period September, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Inventory (₹ in Lakhs)	658.28	357.58	237.53	154.13
Inventory holding days	20	15	17	11.00

In the past we have not experienced any instances of disruptions to the delivery of product to our customer occurred for reasons such as poor handling, transportation bottlenecks which could have led to delayed or lost deliveries or damaged products and disrupt supply of these products, but there is not guarantee that these instances will not happen in future to improve our line capability, we try to stock our inventory. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively. If we overstock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Any mismatch between our planning and actual consumer consumption could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation.

**22. Our Company is party to certain legal proceeding. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.**

Our Company is party to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and legal forums. A summary of outstanding litigation proceedings involving our Company, as on the date of this Draft Red Herring Prospectus as disclosed in “Outstanding Litigations and Material Developments” on page 245, in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

Name of the Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Aggregate Amount (Rs. In Lakhs)
<b>Company</b>						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	9	Nil	Nil	Nil	256.56
<b>Directors</b>						
By the Director	Nil	Nil	Nil	Nil	Nil	Nil
Against the Director	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoter</b>						
By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	Nil	Nil	Nil	Nil
<b>Key Managerial Personnel and Senior Managerial Personnel (Other than Directors and Promoters)</b>						
By the KMP and SMP	Nil	Nil	Nil	Nil	NA	Nil
Against the KMP and SMP	Nil	Nil	Nil	Nil	NA	Nil
<b>Group Companies</b>						

Name of the Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Aggregate Amount (Rs. In Lakhs)
By the Group Companies	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Against the Group Companies	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.


There can be no assurance that proceedings involving our Company will be decided in favour of our Company it may divert the attention of our management and Promoters and consume our corporate resources and we may incur significant expenses in such proceedings and we may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against Company, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares.

Furthermore, we may not be able to quantify all the claims in which we are involved. Failure to successfully defend these or other claims or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subjected to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure that similar proceedings will not be initiated in the future. This could adversely affect our business, cash flows, financial condition, and results of operation. For further details, pertaining to material pending outstanding litigations involving our Company, see “Outstanding Litigations and Material Developments” on page 245.

**23. Any IT system failures or lapses on part of any of our employees may lead to operational interruption, liabilities or reputational harm.**

The success of our businesses depends in part upon our ability to effectively deploy, implement and use information technology systems and advanced technology initiatives in a cost effective and timely basis. Our computer networks may be vulnerable to unauthorised access, computer hacking, computer viruses, worms, malicious applications and other security problems caused by unauthorised access to, or improper use of, systems by our employees, subcontractors or third-party vendors. Any systems failure or security breach or lapse on our part or on the part of our employees and other ecosystem participants that results in the release of user data could harm our reputation and brand and, consequently, our business, in addition to exposing us to potential legal liability. While we have not faced any such instances in last three fiscals. Any such legal proceedings or actions may subject us to significant penalties and negative publicity, require us to change our business practices, increase our costs and severely disrupt our business.

**24. We may not be able to prevent unauthorised use of trademarks obtained/ applied for by third parties, which may lead to the dilution of our goodwill.**

As on date of this Draft Red Herring Prospectus, we have registered the trademark  “Grace” under class 9.

If we are unable to renew our trademarks for various reasons including our inability to remove objections to any trademark application, or if any of our unregistered trademark are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, causing damage to our business prospects, reputation and goodwill in India and abroad. Apart from this, any failure to register or renew registration of our registered trademark may affect our right to use such trademark in future. Further, our efforts to protect our intellectual property in India and abroad may not be adequate and any third-party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered brand name in India and abroad which has been registered by us in India. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad. Further, if we do not maintain our brand name and identity, which we believe is one of the factors that differentiates us from our competitors, we may not be able to maintain our competitive edge in India

and abroad. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand name is subject to risks, including general litigation risks. Furthermore, we cannot assure you that such brand name will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source in India and abroad. Any damage to our brand name, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position in India and abroad. For further details, see “**Government and Other Approvals**” and “**Our Business**” on page 249 and 136, respectively.

***25. Our financing agreements contain covenants that limit our flexibility in operating our business. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.***

As on September 30, 2024, our total outstanding indebtedness was ₹ 216.96 Lakhs which includes secured and unsecured borrowings. For details on our borrowings, please refer to chapter titles “Financial Indebtedness” beginning from page no. 229 of this Draft Red Herring Prospectus. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our businesses. Further, our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. We are required to obtain prior approval from our lenders for, among other things, but not limited to effecting any change in the management/Board of the Company, declaration of dividend, capital structure of the Company; undertake any new project, implement any scheme of expansion or acquire fixed assets, enter into borrowing arrangement either secured or unsecured with any other bank/financial institution/Company or otherwise, formulate any scheme of amalgamation, acquisition, merger, or reconstruction etc. We have applied to our lenders for No Objection Certificate (NOC) for our proposed Initial Public offer, for which their NOC is received.

Additionally, our financing agreements are secured by our movable, immovable or intangible assets (whether existing or future), goods and work-in-progress (whether existing or future) and by personal guarantees of our Promoter. Such financing agreements enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. It is possible that we may not have sufficient funds upon such an acceleration of our financial obligations to pay the principal amount and interest in full. Further, if we are forced to issue additional equity to the lenders, ownership interest of the existing shareholders in our Company will be diluted. It is also possible that future financing agreements may contain similar or more onerous covenants and may also result in higher interest cost. If any of these events were to occur, our business, results of operations and financial condition may be adversely affected.

***26. Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.***

We believe that the insurance coverage maintained, would reasonably cover all normal risks associated with the operation of our business, however, there can be no assurance that any claim under the insurance policies maintained by us will be met fully, in part or on time. In the event, we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected. Further, our Company is required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, our Company may face significant uninsured losses. If our Company suffers a large uninsured loss or if any insured loss suffered, significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected. As of September 30, 2024, our insurance cover was ₹ 666.61 Lakhs and our insurance cover as a percentage of the total Insurable Assets of our Company was 93.29 % For more details, please refer to the chapter titled “Our Business” on page 136 of this Draft Red Herring Prospectus.

***27. We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our manufacturing facility, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.***

We believe that our Company has obtained all the material approvals required to carry on its business activities as on the date of this Draft Red Herring Prospectus. Many of these approvals are granted for a fixed period of time and are required to be renewed from time to time. Non-renewal of the said permits and licenses would adversely



affect our operations, thereby having a material effect on our business, results of operations and financial condition.

We have made application for Shops and Establishment registration certificate located at 404, 405 and 406 Swastik Square, SG highway, Ahmedabad, Gujarat, application for Factory Plan approval and permission to construct, extend or take into use any building as a factory at Godown No.527, Plot No.2, The Waterside, Narmada Canal, Sarkhej, Bhat, Ahmedabad, Gujarat.

Further, certain permits, licenses and approvals obtained by our Company are conditional in nature. While our Company endeavors to meet such conditions, we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, renew, maintain or obtain the required permits, licenses or approvals, or revocation, cancellation or suspension of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. There can be no assurance that the relevant authorities will issue any or all such permits or approvals in the time-frame anticipated by us or at all. Non-receipt of the aforesaid license would result in payment of fines under the respective laws. We are also required to make certain payments to various statutory authorities from time to time, including but not limited to payments pertaining to employee provident fund, employee state insurance, income tax. Any failure or delay in payment of such statutory dues may expose us to statutory and regulatory action, as well as significant penalties, and may adversely impact our business, results of operations and financial condition.

For details, see "Government and Other Approvals" on page 249.

***28. Unsecured loans taken by our Company can be recalled by the lenders at any time.***

As on January 31, 2025 our Company has currently availed unsecured loans of ₹ 226.69 Lakhs from certain lenders. These loans may be recalled by the lenders at any time. In the event that, any lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all and this may affect our Company's liquidity. If we are unable to procure such financing, we may not have adequate working capital to maintain the desired inventory level. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations. For further details on financing arrangements entered into by our Company, see "Financial Indebtedness" on page 229 of this Draft Red Herring Prospectus.

***29. Any failure in our quality control processes may have an adverse effect on our business, results of operations and financial condition.***

Our products may contain quality issues or undetected errors or defects, especially when first introduced or when new products are developed, resulting from the design or manufacture of the product or raw materials used in the product. We have implemented quality control processes and regularly conduct inspections of raw materials sourced from suppliers, job workers and finished products manufactured by us based on our internal quality standards. However, we cannot assure you that our quality control processes will not fail or the quality tests and inspections conducted by us will be accurate at all times. Any shortcoming in the raw materials procured by us due to failure of our quality assurance procedures, negligence, human error or otherwise, may damage our products and result in deficient products.

***30. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategies could have an adverse effect on our business, results of operations and financial condition. The success of our business will depend greatly on our ability to effectively implement our business and growth strategies.***

Our growth strategies require us to develop and strengthen relationships with existing customers for our business who may drive high volume orders on an ongoing basis. To remain competitive, we seek to increase our business from existing customers and by adding new customers, as well as expanding into new geographical markets.

Our success in implementing our growth strategies may be affected by:

- our ability to maintain the quality of our services;
- our ability to increase our geographic presence;
- the general condition of the global economy (particularly of India and the other markets that we currently or may operate in);

- our ability to compete effectively with existing and future competitors,
- changes in the Indian or international regulatory environment applicable to us.

Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategies. While we have successfully executed our business strategies in the past, there can be no assurance that we will be able to execute our strategies on time and within our estimated budget, or that our expansion and development plans will increase our profitability.

Any of these factors could adversely impact our results of operations. We expect our growth strategies to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and growth strategies could have a material adverse effect on our business, financial condition and profitability.

***31. Orders in our order book may be delayed, modified or cancelled, and letters of intent may be withdrawn or may not translate to confirmed orders, which may have a material adverse effect on our business, results of operations and financial condition***

Our order book, which we define as the value of solar power projects for which we have entered into definitive EPC contracts was ₹ 7640.95 Lakhs, as of September 30, 2024. Order book projects only represent business that is considered ‘firm’, although cancellations or unanticipated variations or scope or schedule adjustments may occur. Due to changes in project scope and schedule, we cannot predict with certainty when, or if the solar power projects in our order book will be performed. In addition, when a project proceeds as scheduled, it is possible that our customers may default and fail to pay amounts due. We cannot guarantee that the income anticipated in our order book will be realized on time, or at all. Any project cancellations or scope adjustments, which may occur from time to time, could reduce the amount of our order book and the income and profits that we ultimately earn from the contracts. Any delay, cancellation or payment default could have a material adverse effect on our business, results of operations and financial condition.

For some of the contracts in our order book, our customers are obliged to perform or take certain actions, such as acquiring land, securing rights of way, clearing forests, supplying owner-supplied material, securing required licenses, authorizations or permits, making advance payments or procuring financing, approving designs, approving supply chain vendors and shifting existing utilities. If customers do not perform these and other actions in a timely manner or at all, and the possibility of such failure is not provided for in the EPC contract, our projects could be delayed, modified or cancelled and as a result, our business, results of operations and financial condition could be materially and adversely affected.

***32. If solar photovoltaic (“PV”) and related technologies are regarded as unsuitable for widespread adoption, or if demand for solar power does not develop or takes longer to develop than we anticipate, our revenues may decline and we may be unable to sustain our profitability.***

The solar power market is still developing and the extent of acceptance of solar power as a form of energy generation remains uncertain. In many of the geographies in which we operate, the solar power market is at an early stage or nascent stage of development and we cannot assure that a sustainable market for solar power will emerge in those countries. Historical and current market data on the solar power industry are not as readily available as those for more established industries where trends can be assessed more reliably from data gathered over a longer period of time. If solar PV technology is regarded as unsuitable for widespread adoption or the demand for solar power or solar power projects fails to develop or takes longer to develop than we anticipate, our revenues may decline and we may be unable to sustain our profitability.

***33. If we are subject to any fraud, theft, or embezzlement by our employees or job workers, it could adversely affect our reputation, results of operations and financial condition. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Our business and the industry we operate in is subject to incidents of vendor/ dealer/ employee fraud, theft, or embezzlement. While there have been certain instances where our employees have engaged in pilferage of our products, however, none of these instances have been material or had any financial impact on our operations. Although we have set up various security measures such as deployment of supervisor and operational processes such as periodic stock taking and have obtained relevant insurance in relation to the same, and are also entitled to recover shortages from our employees, there can be no assurance that we will not experience any fraud, theft,

employee negligence, loss in transit or similar incidents in the future or be able to successfully claim under such insurance policies on the occurrence of any such events, which could adversely affect our reputation, results of operations and financial condition.

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation and goodwill of our Company. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

***34. Any failure or significant weakness of our internal controls system could cause operational errors or incidents of fraud, which would adversely affect our profitability and reputation***

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal or concurrent audit functions make an evaluation of the adequacy and effectiveness of internal controls on an ongoing basis so that business units adhere to our policies, compliance requirements and internal circular guidelines. While we periodically test and update, as necessary, our internal controls systems, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to guarantee effective internal controls in all circumstances. Given the size of our operations, it is possible that errors may repeat or compound before they are discovered and rectified.

Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, our actions may not be sufficient to correct such internal control weakness. Failures or material errors in our internal controls systems may lead to deal errors, pricing errors, inaccurate financial reporting, fraud and failure of critical systems and infrastructure.

Such instances may also adversely affect our reputation, business and results of operations. There can also be no assurance that we would be able to prevent frauds in the future or that our existing internal mechanisms to detect or prevent fraud will be sufficient. Any fraud discovered in the future may have an adverse effect on our reputation, business, results of operations and financial condition. For further details, please see section —Outstanding Litigation and Material Developments on page 245.

***35. The determination of the Price Band is based on various factors and assumptions and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.***

The determination of the Price Band is based on various factors and assumptions, and will be determined by us and Promoter Selling Shareholders in consultation with the Lead Managers. Furthermore, the Offer Price of the Equity Shares will be determined by us, Promoter Selling Shareholders in consultation with the Lead Managers through the Book Building Process. These will be based on numerous factors, including factors as described under “Basis for Issue Price” beginning on page 107 and may not be indicative of the market price for the Equity Shares after the Offer.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Lead Managers is below their respective issue price. For further details, see “Other Regulatory and Statutory Disclosures Summary statement of price information of past issues handled by Marwadi Chandarana Intermediates Brokers Private Limited:” on page 261. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, our financial performance and results post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

***36. Any inability to address changing industry standards and consumer trends may adversely affect our business, results of operations and financial condition.***

The future success of our business will depend in part on our ability to respond to technological advances, consumer preferences and emerging industry standards and practices in a cost-effective and timely manner. The

development and implementation of such new technology entails technical and business risks. We may have to incur substantial capital investment to upgrade our equipment and manufacturing facilities. While we continue to invest in various product development initiatives, adopt enhanced technologies and processes for the development of new products, we are subject to general risks associated with introduction and implementation of new products including the lack of market acceptance and delays in product development. There can be no assurance that we will be able to successfully develop new services or that such new services will receive market acceptance or address changing consumer trends or emerging customer standards. Any rapid change in the expectations of our customers, in our business could adversely affect our business, results of operations and financial condition.

**37. *We have in the past entered into related party transactions and may continue to do so in the future.***

Our Company have entered into certain related party transactions with our Promoters, members of the promoter group, Directors and our Group Companies in the past which are in compliance with applicable provisions of Companies Act, 2013 and all other applicable laws. For details, please see “Annexure - VII Restated Statement of Related Party Disclosures of Restated Financial Statements” under the chapter titled “Restated Financial Statements” beginning on page 188 of this Draft Prospectus. While our Company believes that all such transactions have been conducted on the arm’s length basis and in compliance with Companies Act, 2013, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with unrelated parties. Further, it is likely that we may enter into related party transactions in the future and such transactions may potentially involve conflicts of interest. In terms of the Companies Act, 2013 and SEBI LODR Regulations, we are required to adhere to various compliance requirements such as obtaining prior approvals from our Audit Committee, Board and Shareholders for certain party transactions and our undertakes that such related party transactions shall not be done against the interests of the Company and its shareholders as prescribed in the SEBI LODR Regulations. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

**38. *Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency, which may affect our business and results of operations.***

We intend to use the Net Proceeds for the purposes described in ‘*Objects of the Issue*’ on page 89 of this Draft Red Herring Prospectus. Our funding requirements are based on management estimates and our current business plans and has not been appraised by any bank or financial institution. The deployment of the Net Proceeds will be at the discretion of our Board. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost, inability to identify suitable location for our stores at favourable terms and other financial and operational factors. Accordingly, prospective investors in the Offer will need to rely upon our management judgement with respect to the use of proceeds. If we are unable to deploy the proceeds of the Offer in a timely or an efficient manner, it may affect our business and results of operations.

**39. *There may be potential conflicts of interest if our Promoters or Directors get involved in any business activities that compete with or are in the same line of activity as our business operations.***

We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business. Our Promoters have been actively involved in the day-to-day operations and management. Accordingly, our performance is heavily dependent upon the services of our Promoters. If our Promoters are unable or unwilling to continue in his present position, we may not be able to replace them easily or at all. Our Promoters, have over the years-built relations with various customers and other persons who are form part of our stakeholders and are connected with us. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

**40. *Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Key Managerial Personnel and Senior Management as well as our ability to attract and retain personnel with technical expertise. Any loss of our Promoter, Directors, Key Managerial Personnel, Senior Management or our ability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations.***

Our success largely depends upon the knowledge and experience of our Promoters, Directors, Key Managerial Personnel and Senior Management as well as our ability to attract and retain skilled personnel. Any loss of our

Promoter, Directors, Key Managerial Personnel and Senior Management or our ability to attract and retain them and other skilled personnel could adversely affect our business, financial condition and results of operations. We depend on the management skills and guidance of our Promoter for development of business strategies, monitoring their successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Key Managerial Personnel and Senior Management. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Key Managerial Personnel or Senior Management are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our business, financial condition and results of operations could be adversely affected.

In addition, we may require a long period of time to hire and train replacement personnel when personnel with technical expertise terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining personnel with technical expertise that our business requires. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition.

There is significant competition for management and other skilled personnel in our industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. If we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and results of operations may be adversely affected. For further information, see “Our Management” on page 168 of this Draft Red Herring Prospectus.

***41. In addition to normal remuneration or benefits and reimbursement of expenses, some of our directors and key managerial personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.***

Our Directors, Key Managerial Personnel (“KMP”) and Senior Managerial Personnel (“SMP”) are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and KMP may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see “Capital Structure” and “Our Management” on pages 74 and 168, respectively, of this Draft Red Herring Prospectus.

***42. None of our Directors possess experience of being on the board of any listed company.***

None of our Directors possess experience of being on the board of any listed company and accordingly, may not be adequately well-versed with the activities or industry practices undertaken by the listed company. We cannot assure you that this lack of adequate experience will not have any adverse impact on the management and operations of our Company. Further, our Company will also be subject to compliance requirements under the SEBI Listing Regulations and other applicable law post listing of the Equity Share on the Stock Exchanges. Our Board is capable of efficiently managing such compliance requirements including by engaging professionals having expertise in managing such compliances.

***43. We have not commissioned an industry report for the disclosures made in the chapter titled “Industry Overview” and made disclosures on the basis of the data available on the internet.***

We have not commissioned an industry report, for the disclosures which need to be made in the chapter titled “Industry Overview” of this Draft Red Herring Prospectus. We have made disclosures in the said chapter on the basis of the relevant industry related data available online. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Prospectus. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Further, the industry data mentioned in this Draft Red Herring Prospectus or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context.

***44. We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further we have not identified any alternate source of financing the 'Objects of the Issue'.***

Any shortfall in raising / meeting the same could adversely affect our growth plans, operations, and financial performance. As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the Issue. We meet our capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Offer or any shortfall in the Offer Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled "Objects of the Issue" beginning on page no. 89 of this Draft Red Herring Prospectus.

***45. Our Company will not receive any proceeds from the Offer for Sale.***

The Issue includes an offer for sale of Equity Shares by the Promoter Selling Shareholder. The entire proceeds from the Offer for Sale will be paid to the Promoter Selling Shareholder, and we will not receive any such proceeds from the Offer for Sale. For further details, see "The Issue", "Capital Structure" and "Objects of the Issue" on pages 57, 74 and 89 respectively.

***46. Delay in raising funds from the IPO could adversely impact the implementation schedule.***

The proposed expansion, as detailed in the section titled "Objects of the Issue" is to be mainly funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given timeframe, or within the costs as originally estimated by us. Any time overrun, or cost overrun may adversely affect our growth plans and profitability.

***47. The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.***

An outbreak of COVID-19 was recognized as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, including India, have taken preventive or protective actions such as imposing country-wide lockdowns, as well as restrictions on travel and business operations. Since May 2020 many of these measures have been lifted. We proactively engaged with our clients to reassure them and to demonstrate our commitment to restart our operations and to build confidence in the safety protocols deployed at our stores. Further, the lockdown was again imposed by the government in some parts of India during April 2021, which was partially relaxed in June 2021, during this period of lockdown and relaxation, our stores were partially operational. If we do not respond appropriately to the pandemic, or if customers did not perceive our response to be adequate, we could suffer damage to our reputation and our brand, which could adversely affect our business in the future.

We cannot predict the degree to, or the time period over, which our business will be affected by the COVID-19 outbreak. For example, this pandemic could necessitate further lockdowns, resulting in significant additional effects on our revenue, financial condition and results of operations. There are numerous uncertainties associated with the COVID-19 outbreak, including the number of individuals who will become infected, availability of a vaccine or a cure that mitigates the effect of the virus, the extent of the protective and preventative measures imposed by governments and whether the virus' impact will be seasonal, among others. Consequently, there may be adverse effects of this pandemic on our short-term business operations and our financial results may be impacted.

***48. Any variation in the utilization of the Net Proceeds as disclosed in this Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.***

Our Company intends to deploy and utilize Net Proceeds raised pursuant to the Initial Public Offer in the manner set out in the section titled "Objects of the Issue" on page no. 89 in the Draft Red Herring Prospectus. In accordance with SEBI LODR Regulations and other applicable provisions, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Prospectus without obtaining the approval of shareholders of our Company

through a special resolution. In the event of any such, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations and it may also lead to delay in deployment of funds as per the schedule of implementation as disclosed in objects section titled “Objects of the Issue” on page no. 89 in the Draft Red Herring Prospectus. In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition by redeploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

***49. The requirements of being a public listed company may strain our resources and impose additional requirements.***

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we were not required to incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management’s attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner. Failure of our Company to meet the listing requirements of stock exchange, if any, could lead to imposition of penalties, including suspension of trading in shares of the Company.

**EXTERNAL RISK FACTORS**

***50. Changes in Government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

***51. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include:

- Custom duties on imports of raw materials and components;
- Goods and Service Tax

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

***52. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

**53. *We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and industry in which we operate contained in the Prospectus.***

While facts and other statistics in the Prospectus relating to India, the Indian economy and the industry in which we operate has been based on various web site data and IBEF that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled “**Industry Overview**” beginning on page 119 of this Draft Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

**54. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

**55. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**56. *The extent and reliability of Indian infrastructure could adversely affect our Company’s results of operations and financial condition.***

India’s physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company normal business activity. Any deterioration of India physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company’s business operations, which could have an adverse effect on its results of operations and financial condition.

**57. *Any downgrading of India’s sovereign rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India’s credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

**58. *Natural calamities could have a negative impact on the Indian economy and cause our Company’s business to suffer.***



India has experienced natural calamities such as earthquakes, tsunamis, floods etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

***59. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks in India, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

**RISKS RELATED TO OUR EQUITY SHARES AND EQUITY SHARE HOLDERS**

***60. Our Promoters, together with our Promoter Group, will continue to retain majority shareholding in our Company after the proposed Initial Public Issue, which will allow them to exercise significant control over us. We cannot assure you that our Promoters and Promoter Group members will always act in the best interests of the Company.***

After the completion of our Initial Public Issue, our Promoters, along with our Promoter Group members, will hold, approximately [●] % of our post issue paid up equity capital of our Company. As a result, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board and determine matters requiring shareholder approval or approval of our Board. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholder. By exercising their control, our Promoters could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company. We cannot assure you that our Promoters and Promoter Group members will always act in our Company's or your best interests. For further details, please refer to the chapters titled "Capital Structure" and "Our Promoter and Promoter Group", beginning on page no. 74 and 182 respectively, of this Draft Red Herring Prospectus.

***61. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "Dividend Policy" on page 187 of this Draft Red Herring Prospectus.

***62. Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

***63. Any future issuance of Equity Shares may dilute your shareholdings, and sales of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Any future equity issuances by our Company may lead to the dilution of investors' shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

***64. Investors may be subject to Indian taxes arising out of capital gains on sale of Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. It is pertinent to note that pursuant to the Finance Bill, 2017, it has been proposed, that with effect from April 1, 2017, this exemption would only be available if the original acquisition of equity shares was chargeable to STT. The Central Government is expected to, however notify the transactions which would be exempt from the application of this new amendment. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to applicable short-term capital gains tax in India. Capital gains arising from the sale of the equity shares will be exempt from taxation in India in cases where the exemption is provided under a treaty between India and the country of which the seller is resident, subject to the availability of certain documents. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. For more details, please refer to "Statement of Special Tax Benefits" on page no. 116 of this Draft Red Herring Prospectus.

***65. The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.***

Prior to this Issue, there has been no public market for our Equity Shares. [•] is acting as Market Maker for the Equity Shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue. For further details of the obligations and limitations of Market Makers, please refer to the section titled "General Information – Details of the Market Making Arrangement for this Issue" on page no. 71 of this Draft Red Herring Prospectus.

***66. Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for our Equity Shares will develop following the listing of our Equity Shares on the Stock Exchanges.***

There has been no public market for our Equity Shares prior to the Issue. The price may not necessarily be indicative of the market price of our Equity Shares after the Issue is completed. You may not be able to re-sell your Equity Shares at or above the Offer price and may as a result lose all or part of your investment.

Our Equity Shares are expected to trade on SME Platform of BSE Limited after the Issue, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

The price at which our Equity Shares will trade at after the Issue will be determined by the marketplace and may be influenced by many factors, including:

- Our financial condition, results of operations and cash flows;
- The history of and prospects for our business;
- An assessment of our management, our past and present operations, and the prospects for as well as timing of our future revenues and cost structures; and
- The valuation of publicly traded companies that are engaged in business activities similar to ours;
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations, or capital commitments;
- announcements of significant claims or proceedings against us;
- new laws and government regulations that directly or indirectly affect our business;
- additions or departures of Key Management Personnel;
- changes in the interest rates;
- fluctuations in stock market prices and volume; and general economic conditions.

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in our Equity Shares may experience a decrease in the value of our Equity Shares regardless of our financial performance or prospects.

## **SECTION IV – INTRODUCTION**

### **SUMMARY OF FINANCIAL INFORMATION**

*The following tables set forth the summary financial information derived from the Restated Consolidated Summary Financial Information as of the end of and for the period ended September 30, 2024 and the Fiscal ended March 31, 2024, March 31, 2023 and March 31, 2022.*

*The summary financial information presented below should be read in conjunction with “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 188. and 231, respectively.*

*[The remainder of this page has intentionally been left blank]*

**GRACE RENEWABLE ENERGY LIMITED**  
(formerly known as GRACE RENEWABLE ENERGY PRIVATE LIMITED)

**CIN: U74110GJ2013PLC076707**

**RESTATED STATEMENT OF ASSETS & LIABILITIES**

*(Amount in Rs. Lakhs, unless stated otherwise)*

Particulars	Annexure V Note	As at 30.09.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Equity and liabilities</b>					
<b>Shareholders' funds</b>					
Share capital	2	300.00	300.00	5.00	5.00
Reserves and surplus	3	1,320.29	620.71	341.22	268.15
		<b>1,620.29</b>	<b>920.71</b>	<b>346.22</b>	<b>273.15</b>
<b>Non-current liabilities</b>					
Long-term borrowings	4	216.96	277.52	345.37	282.89
Deferred tax liabilities (net)	5	-	-	-	-
Long-term provisions	6	8.05	7.07	6.73	8.92
		<b>225.00</b>	<b>284.59</b>	<b>352.10</b>	<b>291.81</b>
<b>Current liabilities</b>					
Short-term borrowings	7	-	46.80	64.85	19.96
Trade payables	8				
- total outstanding dues of micro and small enterprises		35.73	24.80	5.05	-
- total outstanding dues other than micro and small enterprises		18.68	7.69	5.13	47.67
Other current liabilities	9	374.89	321.57	119.58	167.09
Short-term provisions	6	218.74	35.62	25.70	33.81
		<b>648.04</b>	<b>436.48</b>	<b>220.31</b>	<b>268.54</b>
<b>Total</b>		<b>2,493.34</b>	<b>1,641.78</b>	<b>918.63</b>	<b>833.49</b>
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	10	43.74	47.53	30.10	13.60
Intangible assets		0.47	0.62	0.61	0.78
Capital work-in-progress		184.72	-	-	-
Non-current investments		-	-	-	-
Deferred tax assets (net)	5	6.63	5.86	5.26	6.10
Long-term loans and advances	11	140.00	90.00	90.00	90.00
Other non-current assets	12	61.57	69.53	140.06	26.11
		<b>437.14</b>	<b>213.55</b>	<b>266.03</b>	<b>136.60</b>
<b>Current assets</b>					
Current Investments	13	-	25.63	-	-
Inventories	14	658.28	357.58	237.53	154.13
Trade receivables	15	493.23	456.70	72.52	117.90
Cash and bank balances	16	395.79	338.36	68.24	124.35
Short-term loans and advances	11	205.00	74.30	4.45	3.26
Other current assets	17	303.90	175.66	269.87	297.26
		<b>2,056.20</b>	<b>1,428.24</b>	<b>652.60</b>	<b>696.89</b>
<b>Total</b>		<b>2,493.34</b>	<b>1,641.78</b>	<b>918.63</b>	<b>833.49</b>

**Note:**

The above statement should be read with the Statement of Notes to the Restated Financial Information in Annexure IV and V

As per our report of even date attached

**For and on behalf of the Board of Directors**

**For Tibrewal Bhagat & Associates**  
Chartered Accountants  
FRN No.128374W

SD  
**MANISH BAGADIA**  
Managing Director  
DIN No.02009864

SD  
**KARUNA BAGADIA**  
Director  
DIN No.02346868

SD  
**Ankit Tibrewal**  
M.No : 125173  
Partner  
UDIN : 25125173BMJUNW3723  
Place: Ahmedabad  
Date: 25-03-2025

SD  
**VIVEKKUMAR BARLOTA**  
Company Secretary

SD  
**RADHIKA NIRAVKUMAR BHUT**  
Chief Financial Officer

**GRACE RENEWABLE ENERGY LIMITED**  
(formerly known as GRACE RENEWABLE ENERGY PRIVATE LIMITED)

**CIN: U74110GJ2013PLC076707**

**RESTATED STATEMENT OF PROFIT & LOSS**

*(Amount in Rs. Lakhs, unless stated otherwise)*

Particulars	Annexure V Note	For the period ended 30.09.2024	For the year ended 31.03.2024	For the year ended 31.03.2023	For the year ended 31.03.2022
<b>Revenue</b>					
Revenue from operations	18	5,237.80	7,790.91	3,854.98	4,936.23
Other income	19	38.45	40.81	18.68	11.05
<b>Total Income</b>		<b>5,276.25</b>	<b>7,831.72</b>	<b>3,873.67</b>	<b>4,947.28</b>
<b>Expenses</b>					
Cost of materials consumed	20	1,795.09	4,077.45	2,816.05	3,737.16
Purchase of stock-in-trade	21	2,255.97	2,208.55	327.48	432.50
Changes in Inventories of finished goods,work-in-progress and stock-in-trade	22	(204.70)	(142.47)	11.55	(69.77)
Employee benefits expense	23	151.07	219.78	163.24	157.55
Finance costs	24	10.15	36.90	35.18	25.23
Depreciation and amortisation expense	10	6.87	10.00	7.39	7.53
Other expenses	25	292.59	529.62	413.43	537.44
<b>Total expenses</b>		<b>4,307.04</b>	<b>6,939.83</b>	<b>3,774.33</b>	<b>4,827.63</b>
<b>Profit before exceptional items and tax</b>		<b>969.21</b>	<b>891.89</b>	<b>99.34</b>	<b>119.65</b>
Exceptional Items	26	-	66.69	-	-
<b>Profit before tax</b>		<b>969.21</b>	<b>825.20</b>	<b>99.34</b>	<b>119.65</b>
<b>Tax expense</b>					
Current tax		270.41	251.31	25.42	35.05
Deferred tax (credit)/charge		(0.77)	(0.60)	0.85	(2.04)
Earlier Year Taxes		-	-	-	-
<b>Profit for the period / year</b>		<b>699.57</b>	<b>574.50</b>	<b>73.07</b>	<b>86.63</b>
<b>Earnings per equity share of face value of Rs. 10 each</b>					
(1) Basic (in Rs.)	29	<b>23.32</b>	<b>19.15</b>	<b>2.44</b>	<b>2.89</b>
(2) Diluted (in Rs.)	29	<b>23.32</b>	<b>19.15</b>	<b>2.44</b>	<b>2.89</b>
		<i>(Not Annualised)</i>	<i>(Annualised)</i>	<i>(Annualised)</i>	<i>(Annualised)</i>

**Note:**

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure IV & V

As per our report of even date attached

**For and on behalf of the Board of Directors**

**For Tibrewal Bhagat & Associates**  
Chartered Accountants  
FRN No.128374W

SD  
**MANISH BAGADIA**  
Managing Director  
DIN No.02009864

SD  
**KARUNA BAGADIA**  
Director  
DIN No.02346868

SD  
**Ankit Tibrewal**  
M.No : 125173  
Partner  
UDIN : 25125173BMJUNW3723  
Place: Ahmedabad  
Date: 25-03-2025

SD  
**VIVEKKUMAR BARLOTA**  
Company Secretary

SD  
**RADHIKA NIRAVKUMAR BHUT**  
Chief Financial Officer

**GRACE RENEWABLE ENERGY LIMITED**  
(formerly known as GRACE RENEWABLE ENERGY PRIVATE LIMITED)

CIN: U74110GJ2013PLC076707

**Restated Statement of Cash Flows**

*(Amount in Rs. Lakhs, unless stated otherwise)*

Particulars	As at 30 September 2024	For the year ended 31 March		
		2024	2023	2022
<b>A. Cash flow from operating activities</b>				
<b>Profit before tax, as restated</b>	969.21	825.20	99.34	119.65
<b>Adjustments for :</b>				
Depreciation	6.87	10.00	7.39	7.53
Finance Costs	10.15	36.90	35.18	25.23
Loss on Sale of Fixed Assets	-	0.31	0.07	-
Provision for Gratuity	0.99	(0.30)	(1.99)	4.21
Interest Income	(20.17)	(30.86)	(18.02)	(5.98)
<b>Operating profit before working capital changes</b>	<b>967.05</b>	<b>841.25</b>	<b>121.97</b>	<b>150.63</b>
<b>Changes in working capital:</b>				
Inventories	(300.70)	(120.05)	(83.41)	(12.08)
Trade & Other Receivables	(36.53)	(384.19)	45.38	(79.13)
Trade & Other Payables	21.92	22.30	(37.48)	(41.12)
Decrease/(Increase) In Other Current Assets	(128.24)	94.21	27.40	125.09
Decrease/(Increase) In Short term loan and advances	(130.70)	(69.85)	(1.18)	211.96
(Decrease)/Increase In Other Short/Long term provision	183.11	10.56	(8.31)	(8.31)
(Decrease)/Increase In Other Current-liabilities	53.32	202.00	(47.52)	(258.92)
<b>Cash generated from / (utilised in) operations</b>	<b>629.23</b>	<b>596.23</b>	<b>16.84</b>	<b>88.13</b>
Less : Income tax paid	(270.41)	(251.31)	(25.42)	(35.05)
<b>Net cash flow generated from/ (utilised in) operating activities (A)</b>	<b>358.82</b>	<b>344.92</b>	<b>(8.58)</b>	<b>53.08</b>
<b>B. Cash flow from investing activities</b>				
Purchase of Property, Plant and Equipment and Intangible	(187.65)	(29.62)	(24.07)	(4.02)
Long term Loan and Advances (Given)/Received Back	(50.00)	-	-	(90.00)
Sale of Fixed Assets	-	1.87	0.28	-
Decrease/(Increase) In Current Investments	25.63	(25.63)	-	-
Interest Income	20.17	30.86	18.02	5.98
Decrease/(Increase) In Other Non Current Assets	7.96	70.53	(113.95)	52.44
<b>Net cash flow utilised in investing activities (B)</b>	<b>(183.89)</b>	<b>48.00</b>	<b>(119.72)</b>	<b>(35.60)</b>
<b>C. Cash flow from financing activities</b>				
Long Term Borrowings (Net)	(60.56)	(67.85)	62.48	64.18
Short Term Borrowings (Net)	(46.80)	(18.05)	44.89	4.87
Finance Costs	(10.15)	(36.90)	(35.18)	(25.23)
<b>Net cash flow generated from/ (utilised in) financing activities (C)</b>	<b>(117.51)</b>	<b>(122.80)</b>	<b>72.19</b>	<b>43.81</b>
<b>Net (decrease)/ increase in cash &amp; cash equivalents (A+B+C)</b>	<b>57.42</b>	<b>270.12</b>	<b>(56.11)</b>	<b>61.29</b>
Cash and cash equivalents at the beginning of the period/ year	338.36	68.24	124.35	63.06
<b>Cash and cash equivalents at the end of the period/ year</b> (Refer Annexure V Note(16))	<b>395.79</b>	<b>338.36</b>	<b>68.24</b>	<b>124.35</b>

**Note:**

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure IV & V.

The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013.

As per our report of even date attached

For and on behalf of the Board of Directors

For Tibrewal Bhagat & Associates  
Chartered Accountants  
FRN No.128374W

SD

Ankit Tibrewal  
M.No : 125173  
Partner  
UDIN : 25125173BMJUNW3723  
Place: Ahmedabad  
Date: 25-03-2025

SD  
MANISH BAGADIA  
Managing Director  
DIN No.02009864

SD  
VIVEKKUMAR BARLOTA  
Company Secretary

SD  
KARUNA BAGADIA  
Director  
DIN No.02346868

SD  
RADHIKA NIRAVKUMAR BHUT  
Chief Financial Officer

## THE ISSUE

<b>PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>	
<b>Equity Shares Offered through Public Issue<sup>(1)(2)</sup></b>	Upto 55,00,000 Equity Shares of face value of ₹ 10 each fully paid up for cash at price of ₹ [●](including a Share premium of ₹[●] per Equity Share) per Share aggregating to ₹ [●] Lakhs.
<b>Fresh Issue</b>	Upto 44,00,000 Equity Shares aggregating up to ₹ [●] Lakhs
<b>Offer for Sale</b>	Upto 11,00,000 Equity Shares aggregating up to ₹ [●] Lakhs
<b>Out of which:</b>	
<b>Issue Reserved for the Market Makers</b>	Upto [●] Equity Shares having face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] Lakhs.
<b>Net Issue to the Public</b>	Upto [●] Equity Shares having face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs.
<b>Out of which*</b>	
<b>A. QIB Portion<sup>(3)(4) (5)</sup></b>	Not more than [●] Equity Shares of ₹10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs
<b>Of which</b>	
i) Anchor Investor Portion	Upto [●] Equity Shares having face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs
ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares having face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs
<b>Of which</b>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Upto [●] Equity Shares of ₹[●] each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares of ₹[●] each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs
<b>B. Non-Institutional Portion</b>	Not less than [●] Equity Shares of ₹10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs
<b>Of which</b>	
(a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs;	Up to [●] Equity Shares of face value ₹10/- each
(b) two third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs	Up to [●] Equity Shares of face value ₹10/- each
<b>C. Individual Investor Portion</b>	Not less than [●] Equity Shares of ₹10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	1,56,00,000 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	Upto [●] Equity Shares of face value ₹10 each
<b>Use of Net Proceeds by our Company</b>	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 89 of this Draft Red Herring Prospectus.

\* Subject to finalisation of the Basis of Allotment, Number of shares may need to be adjusted for lot size upon determination of issue price.



**Notes:**

1. *The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.*
2. *The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on January 16,2025 and by the Shareholder of our Company, vide a special resolution passed pursuant to applicable provisions of Companies Act, 2013 at the Extra Ordinary General Meeting held on January 20, 2025.*

*Our Board has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholders pursuant to its resolution dated January 16, 2025. The Promoter Selling Shareholders specifically confirms that the Offered Shares are eligible for being offered for sale in the Offer, in accordance with the SEBI ICDR Regulations. The Promoter Selling Shareholders have authorised and consented to participate in the Offer for Sale as set out below:*

<b>S.no</b>	<b>Name of the Promoter Selling Shareholders</b>	<b>Date of resolution by board of the Promoter Selling Shareholders</b>	<b>Consent Letter</b>	<b>Maximum number of Equity Shares offered for sale</b>
1.	Manish Bagadia	January 16, 2025	January 16, 2025	Up to 11,00,000 Equity Shares aggregating ₹ [●] Lakhs
2.	Karuna Bagadia	January 16, 2025	January 16, 2025	

3. *The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation on a proportionate basis to Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.*
4. *Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*

*Provided (a) One third of the portion available to non-institutional investors shall be reserved for applicants with an application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs;(b) Two-thirds of the portion available to non-institutional investors shall be reserved for applicants with an application size of more than ₹10 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b) may be allocated to applicants in the other sub-category.*

*Our Company, Promoter Selling Shareholders may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the*

*aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.*

5. *In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Individual Investor Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Individual Investor Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.*

*SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 5 lakhs, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 2 lakhs and up to ₹ 5 lakhs, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, Demat and Bank Account (3 in 1 type accounts), provided by certain brokers.*

*For further details, please refer section titled "Issue Procedure" beginning on page 278 of this Draft Red Herring Prospectus.*

*(THE REMAINDER PAGE IS LEFT INTENTIONALLY BLANK)*

## GENERAL INFORMATION

### Brief Summary:

Our Company was originally incorporated and registered as a Private Limited Company under Companies Act, 1956 in the name and style of “Winwin Building Materials Private Limited” vide certificate of incorporation dated September 05, 2013 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further, the name of our Company was changed to “Grace Renewable Energy Private Limited” and a fresh certificate of incorporation was issued by Registrar of Companies, Ahmedabad dated February 22, 2017. Further, pursuant to a resolution passed by our Board on May 17, 2024 and a resolution passed by our shareholders on June 21, 2024, our Company was converted into a public limited company. Consequently, the name of our company was changed to “Grace Renewable Energy Limited”, and a fresh certificate of incorporation consequent upon conversion to public company issued by Registrar of Companies, Central Processing Centre on September 03, 2024.

### Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are as follow:

Particulars	Number
Company Registration Number	076707
Corporate Identity Number	U74110GJ2013PLC076707

### Registered Office & Corporate Office of our Company

<b>Registered Office of our Company</b>
43, The Chambers, Near TGB Hotel, S G Highway, Bodakdev, Ahmedabad, Gujarat – 380054 India
<b>Corporate Office of our Company</b>
Office No 404, 405, 406 Sarthik Square, Near Pakwan Char Rasta, Bodakdev, Ahmedabad, Gujarat -380054 India

For details of change in registered office of our Company, see the chapter titled “*History and Certain Corporate Matters*” beginning on 164 of this DRHP.

### Registrar of Companies

**Our Company is registered with the Registrar of Companies, Ahmedabad, which is situated at the following address:**

ROC Bhavan, Opposite Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India.

### Board of Directors of our Company

**The following table sets out the details of our Board as on the date of this Draft Red Herring Prospectus:**

Sr · N o.	Name of director	Designation	DIN	Address
1.	Manish Bagadia	Managing Director	02009864	B-201 Sankalp Grace, B/h Rajpath Club, near Pandit Deendayal Auditorium, Bodakdev, Ahmedabad City, Ahmedabad, Gujarat, 380054 India
2.	Karuna Bagadia	Whole Time Director	02346868	B-201 Sankalp Grace, B/h Rajpath Club, Near Pandit Deendayal Auditorium, Bodakdev, Ahmedabad City, Ahmedabad, Gujarat, 380054 India
3.	Jigar Patel	Whole Time Director	10630897	G-405, Kabir Enclave, Opp Homeopathic College, Bopal Ghuma Road, Ghuma, Bopal, Ahmedabad, Gujarat, 380058 India

Sr · N o.	Name of director	Designation	DIN	Address
4.	Prashant Pratapbhai Agrawal	Non-Executive Director	10837275	B-502, Kaveri Kadamb, NR. Kaveri Sangam, Shilaj, Ahmedabad, Gujarat-38005 India
5.	Shruti Rajesh Sohane	Non-Executive Independent Director	10899663	Rajendra Pawar, 2/7 Bhavan Mansion, Bhavani Shankar Road, Shardaashram School, Dadar West, Mumbai, Maharashtra - 400028
6.	Madhusudan Garg	Non-Executive Independent Director	02300800	C/22, Akash Tower, judges bungalow road, Bodakdev, Ahmedabad City, Gujarat- 380054 India

For further details of our Board of Directors, see “*Our Management*” on page 168 this Draft Red Herring Prospectus.

#### **Chief Financial Officer**

##### **Radhika Niravkumar Bhut**

**Address:** 43, The Chambers, Near TGB Hotel, S G Highway, Bodakdev, Ahmedabad, Gujarat – 380054 India

**Telephone No.:** +91 75739 33666

**E-mail:** [cfo@gracerenew.com](mailto:cfo@gracerenew.com)

#### **Company Secretary and Compliance Officer**

##### **Vivekkumar Barlota**

**Address:** 43, the Chambers, Near TGB Hotel, S G Highway, Bodakdev, Ahmedabad, Gujarat – 380054 India

**Telephone No.:** +91 75739 03035

**E-mail:** [cs@gracerenew.com](mailto:cs@gracerenew.com)

#### **Investor Grievances:**

Applicants can contact the Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode etc. All complaints, queries or comments received by Stock Exchange / SEBI shall be forwarded to the BRLM, who shall respond to the same.

Applicants may contact the BRLM for complaints, information or clarifications pertaining to the Issue.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the Applicant.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

#### **Details of Key Intermediaries pertaining to this Issue of our Company**

##### **Book Running Lead Manager**

##### **Marwadi Chandarana Intermediaries Brokers Private Limited**

X-change Plaza, Office no. 1201 to 1205, 12th Floor, Building No. 53E,

Zone-5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat, India

**Telephone:** 022-69120027

**Email ID:** [mb@marwadichandarana.com](mailto:mb@marwadichandarana.com)

Website: [ib.marwadichandanagroup.com](http://ib.marwadichandanagroup.com)

Investor Grievance E-mail: [mbgrievances@marwadichandarana.com](mailto:mbgrievances@marwadichandarana.com)

Contact Person: Radhika Maheshwari / Jigar Desai

SEBI Registration Number: INM000013165

#### Statutory Auditor of our Company

##### Tibrewal Bhagat & Associates

Address: B-304, Narnarayan Complex, Navrangpura, Ahmedabad – 380009, Gujarat, India

Telephone: 079 48950899

Email ID: [catibrewalbhagat@gmail.com](mailto:catibrewalbhagat@gmail.com)

Firm registration number: 128374W

Contact Person: Ankit Tibrewal

Peer Review No.: 017581

#### Changes in auditors during the last three years

Except as stated below, there has been no change in the Statutory Auditors of our company during the three years preceding the date of this Draft Red Herring Prospectus:

Name of Auditor	Date of Change	Reason for Change
<b>Tibrewal Bhagat &amp; Associates</b> Address: B-304, Narnarayan Complex, Navrangpura, Ahmedabad – 380009, Gujarat, India Email Id: <a href="mailto:catibrewalbhagat@gmail.com">catibrewalbhagat@gmail.com</a> Membership No.: 125173 Firm Registration No.: 128374W	September 30, 2023	Re-appointment as Auditor for term of 4 years

#### Legal Counsel to the Issue

##### Vidhigya Associates, Advocates

Address: 105, First Floor A wing, Kanara Business Centre

Ghatkopar East, Mumbai – 400075

Contact Person: Rahul Pandey

Tel: +91 8424030160

Email: [rahul@vidhigyaassociates.com](mailto:rahul@vidhigyaassociates.com)

#### Registrar to the Issue

##### Kfin Technologies Limited

Address: Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana,

Telephone Number: + 91-40-67162222

Website: [www.kfintech.com](http://www.kfintech.com)

E-mail: [grace.ipo@kfintech.com](mailto:grace.ipo@kfintech.com)

Investor Grievance Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

Contact Person: M.Murali Krishna

SEBI Registration No.: INR000000221

#### Banker(s) to the Issue

[•]

#### Refund Bank(s)

[•]

#### Sponsor Bank

[•]

## Syndicate Members

[•]

## Bankers to our Company

Axis Bank Limited

**Address:** 1st Floor | Balleshwar Avenue, SG Highway Opp. Rajpath Club | Ahmedabad - 380054

**Contact Person:** Bhavin Dalal/ Rohit Gangwar

**Tel:** 9726539375/9721455588

**Email:** [bhavin.dalal@axisbank.com](mailto:bhavin.dalal@axisbank.com)/ [rohit.gangwar@axisbank.com](mailto:rohit.gangwar@axisbank.com)

## Designated Intermediaries

### *Self-Certified Syndicate Banks and SCSBs enabled for UPI Mechanism*

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Applications through the UPI Mechanism in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time

### *Syndicate SCSB Branches*

In relation to Bids (other than Bids by Anchor Investors) 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 ([www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35)) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35), as updated from time to time.

### *Registered Brokers*

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 website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

### *Registrar and Share Transfer Agent*

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

### *Collecting Depository Participants*

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 website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

## **Experts to the Issue**

Except as disclosed below, our Company has not obtained any expert opinions:

Our company has received a written consent dated March 25, 2025 from our Statutory Auditor, namely Tibrewal Bhagat and Associates, Chartered Accountants, to include their names as required under section 26(1) of the companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus, and as an “Expert” as defined under section 2(38) of the Companies Act, 2013 (and not under the U.S. Securities Act) to the extent and in their capacity as Peer Reviewed Auditor, and in respect of their (a) examination report dated March 25, 2025 for the period ended September 30, 2024 and for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 on the restated financial statements (b) report dated March 25, 2025 on the statement of possible tax benefits available to our Company and its Shareholders.

Additionally, our company has also received a written consent dated March 21, 2025 from Chartered Engineer, namely Hitesh Parekh in their capacity as Chartered Engineer, in connection with certification of purchase of machinery, in this Draft Prospectus as required under the Companies Act, 2013 and as an “Expert” as defined under section 2(38) read with Section 26(5) of the Companies Act, 2013 (and not under the U.S. Securities Act).

## **Statement of inter-se allocation of responsibilities**

Marwadi Chandarana Intermediaries Brokers Private Limited being the sole Book Running Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required.

## **IPO Grading**

No credit rating agency registered with SEBI has been appointed in respect of obtaining grading for the Issue.

## **Monitoring Agency**

Our Company will appoint a monitoring agency to monitor utilization of the Gross Proceeds from the Fresh Offer, in accordance with Regulation 262 (1) of the SEBI ICDR Regulations, prior to the filing of the Red Herring Prospectus. For details in relation to the proposed utilisation of the Gross Proceeds, see “Objects of the Offer” on page 89.

## **Appraising Entity**

None of the objects of the issue for which the Net Proceeds will be utilised have been appraised by any agency.

## **Credit Rating**

As this is an Issue consisting only of Equity Shares, there is no requirement to obtain credit rating for the Issue.

## **Debenture Trustee**

As this is an Issue consisting of Equity Shares, the appointment of a debenture trustee is not required.

## **Green Shoe Option**

No green shoe option is contemplated under the Issue.

## **Filing of Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus with the SEBI/ ROC**

A copy of the Draft Red Herring Prospectus has been filed with the SME Platform of BSE Limited where the Equity Shares are proposed to be listed.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of

Regulation 246 of the SEBI ICDR Regulations, the copy of the Red Herring Prospectus/ Prospectus shall be furnished to the Board in soft copy.

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at [siportal.sebi.gov.in](http://siportal.sebi.gov.in)

A copy of the Red Herring Prospectus/ Prospectus along with the material contracts and documents required to be filed under Section 26 and 32 of the Companies Act, 2013 will also be filed with the RoC through the electronic portal at [www.mca.gov.in](http://www.mca.gov.in)

### **Book Building Process**

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company and Promoter Selling Shareholders in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Gujarati Edition Regional newspaper [●] where our registered office is situated at least two working days prior to the Bid/ Issue Opening date. The Issue Price shall be determined by our Company and Promoter Selling Shareholder, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Issue Closing Date. Principal parties involved in the Book Building Process are: -

Our Company;

The Book Running Lead Manager in this case being Marwadi Chandarana Intermediaries Brokers Private Limited; The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with BSE Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;

The Registrar to the Issue and;

The Designated Intermediaries and Sponsor bank.

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

**All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.**

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled **“Issue Procedure”** beginning on 278 of the Draft Red Herring Prospectus.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor Bank, as the case may be. The Individual Bidders shall participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs; or (b) through the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹ 5.00 Lakhs shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process. Pursuant to SEBI ICDR Master Circular read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 (to the extent not rescinded by the SEBI ICDR Master



Circular in relation to the SEBI ICDR Regulations) all individual bidders in initial public offerings whose application sizes are up to ₹ 5.00 Lakhs shall use the UPI Mechanism.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 278 of this Draft Red Herring Prospectus.

#### **Illustration of the Book Building and Price Discovery Process:**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

<b>Bid Quantity</b>	<b>Bid Amount (₹)</b>	<b>Cumulative Quantity</b>	<b>Subscription</b>
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer and Promoter Selling Shareholder, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

#### **Steps to be taken by the Bidders for Bidding:**

- Check eligibility for making a Bid (see section titled “*Issue Procedure*”) on page 278 of this Draft Red Herring Prospectus;
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

#### **WITHDRAWAL OF THE ISSUE**

Our Company and Promoter Selling Shareholders in consultation with the BRLM, reserves the right not to proceed with the Issue at any time before the Bid/ Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Bid/ Issue Opening Date but before the allotment of Equity shares, a public notice will be issued by our Company within two (2) Working Days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared, and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs and Sponsor Bank (in case of

It's using the UPI Mechanism) to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction.

If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the registration of Prospectus with the RoC.

### **Underwriting Agreement**

The Company, Promoter Selling Shareholders and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the underwriter [●].

Pursuant to the terms of the Underwriting Agreement dated [●] entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

*(This portion has been intentionally left blank and will be filled in before the Red Herring Prospectus or the prospectus, as applicable is filed with RoC)*

<b>Details of the Underwriter</b>	<b>Number of Equity Shares to be Underwritten</b>	<b>Amount Underwritten (₹ in Lakhs)</b>	<b>% of the total Issue size Underwritten</b>
[●]	[●]	[●]	[●]

*\*Includes [●] Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker, [●] in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

*The above-mentioned is indicative underwriting and will be finalised after determination of Issue Price and Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.*

In the opinion of the Board of Directors of our company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange

The Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment. As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Book Running Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

### **Market Maker**

#### **Details of Market Making Arrangement for this Issue**

Our Company and the BRLM has entered into a Market Making Agreement dated [●] with the following Market Maker, to fulfil the Market Making obligations under this Issue:

<b>Name</b>	[●]
<b>Correspondence Address</b>	
<b>Tel No.</b>	
<b>E-mail</b>	
<b>Website</b>	
<b>Contact Person</b>	
<b>SEBI Registration No.</b>	
<b>Market Maker Registration No.</b>	

*(This portion has been intentionally left blank and will be filled in before the Red Herring Prospectus or the prospectus, as applicable is filed with RoC)*

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with [●]) to fulfil the obligations of Market Making) dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issuer.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by [●] and SEBI in this matter from time to time.

**Following is a summary of the key details pertaining to the Market Making Arrangement:**

- The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
- The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and the SME Platform of BSE Limited from time to time.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for quotes given by him.
- There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
- The shares of the company will be traded in continuous trading session from the time and day the company gets listed on the SME Platform of BSE Limited and market maker will remain present as per the guidelines mentioned under [●] and SEBI circulars.
- There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/ fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Managers, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Managers to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

- **Risk containment measures and monitoring for Market Makers:** SME Platform of BSE Limited will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. [●] can impose any other margins as deemed necessary from time-to-time.

- **Punitive Action in case of default by Market Maker:** SME Platform of BSE Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties/ fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
- The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.
- The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the Issue size and as follows:

Issue Size	Buy quote exemption threshold (Including mandatory initial inventory of 5% of the Issue size)	Re-entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue size)
Upto ₹ 20 Crore	25%	24%
₹ 20 Crore to ₹ 50 Crore	20%	19%
₹ 50 Crore to ₹ 80 Crore	15%	14%
Above ₹ ₹ 80 Crore	12%	11%

The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 Crores, the applicable price bands for the first day shall be:

- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

Sr. No.	Market Price Slab (in ₹)	Proposed Spread (in % to sale price)
1	Up to 50	9
2	50 to 75	8
3	75 to 100	6
4	Above 100	5

All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.

## CAPITAL STRUCTURE

Set forth below are the details of the Equity Share capital of our Company as on the date of this Draft Red Herring Prospectus:

(₹ in Lakhs except share data)

Sr. No.	Particulars	Aggregate nominal value (in ₹)	Aggregate value at Issue Price* (in ₹)
<b>A.</b>	<b>Authorized Share Capital</b>		
	2,10,00,000 Equity Shares of face value of ₹ 10/- each	2100.00	[●]
<b>B.</b>	<b>Issued, Subscribed and Paid-up share Capital before the Issue</b>		
	1,56,00,000 Equity Shares of face value of ₹ 10/- each	1560.00	[●]
<b>C.</b>	<b>Present Issue in terms of this Draft Red Herring Prospectus</b>		
<b>D.</b>	Offer of 55,00,000 Equity Shares of face value of ₹ 10/- each aggregating to ₹ [●]	550.00	[●]
<b>E.</b>	<i>Comprising</i>		
	Fresh Issue of up to 44,00,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] Lakhs <sup>(1) (2)</sup>	440.00	[●]
	Offer for Sale of up to 11,00,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] Lakhs <sup>(2)</sup>	110.00	[●]
	<i>Which Comprises of:</i>		
<b>F.</b>	<b>Reservation for Market Maker portion</b>		
	[●] Equity Shares of face value of ₹ [●]/- each	[●]	[●]
<b>G.</b>	<b>Net Issue to the Public</b>		
	[●] Equity Shares of face value of ₹ [●]/- each	[●]	[●]
<b>H.</b>	<b>Issued, Subscribed and Paid-up share Capital after the Issue</b>		
	[●] Equity Shares of face value of ₹ [●]/- each*	[●]	[●]
<b>I.</b>	<b>Securities Premium Account</b>		
	Before the Issue (as on date of this Draft Red Herring Prospectus)	NIL	
	After the Issue	[●]	

\* To be updated upon finalisation of the Offer Price, and subject to the Basis of Allotment

- (1) The present Issue has been authorised pursuant to a resolution of our Board dated January 16, 2025 and by Special Resolution passed under the applicable provisions of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on January 20, 2025.

The Promoter Selling Shareholders specifically confirms that the Offered Shares are eligible for being offered for sale in the Offer, in accordance with the SEBI ICDR Regulations. The Promoter Selling Shareholders has authorised and consented to participate in the Offer for Sale as set out below:

S.no	Name of the Promoter Selling Shareholders	Date of resolution by board of the Promoter Selling Shareholders	Consent Letter	Maximum number of Equity Shares offered for sale
1.	Manish Bagadia	January 16, 2025	January 16, 2025	Up to 11,00,000 Equity Shares
2.	Karuna Bagadia	January 16, 2025	January 16, 2025	

<b>S.no</b>	<b>Name of the Promoter Selling Shareholders</b>	<b>Date of resolution by board of the Promoter Selling Shareholders</b>	<b>Consent Letter</b>	<b>Maximum number of Equity Shares offered for sale</b>
				aggregating ₹ [●] Lakhs

- (2) Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Offer Price. Under subscription, if any, in any of the categories except QIB, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Stock Exchange. Such inter-se spill-over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines. For detailed information on the Net Offer and its allocation various categories, please refer chapter titled “The Issue” on page no. 57 of this Draft Red Herring Prospectus.

For details of changes to our Company’s authorized share capital in the last 10 years, see “History and Certain Corporate Matters - Amendments to our Memorandum of Association” on page 165.

## **NOTES TO THE CAPITAL STRUCTURE**

### **1. Equity Share Capital History of our Company**

The history of the equity share capital of our Company is set forth below:

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Date of allotment	Details of Allottees	Nature of Allotment	Face value (₹)	Issue price (including Premium if applicable)(₹)	Nature of consideration	No. of shares allotted	Cumulative number of Equity Shares
September 05, 2013	Manish Bagadia – 5,000 Vivek Pawankumar Agrawal – 5,000	Initial Subscription to our Memorandum of Association	10	10	Cash	10,000	10,000
September 27, 2014	Manish Bagadia - 20,000 Vivek Pawankumar Agrawal – 20,000	Rights Issue	10	10	Cash	40,000	50,000
March 30, 2024	Manish Bagadia – 17,70,000 Karuna Bagadia – 8,85,000 Rajshree Bagadia – 2,53,700 Savitridevi Family Trust – 5,900 Harsh Bagadia – 5,900 Arun Bagadia (HUF) – 5,900 Manish Bagadia HUF) – 5,900 Mitosh Bagadia – 5,900 Sunita Bagadia – 5,900 Arunkumar Bagadia – 5,900	Bonus Issue (1:59)*	10	Nil	Other than Cash	29,50,000	30,00,000
January 25, 2025	Manish bagadia- 87,43,770 Karuna bagadia- 37,80,000 Manish bagadia HUF- 25,200 Arunkumar Bagadia- 25,200 Harsh Bagadia- 25,200 Prasant Agarwal-210 Jigar Patel-210 Radhika Bhut- 210	Bonus Issue (10:42)**	10	Nil	Other than Cash	1,26,00,000	1,56,00,000

\*As certified by the Statutory Auditors pursuant to their certificate dated March 25, 2025, the Company had a surplus in the share premium account (free reserves) of ₹ 346.42 Lakhs, appearing in the audited financial statement of the Company as on March 31, 2023, which was adequate for the issuance of bonus shares of the Company, since the Company capitalized a sum of ₹ 295.00 Lakhs of its share premium account as on March 30, 2024 to allot 29,50,000 Equity Shares of ₹10 each, under a bonus issue in the ratio of 1:59 Equity Shares (i.e.; each member will be entitled for 59 Bonus shares against 1 share held by them in the Company). Post capitalisation of reserves for bonus issue, the Company had a surplus in the free reserves of ₹ 620.70 Lakhs, existing in the books of accounts of the Company as on March 31, 2024. Such Equity Shares have not been issued by utilization of revaluation reserves of the Company and have been issued to only those shareholders which were the existing shareholders of the Company on March 30, 2024 being the record date for the bonus issue.

\*\*As certified by the Statutory Auditors pursuant to their certificate dated March 25, 2025, the Company had a surplus in the share premium account (free reserves) of ₹ 1336.78 Lakhs, appearing in the audited financial statement of the Company as on September 30, 2024, which was adequate for the issuance of bonus shares of the Company,

*since the Company capitalized a sum of ₹ 1260.00 Lakhs of its share premium account as on September 30, 2024 to allot 1,26,00,000 Equity Shares of ₹10 each, under a bonus issue in the ratio of 10:42 Equity Shares (i.e.; each member will be entitled for 42 Bonus shares against 10 share held by them in the Company). Post capitalisation of reserves for bonus issue, the Company had a surplus in the free reserves of ₹ 76.78 Lakhs, existing in the books of accounts of the Company as on September 30, 2024. Such Equity Shares have not been issued by utilization of revaluation reserves of the Company and have been issued to only those shareholders which were the existing shareholders of the Company on January 24, 2025 being the record date for the bonus issue*

All equity shares issued by our Company from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus have been made in compliance with Companies Act, 2013 or Companies Act 1956, as applicable.

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**3. History of preference share capital of our Company**

Our Company has not issued any Preference Share Capital in the past.

**4. Issue of Shares for consideration other than cash, bonus issues or out of revaluation reserves**

Except as set out below, our Company has not issued Equity Shares for consideration other than cash, bonus issues or out of revaluation reserves.

<b>Date of Allotment</b>	<b>Nature of Allotment</b>	<b>No. of Equity Shares Allotted</b>	<b>Face value (₹)</b>	<b>Reason for allotment and Benefits accrued to our Company</b>
March 30, 2024	Bonus Issue	2,95,000	10	Capitalization of Reserves
January 25, 2024	Bonus Issue	1,26,00,000	10	Capitalization of Reserves

**5. Equity Shares allotted in terms of any schemes of arrangement**

Our Company has not allotted any Equity Shares pursuant to any schemes of arrangement approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230-232 of the Companies Act, 2013, as applicable.

**6. Equity Shares allotted at a price lower than the offer price in the last year**

The offer price shall be determined by our Company in consultation with the Lead Manager, after the Bid / Offer Closing Date. Other than the allotment of Equity Shares on March 30, 2024 and January 25, 2025 pursuant to a bonus issue, our Company has not issued any Equity Shares at a price which may be lower than the Offer Price, during a period of one year preceding the date of this Draft Red Herring Prospectus.

7. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme. Our company doesn't have any Employee stock option scheme ("ESOP")/ Employee Stock purchase scheme ("ESPS") for our employees and we do not intent to allot any shares to our employees under ESOP and ESPS from the proposed issue. As and when options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

8. All transactions in Equity Shares by our Promoter and members of our Promoter group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions.

**9. Shareholding Pattern of our Company:**

Set forth is the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of shareholder (II)	No. of shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of partly paid-up Equity Shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No. of Equity Shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total number of Equity Shares (calculated as per SCRR, 1957) (VIII) as a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Equity shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of locked in Equity Shares (XII)		No. of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Equity Shares held (b)	No. (a)	As a % of total Equity Shares held (b)	
								Class (Equity Shares)	Class (Others)	Total								
(A)	Promoter and Promoter Group	05	1,55,99,220	-	-	1,55,99,220	100.00	1,55,99,220	-	1,55,99,220	100.00	-	1,55,99,220	-	-	-	-	1,55,99,220
(B)	Public	03	780	-	-	780	Negligible	780	-	780	Negligible	-	780	-	-	-	-	780

(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>08</b>	<b>1,56,00,000</b>	-	-	<b>1,56,00,000</b>	<b>100.00</b>	<b>1,56,00,000</b>	-	<b>1,56,00,000</b>	<b>100.00</b>	-	<b>1,56,00,000</b>	-	-	-	-	<b>1,56,00,000</b>

## 10. Other details of Shareholding of our Company

- (a) As on the date of the filing of this DRHP, our Company has eight (8) Shareholders of Equity Shares.

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre- Issue Equity Share capital (%)
1.	Manish Bagadia	1,08,25,620	69.40
2.	Karuna Bagadia	46,80,000	30.00
3.	Manish Bagadia HUF	31,200	0.20
4.	Arun Bagadia	31,200	0.20
5.	Harsh Bagadia	31,200	0.20
6.	Jigar Patel	260	Negligible
7.	Prashant Pratapbhai Agrawal	260	Negligible
8.	Radhika Bhut	260	Negligible
	<b>Total</b>	<b>1,56,00,000</b>	<b>100.00</b>

- (b) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this DRHP:

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the Equity Share capital (%)
1.	Manish Bagadia	1,08,25,620	69.40
2.	Karuna Bagadia	46,80,000	30.00
	<b>Total</b>	<b>1,55,05,620</b>	<b>99.40</b>

Notes: Details as on March 25, 2025, being the date of this DRHP

- (c) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of ten days prior to filing this DRHP:

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Manish Bagadia	1,08,25,620	69.40
2.	Karuna Bagadia	46,80,000	30.00
	<b>Total</b>	<b>1,55,05,620</b>	<b>99.40</b>

Notes: Details as on March 15, 2025 being the date ten days prior to the date of this DRHP

- (d) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of one year prior to filing this DRHP:

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Manish Bagadia	18,00,000	60.00
2.	Karuna Bagadia	9,00,000	30.00
3.	Rajshree Bagadia	2,58,000	8.60
	<b>Total</b>	<b>29,58,000</b>	<b>98.60</b>

Notes: Details as on March 25, 2024, being the date one year prior to the date of this DRHP

- (e) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of two years prior to filing this DRHP:

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Manish Bagadia	30,000	60.00
2.	Karuna Bagadia	15,000	30.00
3.	Rajshree Bagadia	4,300	8.60
	<b>Total</b>	<b>49,300</b>	<b>98.60</b>

Notes: Details as on March 25, 2023, being the date two years prior to the date of this DRHP

11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, by way of split/ consolidation of the denomination of Equity Shares. However, our Company may further issue Equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

**12. Details of Shareholding of our Promoters and Promoter Group in the Company:**

- a. As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 1,55,05,620 Equity Shares, equivalent to 99.40 % of the issued, subscribed and paid-up equity share capital of our Company, as set forth in the table below:

S. No	Name of the Shareholders	Pre-Issue		Post-Issue	
		No. of Equity Shares	Percentage of total Shareholding (%)	No. of Equity Shares	Percentage of total Shareholding (%)
<b>(A) Promoters</b>					
1.	Manish Bagadia	1,08,25,620	69.40	[●]	[●]
2.	Karuna Bagadia	46,80,000	30.00	[●]	[●]
	<b>Total (A)</b>	<b>1,55,05,620</b>	<b>99.40</b>	[●]	[●]
<b>(B) Promoter Group</b>					
3.	Manish Bagadia HUF	31,200	0.20	[●]	[●]
4.	Arun Bagadia	31,200	0.20	[●]	[●]
5.	Harsh Bagadia	31,200	0.20	[●]	[●]
	<b>Total (B)</b>	<b>93,600</b>	<b>0.60</b>	[●]	[●]
	<b>Total (A+B)</b>	<b>1,55,99,220</b>	<b>100.00</b>	[●]	[●]

- b. All Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Red Herring Prospectus.

**13. Capital Build-up in respect of Shareholding of our Promoters and Promoters Selling Shareholders:**

Set forth below is the build-up of the Shareholding of our Promoters and Promoters Selling Shareholders in our Company since incorporation:

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	% of the pre- Issue capital (%)	% of the post- Issue capital (%)
1.	Manish Bagadia <sup>(1)</sup>					

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	% of the pre- Issue capital (%)	% of the post- Issue capital (%)
September 05, 2013	Pursuant to MOA	5,000	10.00	10.00	0.03	[●]
September 27, 2014	Right Issue	20,000	10.00	10.00	0.13	[●]
July 05, 2017	Transferred from Karuna Bagadia	5,000	10.00	10.00	0.03	[●]
	Transferred to Naresh Garg	(100)		12.50	(Negligible)	[●]
	Transferred to Asha Garg	(100)		12.50	(Negligible)	[●]
January 21, 2022	Transferred from Naresh Garg	100	10.00	10.00	Negligible	[●]
	Transferred from Asha Garg	100			Negligible	[●]
March 30, 2024	Bonus Issue	17,70,000	10.00	Nil	11.35	[●]
August 01, 2024	Transferred from Arunkumar Bagadia HUF	6000	10.00	23.33	0.04	[●]
	Transferred from Mitosh Bagadia	6000	10.00	23.33	0.04	[●]
	Transferred from Sunita Bagadia	6000	10.00	23.33	0.04	[●]
August 28, 2024	Transferred from Rajshree Bagadia pursuant to gift deed	2,58,000	10.00	Nil	1.65	[●]
August 29, 2024	Transferred from Savitridevi Family Trust	5850	10.00	31.76	0.04	[●]
January 25, 2025	Bonus Issue	87,43,770	10.00	Nil	56.05	[●]
<b>Total (A)</b>		<b>1,08,25,620</b>			<b>69.40</b>	
<b>2. Karuna Bagadia<sup>(1)</sup></b>						
July 04, 2017	Transferred from Vivek Agarwal	25,000	10.00	10.00	0.16	[●]
July 05, 2017	Transferred to Arun Bagadia (HUF)	(100)	10.00	10.00	(Negligible)	[●]
	Transferred to Manish Bagadia HUF	(100)	10.00	10.00	(Negligible)	[●]
	Transferred to Manish Bagadia	(5,000)	10.00	10.00	(0.03)	[●]
	Transferred to Mitosh Bagadia	(100)	10.00	10.00	(Negligible)	[●]
	Transferred to Rajshree Bagadia	(4,300)	10.00	10.00	(0.03)	[●]
	Transferred to Savitridevi Family Trust	(100)	10.00	10.00	(Negligible)	[●]
	Transferred to Harsh Trust	(100)	10.00	10.00	(Negligible)	[●]
	Transferred to Sunita Bagadia	(100)	10.00	10.00	(Negligible)	[●]

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	% of the pre- Issue capital (%)	% of the post- Issue capital (%)
	Transferred to Arun Bagadia	(100)	10.00	10.00	(Negligible)	[●]
March 30, 2024	Bonus Issue	8,85,000	10.00	Nil	5.67	[●]
January 25, 2024	Bonus Issue	37,80,000	10.00	Nil	24.23	[●]
<b>Total (B)</b>		<b>46,80,000</b>			<b>30.00</b>	<b>[●]</b>
<b>Total (A) + (B)</b>		<b>1,55,05,620</b>			<b>99.40</b>	<b>[●]</b>

<sup>(1)</sup> Out of the total holding of Manish Bagadia, and Karuna Bagadia shares aggregating up to 11,00,000 equity shares are offered as part of Offer for Sale

14. Except as disclosed below and in the table titled “Capital Build-up in respect of Shareholding of our Promoters” above, none of the Promoters, member of the Promoter Group, Directors of our Company nor any of their immediate relatives Equity Shares have acquired/ purchased / sold any securities of our Company within six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

Date of Transfer	Name of the transferor	Name of the transferee	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)
August 01, 2024	Arun Bagadia HUF	Manish Bagadia	6,000	10.00	23.33
August 01, 2024	Mitosh Bagadia	Manish Bagadia	6,000	10.00	23.33
August 01, 2024	Sunita Bagadia	Manish Bagadia	6,000	10.00	23.33
August 01, 2024	Rajshree Bagadia	Manish Bagadia	2,58,000	10.00	Transfer pursuant to gift deed
August 01, 2024	Shridevi Bagadia	Manish Bagadia	5,850	10.00	31.76
August 29, 2024	Savitridevi Family Trust	Jigar Patel	50	10.00	31.76
August 29, 2024		Prashant Pratapbhai Agrawal	50		
August 29, 2024		Radhika Bhut	50		

#### 15. Details of Promoter’s Contribution locked-in for Three Years

Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post-Issue Capital held by our Promoters shall be considered as Promoter’s Contribution (“Promoter’s Contribution”) and shall be locked in for a period of three years from the date of allotment of Equity Shares pursuant to this Issue. The lock in of Promoter’s Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Draft Red Herring Prospectus, our Promoters hold 1,55,05,620 Equity Shares, constituting 99.40% of our Company’s issued, subscribed and paid-up Equity Share capital (on a fully diluted basis), out of which [●] Equity Shares, constituting [●] % of our Company’s issued, subscribed and paid-up equity share capital are eligible for Promoters’ Contribution.

Our Promoters, Manish Bagadia and Karuna Bagadia, have given written consent to include [●] Equity Shares held by them and subscribed by them as part of Promoters Contribution constituting [●]% of the post issue Equity Shares of our Company. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters’ Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

Details of the Equity Shares to be locked-in for three years from the date of Allotment as Promoter’s Contribution are set forth in the table below:

Date of allotment/ Transfer of the Equity Shares	No. of Equity Shares locked-in	Face value per share (₹)	Issue/ Acquisition/ Transfer price per Equity Share (₹)	Nature of transaction	Post-Issue Shareholding (%)	Lock In Period
Manish Bagadia						
[•]	[•]	[•]	[•]	[•]	[•]	[•]
Karuna Bagadia						
[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	[•]					

(Note: The table had intentionally left blank. It shall be updated in the Red Herring Prospectus / Prospectus)

The Minimum Promoter’s Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as ‘Promoters’ under the SEBI (ICDR) Regulations, 2018. All Equity Shares that are being locked in are not ineligible for computation of Promoter’s contribution in terms of Regulation 237 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations i.e., for a period of three years from the allotment of Equity Shares in this Issue. Equity Shares offered by the Promoter for the minimum Promoter’s contribution are not subject to pledge.

The entire pre-issue shareholding of the Promoters, other than the Minimum Promoters contribution, which is locked in for three years, shall be locked in for a period of:

- (i) fifty percent. of promoters’ holding in excess of minimum promoters’ contribution shall be locked in for a period of two years from the date of allotment in the initial public offer; and
- (ii) remaining fifty percent. of promoters’ holding in excess of minimum promoters’ contribution shall be locked in for a period of one year from the date of allotment in the initial public offer.

Our Company undertakes that the Equity Shares that are being locked-in as Promoters Contribution are not and will not be ineligible for computation of Promoters Contribution in terms of Regulation 237 of the SEBI ICDR Regulation. In this connection, we confirm the following:

- (a) The Equity Shares offered for Promoters’ Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters’ Contribution.
- (b) The Promoters’ Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer.
- (c) Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and
- (d) The Equity Shares forming part of the Promoter’s Contribution are not subject to any pledge.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription “Non-Transferable” and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

## 16. Details of Shares Locked in for One Year:



In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue equity share capital held by persons other than promoter constituting [●] Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue except the Equity Shares allotted or to be allotted to our employees under ESOP Scheme 2018 pursuant to exercise of options held by such employees (whether current employees or not and including the legal heirs or nominees of any deceased employees or ex-employees).

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription '**non-transferable**' along with the ratio of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

#### **17. Transferability of Locked-In Equity Shares:**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable:

- The Equity Shares held by our Promoter and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoter's Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock- in period stipulated has expired.
- The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock- in period stipulated has expired.

#### **18. Other requirements in respect of lock-in**

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, Equity Shares held by the Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank or a public financial institution or Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

- a) With respect to the Equity Shares locked-in as Promoter's Contribution for three years from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.
- b) With respect to the Equity Shares locked-in for one year from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI (ICDR) Regulations.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018, Equity Shares held by our Promoter and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 2011.

In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans.

#### **19. Lock-in of Equity Shares Allotted to Anchor Investors**

50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% shall be locked-in for a period

of 30 days from the date of Allotment.

20. Neither we, nor our Promoters, Promoter Group, Directors and the BRLM to this Issue have entered into any Buyback and/ or standby arrangements and/ or similar arrangements for the purchase of the Equity Shares being offered through the Issue from any person.
21. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.
22. The BRLM and their associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus. The BRLM and its affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions or investment management services in respect with our Company for which they may in the future receive customary compensation.
23. The Lead Manager or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion except for Mutual Funds sponsored by entities which are associates of the BRLM, or insurance companies promoted by entities which are associates of the Lead Manager or alternate investment funds or a FPI (other than individuals, corporate bodies and family offices) or pension funds sponsored by entities which are associates of the Lead Manager.
24. As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.
25. None of our Promoters or members of our Promoter Group, will participate in the Offer, except to the extent of the participation of our Promoter as Selling Shareholder in the Offer for Sale.
26. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
27. None of the Equity Shares held by our Promoter/ Promoter Group are pledged or otherwise encumbered.
28. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
29. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Issue Price.

Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLM and Designated Stock Exchange i.e. SME Platform of BSE Limited. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.

30. At any given point in time, there shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
31. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors and Promoter Selling Shareholder, shall offer any incentive, whether direct or

indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.

32. Details of Equity Shares held by our Directors, Key Managerial Personnel, Senior Managerial Personnel, Promoter, Promoter Group as on the date of filling this Draft Red Herring Prospectus:

<b>Sr. No.</b>	<b>Name of Director / KMP/ SMP/ Promoters/ Promoter Group</b>	<b>Number of Equity</b>	<b>% of the Pre – Issue Equity Share Capital</b>
<b>Directors</b>			
1.	1. Manish Bagadia	1,08,25,620	69.40
2.	2. Karuna Bagadia	46,80,000	30.00
3.	3. Jigar Patel	260	Negligible
4.	4. Prashant Pratapbhai Agrawal	260	Negligible
5.	5. Madhusudan Garg	Nil	Nil
6.	6. Shruti Rajesh Sohane	Nil	Nil
<b>KMP</b>			
7.	2. Vivekkumar Barlota	Nil	Nil
8.	3. Radhika Niravkumar Bhut	260	Negligible
<b>SMP</b>			
9.	1. Utsav Patadiya	Nil	Nil
10.	2. DevendraSinh Rayjada	Nil	Nil
11.	3. Jayendrasingh Panwar	Nil	Nil

## SECTION V: PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Offer comprises a Fresh Issue of up to 44,00,000 Equity Shares, aggregating up to ₹[●] Lakhs by our Company and an Offer for Sale of up to 11,00,000 Equity Shares aggregating up to ₹[●] Lakhs by the Promoter Selling Shareholder. For details, see “*Summary of the Issue Document*” and “*The Issue*” on pages 22 and 57, respectively.

#### The Offer for Sale

The proceeds of the Offer for Sale shall be received by the Promoter Selling Shareholder. Our Company will not receive any proceeds from the Offer for Sale and the proceeds from the Offer for Sale will not form part of the Net Proceeds. The Promoter Selling Shareholder will be entitled to the Offer Proceeds, to the extent of the Equity Shares offered by them in the Offer, net of their respective share of the Offer related expenses. For further details of the Offer for Sale, see “The Offer” on page 61.

#### Fresh Issue

Our Company proposes to utilize the net proceeds, being the Gross Proceeds of the Fresh Issue less the Offer related expenses (“**Net Proceeds**”), towards funding the following objects (collectively, the “**Objects**”):

1. Purchase of Machinery for setting up BESS facility (Phase II).
2. Meeting Working Capital Requirements; and
3. General Corporate Purposes.

In addition, our Company expects to achieve the benefit of listing of our Equity Shares on the Stock Exchanges, including enhancement of our Company’s brand name and creation of a public market for our Equity Shares in India.

The main objects clause of our Memorandum of Association enables our Company to undertake the activities for which the funds are being raised by us in the Fresh Issue. Further, the activities we have been carrying out until now are in accordance with the main objects clause of our Memorandum of Association.

#### Net Proceeds

After deducting the Offer related expenses from the gross proceeds of the Fresh Issue, we estimate the Net Proceeds to be ₹ [●] Lakhs. The details of the Net Proceeds of the Offer are summarized in the table below:

(₹ in Lakhs)

S. No.	Particulars	Estimated Amount
1.	Gross proceeds of the Fresh Issue	[●]
2.	Less: Expenses in relation to the Fresh Issue*	[●] <sup>1</sup>
3.	Net Proceeds	[●] <sup>1</sup>

\* See “– Offer Related Expenses” below

<sup>1</sup>To be determined after finalisation of the Offer Price and updated in the Prospectus prior to filing of the RoC.

#### Proposed schedule of implementation and utilisation 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 set forth in the table below:

(₹) in Lakhs

S. No.	Particulars	Total estimated amount / expenditure (A)	Total amount deployed towards the Objects as of [●] (B)**	Balance amount to be incurred (C=A-B)	Amount to be funded from Net Proceeds^	Estimated deployment of Net Proceeds in Fiscal 2026	Estimated deployment of Net Proceeds in Fiscal 2027
1	Purchase of Machinery for setting up BESS facility (Phase II)	998.50	Nil	Nil	998.50	998.50	Nil
2	Meeting Working Capital Requirements	3498.17	Nil	Nil	3498.17	2758.39	739.78
3	General Corporate Purposes*	[●]	[●]	[●]	[●]	[●]	[●]
	Total	[●]	[●]	[●]	[●]	[●]	[●]

*\*To be finalised upon determination of the Offer Price and updated in the Prospectus. The amount utilised for general corporate purposes shall not exceed 15% of the Gross Proceeds or ₹ 1000.00 Lakhs whichever is lower.*

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals and any additional equity and/or debt arrangements. If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used for future growth opportunities, if required and general corporate purposes in accordance with applicable laws.

In the event that estimated utilization out of the Net Proceeds in a Fiscal is not completely met due to factors such as (i) economic and business conditions; (ii) delay in procuring and operationalizing assets or necessary licenses and approvals; or (iii) any other commercial considerations, such unutilized portion of the Net Proceeds shall be utilized in the subsequent fiscals, as may be decided by our Company, in accordance with applicable laws. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds.

The fund requirement, the deployment of funds and the intended use of the Net Proceeds indicated above is based on (i) the current management estimates, current circumstances of our business plan and the prevailing market conditions, which may be subject to change, and (ii) the purchase of machinery certificate issued by chartered engineer dated March 21, 2025 (“**Capital Expenditure Certificate**”). The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. For further details, see “*Risk Factors – Any variation in the utilization of the Net Proceeds as disclosed in this Prospectus shall be subject to certain compliance requirements, including prior Shareholders’ approval.*” on page 51.

We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, our business and growth strategies, our ability to identify and implement growth initiatives, competitive landscape, general factors affecting our results of operations, financial condition and access to capital and other external factors such as changes in the business environment or regulatory climate and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. For details, see “*Risk Factors – Any variation in the utilization of the Net Proceeds as disclosed in this Prospectus shall be subject to certain compliance requirements, including prior Shareholders’ approval*” on page 51.

## Means of Finance

The fund requirements for the Objects are proposed to be met from the Net Proceeds and our cash reserves. Accordingly, we confirm that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue or through existing cash reserves as required under Regulation 7(1)(e) the SEBI ICDR Regulations.

## Details of the Objects of the Fresh Issue

### 1. Purchase of Machinery for setting up BESS facility (Phase II)

Addressing the 21st edition of the Global MSME Business Summit organized by the Confederation of Indian Industry (CII), the official said that an initial mandate of 10% of the plant's total renewable energy capacity may be introduced for storage, and that this can then be gradually enhanced. (Source: <https://www.livemint.com/industry/energy/govt-to-mandate-battery-storage-for-renewable-power-projects-11734356975792.html>). Considering the growing opportunity, we intend to establish a new 248 M.W. Battery Energy Storage Solution ("BESS") facility in Unit Survey No. 527, Plot No. 2, Narmada Canal Road, Sarkhej - Bavala Highway, Navapura, Taluka: Sanand, District: Ahmedabad – 382210. The facility has been leased from Karuna Bagadia as per Registered Lease Agreement No. 27733 dated 24-10-2024 w.ef August 01, 2024 till July 31, 2030.. The total land area measures 14,402.11 square feet, with different allocations for Phase-I and Phase-II. The ground floor of Phase-II spans 9,900 square feet, providing a substantial area for its designated purpose. Meanwhile, the first floor of Phase-I covers 6,800 square feet, ensuring efficient utilization of space across both phases.

*Process of BESS:*

Processes	
<b>Step- 1: Storing of Incoming cells</b>	Store between 15°C and 25°C
<b>Step- 2: Cell aging (Grading)</b>	Prismatic  Cell aging in lithium-ion (Li-ion) batteries refers to the gradual loss of capacity and performance over time due to chemical and physical changes within the cell. This process occurs due to a combination of calendar aging (natural degradation over time) and cycle aging (degradation due to charge-discharge cycles).
<b>Step- 3: Cell Sorting</b>	Automatic  After completing aging of cells, CV and IR testing is carried out to make a group with same internal properties. The batteries made with same internal properties cells have better balancing capability.  Following testing perform: 1. Capacity Voltage testing 2. Internal Resistance testing
<b>Step- 4: Installation of busbar</b>	Laser welding  The busbar in a prismatic Li-ion battery pack is a conductive strip that connects multiple cells in series or parallel to form a complete electrical circuit. Proper mounting ensures low resistance, mechanical stability, and efficient current flow while minimizing heat generation
<b>Step-5: Preparation of single module</b>	Required as per need
<b>Step-6: BMS testing</b>	24S 300A-BMS tester  <b>Battery Management System (BMS) testing</b> ensures the reliability, safety, and efficiency of Li-ion battery packs by verifying the system's ability to monitor, control, and protect the battery.
<b>Step- 7: Single module charge discharge testing unit</b>	Ch/Dch Tester 100V 100A

<b>Step- 8: Rack preparation</b>	Required as per need
<b>Step- 9: Multi-Rack installation</b>	Required as per need
<b>Step-10: BMS Mounting</b>	Required as per need  The <b>Battery Management System (BMS)</b> is essential for monitoring, protecting, and optimizing the performance of lithium-ion battery packs. When mounting a BMS on prismatic cells, several key factors must be considered for safety, efficiency, and reliability.
<b>Step- 11: Battery performance testing</b>	EOL Tester-EOL-PACK-EPT300V  A <b>Battery Performance Test Machine</b> is a specialized system used to evaluate the electrical, thermal, and mechanical characteristics of Li-ion cells, ensuring safety, reliability, and compliance with industry standards.
<b>Step-12: Battery Ch/Dch testing</b>	EN-RCDS-1600V300A-Battery Ch & Dch System  <b>Charge-discharge testing</b> is a critical process in evaluating the performance, efficiency, and lifespan of lithium-ion (Li-ion) batteries. It involves repeatedly charging and discharging the battery under controlled conditions to assess its capacity, degradation, and behavior over time.
<b>Step-13: Installation of multi-racks in container</b>	Required as per need

#### **Phase I:**

We hereby intend to setup manufacturing facility of Lithium-Ion Batteries Energy Storage Systems (BESS) with a capacity of 48 MW on first floor spread across 6800 sq ft. The implementation of Phase-I is progressing as schedule, with land and building work almost completed and additional modifications expected to complete by April -2025. For phase I the Company has completed the procurement process, including inviting quotations and finalizing offers, and placed orders for plant and machinery with M/s. Prolithium India Pvt. Ltd. in February 2025, with dispatch and installation scheduled in April 2025. The factory license application was submitted on 25/01/2025, and approval anticipated soon. Commercial production is expected to commence by April/May 2025 for Phase-I. The total investment for Phase-I is being met through internal accruals.

The Phase-I production process for Prismatic Cells includes cell storage, cell aging (grading), manual sorting, busbar installation, BMS testing, charge-discharge testing, multi-rack installation, BMS mounting, battery performance testing, and final charge-discharge testing. The initial production capacity can be scaled up to 72 MW by increasing operational shifts. To ensure smooth execution, the company has deployed a highly skilled team of professionals with expertise in Battery Energy Storage Systems (BESS), manufacturing, and marketing. The technical team, comprising industry experts, is well-equipped to drive the successful implementation of the expansion plan and enhance the company's capabilities in prismatic cell battery pack production.

*(As certified by chartered engineer Hitesh Parekh vide their certificate dated March 21, 2025)*

#### **Phase II:**

Our Company expects benefits from such investment as we believe that the ability to manufacture BESS will ensure consistent availability of storage solutions to our EPC business, enable the Company to offer a combinations of EPC solutions and increase in margins of EPC business. Integrating manufacturing with our EPC services will improve operational efficiencies, strengthen our competitive edge, and support sustainable growth across our business operations. Our Board by its resolution dated March 25, 2025 has approved the proposal to utilise the ₹ 998.46 Lakhs from the net proceeds towards purchase of the plant & machinery for the BESS facility. In phase II we propose to increase our capacity by 200 MW on ground floor spread across 9900 sqft by installing plant and machinery. We have envisaged commencing the commercial production of its project Phase-II in 4<sup>th</sup> quarter of Financial Year 2025-26. Our Company has identified the machinery to be purchased and obtained quotations from Prolithium India Pvt Ltd and it is valid upto 180 days and the details and total estimated cost towards purchasing machinery for the capital expenditure are set forth in the table below:

Machine Name	Component	Functional modules, specifications, requirements	Brand	Unit	Number	Total Price (₹ in Lakhs)	Memo	Purpose of Machinery	
(6+1 channels) Sorting machine	Sorting cabinet	6+1 sorting cabinet, customized according to design requirements	Customized	Set	1	684.00	3 channels on each side, convenient for simultaneous operation on both sides of the assembly line	For Sorting of Cells	
	Controller	Integrated circuits, wires, and other electronic devices	Customized	Cover	1				
	Computer host, software	Workstation computers and software systems	Advantech	Cover	1				
	OCV testing software	Testing software systems and PC industrial control computers	Styler	Cover	1				
	Internal resistance tester	Test the battery voltage and internal resistance value; Model BT3561A	Hioki	Set	1				
	QR code scanner	Cell scanning	Hikvision	Cover	1				
Glue Pasting	Manual							For Providing Insulation	
Automatic Compression for steel strip or Plastic	Squeezing and bundling cabinets		Customized	Set	1			Steel bushing metal	For Packing Cells Together
	PLC controlling system		Customized	Cover	1				
	IT electric cylinder	Pressure gauge, pressure sensor	Customized	Cover	1				
	Control system + touch screen	Operation control screen, program	Customized	Cover	1				
Polarity detection, addressing, and scanning station	Cabinet	Cabinet customization, detection range 800 * 600	Styler	Cover	1			Positive and negative pole detection, addressing correction, cell scanning code modeling group code	For Polarity Verification and pasting bar code for tracking
	CCD visual positioning module	Positive and negative pole recognition, coordinate positioning function, secondary scanning code binding module group code	Hikvision	Cover	1				
	Industrial computer+ display	Station industrial control computer	Advantech	Cover	1				
	Control software system	Software system	Customized	Cover	1				
	Bar Code / QR code scanner	Cell scanning	Hikvision	Cover	1				



Machine Name	Component	Functional modules, specifications, requirements	Brand	Unit	Number	Total Price (₹ in Lakhs)	Memo	Purpose of Machinery
Bus Bar cleaning machine-Laser (offline)	200W Laser cleaning machine for BUS BAR	Table top 200W GW Laser with all accessories / Manual	GW /Raycus / MAX	Set	1			For removing oxidation & contaminant
Laser cleaning of cell terminal 1000W	1000W Laser cleaning machine for BUS BAR for terminal cleaning	Table top 1000W Laser with all accessories	GW /Raycus / MAX	Set	1			For preparing smooth surface before laser welding
Bus Bar/ CCS installation Station	Manual	Station						For Electric connectivity & current distribution
Welding segment line body-Chain Conveyor	Double layered speed chain line	Double layered speed lines up and down; Width 600mm, load-bearing capacity 500KG	Customized	Metres	25			
	Pallet elevator	Used for product tray carriers, up and down circulation lifting mechanism;	Styler	Set	2			
	Station stopper	Job Station Blocker (QX-2)	Styler	Cover	14			
	Station lifting	Station lifting mechanism	Customized	Cover	4			
	Lamp holder, SOP holder, material tool holder		Styler	Batch	1			
	Tray positioning stopper	Make tooling positioning blocks and blocking blocks (insulation boards) according to the blueprint	Styler	Set	14			
	Fixture tray	Size 800 * 400 * 25MM aluminumplate+fiberglassboard+positioning fixture	Styler	Cover	14			
	NG translation exclusion and online launch	Customized according to design requirements	Customized	Set	2			
	NG transplanting material truck	Customized according to design requirements	Customized	Set	2			

Machine Name	Component	Functional modules, specifications, requirements	Brand	Unit	Number	Total Price (₹ in Lakhs)	Memo	Purpose of Machinery
	Double layered speed chain line	Double layered speed lines up and down; Width 600mm, load-bearing capacity 500KG, side sealing sheet metal plate, covered light frame, material frame	DNA	Metres	25			For Laser Welding of Busbar on Cells
	Pallet elevator	Tray fixture up and down lifting cycle	DNA	Set	2			
	Stopper	Artificial position blocker	DNA	Cover	15			
	Lamp holder, SOP holder, material tool holder		DNA	Batch	1			
	aluminum plate+fiberglass board+positioning fixture		DNA	Cover	15			
Transfer line gantry crane	3 meters *5 meters		Customized	Cover	3		Transfer line gantry crane	For Material Handling
AUTOMATIC OCV-IR testing	HIOKI BT-3563A		HIOKI	Set	1			For Testing OCV and IR of module & cells
Conveyor System / Module line 1.2 M width 500KG Module to Pack	Double layered speed chain line	Double layered speed lines up and down; Width 600mm, load-bearing capacity 500KG	Customized	Metres	25			For Material Handling
	Pallet elevator	Used for product tray carriers, up and down circulation lifting mechanism;	DNA	Set	2			
	Station stopper	Job Station Blocker (QX-2)	DNA	Cover	13			
	Station lifting	Station lifting mechanism	Customized	Cover	4			
	Lamp holder, SOP holder, material tool		DNA	Batch	1			
	Tray positioning stopper	Make tooling positioning blocks and blocking blocks (insulation boards) according to the blueprint	DNA	Set	13			
	Fixture tray	Size 800 * 400 * 25MM aluminium plate+ fiber glass board+ positioning fixture	DNA	Cover	13			

Machine Name	Component	Functional modules, specifications, requirements	Brand	Unit	Number	Total Price (₹ in Lakhs)	Memo	Purpose of Machinery
	NG translation exclusion and online launch	Customized according to design requirements	Customized	Set	2			
	NG transplanting material truck	Customized according to design requirements	Customized	Set	2			
		PACK Assembly Section Double-Speed Chain 500KG						
		Fixing of partition sheet and harness cable routing						
		Battery output cable & Front plate fixing						
		CSU/BMS harness fixing						
		CSU plate & Top cover fixing						
Screwing Station	Wired Screwing Station	INGERSOLL RAND QXBD UPTO 3 TOOLS ONE CONTROLLER (WITH MTC OPTION)	IR	Set	2			For Screwing wires on cell terminal
Pack Unloading	3 meters *5 meters		Customized	Cover	2			For Unloading the pack
EMS System	10 SOP screen of 21" software solution for the integration of the complete semi automatic line to implement POKA model in production. 10 Customised reports, 25 users,	Device software, device communication, data saving and uploading, and integration with external MES, Software solution for the Integration of machines in automation	DNA		1			For Ensuring energy efficiency reliability & safety

Machine Name	Component	Functional modules, specifications, requirements	Brand	Unit	Number	Total Price (₹ in Lakhs)	Memo	Purpose of Machinery
Packing, Duty, Freight I&C						100.00		For inspection of battery packing as per UN 38.3
Installation and commissioning		Installation at client site by DNA Engineer				25.00		Installation
Cell grading machine 5V200A - Repower		5V/200A, Modular design: 1 module with 32 channels , Three phase 380V±5% 1 point temperature Regenrative type with Rack			4	112.00		For Grading of cells
Hight Voltage Battery Charge and Discharge- Repower		1500V 300A- 450 KW-2ch			1	77.46		For battery charging and discharging tests
<b>Total</b>						<b>998.46</b>		

*\*The above cost is excluding GST & commissioning charges.*

None of the orders for purchase of the plant and machineries, as provided above, have been placed as on the date of this Draft Red Herring Prospectus. Accordingly, orders worth ₹ 998.46 lakhs, excluding taxes, as applicable, as per the Capital Expenditure Certificate which constitutes 100% of the total estimated costs in relation to the purchase of plant and machineries are yet to be placed. Also see “Risk Factors – *We are yet to place orders for certain equipment for establishing a manufacturing facility at Ahmedabad, proposed to be part funded through this Offer. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment or services in a timely manner, or at all, it may result in time and cost over-runs thereby affecting our business, prospects and results of operations adversely.*” on page 34.

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. We have not entered into any definitive agreements or placed orders with any of these vendors for phase II and will do so at an appropriate time. Hence, there can be no assurance that the same vendors would be engaged to supply the equipment or at the same costs at the time of placing such orders. If we engage someone other than the vendors from whom we have obtained quotations or if our existing quotations expire, such vendor’s estimates and actual costs for the services may differ from the current estimates. The quantity of equipment to be purchased is based on the present estimates of the management and the management shall have the flexibility to deploy such equipment according to the business requirements of such facilities and based on the estimates of its management as per applicable laws. For further details, see “Risk Factors - *Any variation in the utilization of the Net Proceeds as disclosed in this Prospectus shall be subject to certain compliance requirements, including prior Shareholders’ approval*” on page 51, respectively.

No second-hand or used machinery is proposed to be purchased out of the Net Proceeds.

## 2. Meeting Working Capital Requirements

We propose to utilise ₹ 3498.17 Lakhs from the Net Proceeds to fund the working capital requirements of our Company in Financial Year 2026. We have significant working capital requirements, and we fund a majority of our working capital requirements in the ordinary course of business from our existing equity, internal accruals and financing facilities from various banks, financial institutions and non-banking financial companies. As on January 31, 2025, our Company had total sanctioned limit of (fund & non fund based) working capital facilities of ₹ 544.00 Lakhs and has utilized ₹ 89.39 Lakhs (fund based and non-fund based). For further information, see “*Financial Indebtedness*” and “*Financial Information*” on pages 229 and 188, respectively. Further, in order to support our manufacturing facility would require funding for its working capital requirements in the financial year 2026 and financial year 2027. Further, the funding of the incremental working capital requirements of our Company will help to achieve a consequent increase in our profitability and in achieving the proposed targets as per our business plan.

### Existing and Estimated Working Capital Requirement

The details of our Company’s working capital requirement for the period ended September 30, 2024 and Financial Year ended 2024, 2023 & 2022 derived from the standalone financial statements, and the sources of funding of the same and estimated working capital requirements for Fiscal 2025, 2026 and 2027 and proposed funding of such working capital requirements are as set out in the table below:

(₹ in Lakhs)				
Particulars	30-Sep-24	31-Mar-24	31-Mar-23	31-Mar-22
<b>Current assets</b>				
Current Investments	-	25.63	-	-
Inventories	658.28	357.58	237.53	154.13
Trade receivables	493.23	456.70	72.52	117.90
Short-term loans and advances	205.00	74.30	4.45	3.26
Other current assets	303.90	175.66	269.87	297.26
<b>Total Current Assets (A)</b>	<b>1,660.41</b>	<b>1,089.87</b>	<b>584.36</b>	<b>572.55</b>
<b>Current liabilities</b>				
Trade payables	54.41	32.49	10.19	47.67
Other current liabilities	374.89	321.57	119.58	167.09
Short-term provisions	218.74	35.62	25.70	33.81
<b>Total Current Liabilities (B)</b>	<b>648.04</b>	<b>389.68</b>	<b>155.46</b>	<b>248.57</b>
<b>Net Working Capital Requirements (A-B)</b>	<b>1,012.37</b>	<b>700.19</b>	<b>428.90</b>	<b>323.97</b>
<b>Existing Funding Pattern</b>				
A. Borrowings	Nil	46.80	82.68	50.82
B. Internal Accruals / Networth	1,012.37	653.39	346.22	273.15

On the basis of our existing working capital requirements and the incremental working capital requirements, the details of the Company’s expected working capital requirements as at March 31, 2025, March 31, 2026 and March 31, 2027 funding of the same are as set out in the table below:

(₹ in Lakhs)			
Particulars	31-Mar-27	31-Mar-26	31-Mar-25
<b>Current assets</b>			
Inventories	3,606.00	2,445.00	1,094.00
Trade receivables	3,030.51	2,199.12	807.56
Short-term loans and advances	2,587.11	1,842.42	226.12
Other current assets	880.79	644.21	269.87
<b>Total Current Assets (A)</b>	<b>10,104.41</b>	<b>7,130.76</b>	<b>2,397.55</b>
<b>Current liabilities</b>			
Trade payables	223.30	166.08	77.71
Other current liabilities	833.74	697.04	387.63
Short-term provisions	20.54	19.32	19.29

Particulars	31-Mar-27	31-Mar-26	31-Mar-25
<b>Total Current Liabilities (B)</b>	<b>1,077.57</b>	<b>882.45</b>	<b>484.63</b>
<b>Net Working Capital Requirements (A-B)</b>	<b>9,026.84</b>	<b>6,248.31</b>	<b>1,912.92</b>
<b>Funding Pattern</b>			
A. Borrowings from banks, financial institution and non-banking financial companies (including bill discounting) or related Parties	250.00	250.00	250.00
C. Internal Accrual/Equity	8,037.07	3,239.92	1,662.92
D. Amount proposed to be utilized from Net Proceeds	739.78	2,758.39	-

### Holding Period (Number of Days)

The table below contains the details of holding period (in number of days) for Financial Year 2022, 2023 & 2024 and the estimated holding period (in days) for the Fiscal 2025, Fiscal 2026 and Fiscal 2027 and the assumptions based on which the working plan projections have been made and approved by our Board of Directors:

Particulars	Holding levels on the basis of	Fiscal year (Actuals)				Fiscal year (Projected)		
		2022	2023	2024	September 30, 2024	2025	2026	2027
Trade receivables days	Revenue from operations	9	7	21	17	25	30	30
Inventory days	Cost of Goods Sold	14	27	21	31	44	46	49
Short-term loans and advances	Revenue from operations	0	0	3	7	7	25	26
Other current assets	Revenue from operations	22	25	8	10	8	9	9
Trade payables	Cost of Goods Sold	4	1	2	3	3	3	3
Other current liabilities	Revenue from operations	12	11	15	13	12	9	8
Short-term provisions	Revenue from operations	2	2	2	8	1	0	0

Notes: \*As certified by Tibrewal Bhagat & Associates, Chartered Accountants pursuant to their certificate dated March 25, 2025

### Rationale for working capital Requirement :

Working capital is essential for the smooth functioning of our business operations, particularly given the nature of our industry, where manufacturing, inventory management, and credit cycles are critical factors. Our working capital requirements have been carefully projected to reflect the anticipated growth in business operations and the need to maintain operational efficiency while adhering to prudent financial management practices.

### Justification for Working Capital Projections

Particulars	Details
Trade Receivables	The trade receivables holding period represents the time taken by the Company to collect dues from customers after rendering EPC services or selling goods on credit. The trend over the past years reflects the impact of business operations, project mix, and market expansion strategies.  <i>FY 2021-22 to FY 2022-23 (Decrease from 9 days to 7 days):</i>

Particulars	Details
	<p>The reduction in trade receivables holding period was primarily due to the absence of service exports in FY 2022-23. With a focus on domestic EPC contracts and sales, the credit cycle remained shorter, resulting in improved collections.</p> <p><u><i>FY 2022-23 to FY 2023-24 (Increase from 7 days to 21 days):</i></u></p> <p>The increase in trade receivables holding period was due to a rise in export transactions and the expansion of residential projects. Export receivables typically have a longer credit cycle compared to domestic transactions, contributing to the overall increase. Additionally, residential projects generally involve extended payment terms, further impacting the collection period.</p> <p><u><i>FY 2023-24 (September 30, 2024) (Decrease from 21 days to 17 days):</i></u></p> <p>The decrease in trade receivables holding period as of September 30, 2024, is attributed to a reduction in residential projects and export activities. With a shift in the project mix towards domestic EPC contracts, the Company experienced faster collections.</p> <p><u><i>Projected Trend (FY 2024-25 to FY 2026-27):</i></u></p> <p>As the Company ventures into battery manufacturing, trade receivables holding periods are expected to increase. The working capital cycle for trade receivables is projected to be 25 days in FY 2024-25 and 30 days from FY 2025-26 onwards. This increase is anticipated due to the following factors:</p> <ol style="list-style-type: none"> <li>a. Entry into battery manufacturing, where industry norms involve longer credit cycles.</li> <li>b. Expansion of large-scale projects that typically require extended payment terms.</li> <li>c. The company is expecting/planning Increased engagement in government and institutional sales, which generally have structured payment schedules.</li> </ol>
Inventory	<p>The Company's inventory comprises Raw Material, Material at Site, Finished Goods, Packing Material, and Stores &amp; Consumables. The trend in inventory levels over the years reflects the impact of demand assumptions, sales performance, and strategic business expansion.</p> <p><u><i>FY 2021-22 to FY 2022-23 (Increase from ₹154.13 Lakhs to ₹237.53 Lakhs and Holding Period from 14 to 27 days):</i></u></p> <p>The increase in inventory holding period was primarily due to an expectation of higher residential and export sales. However, as the projected growth did not materialize as anticipated, inventory levels remained higher, leading to an increase in inventory days.</p> <p><u><i>FY 2022-23 to FY 2023-24 (Increase in Inventory to ₹357.58 Lakhs but Reduction in Holding Period from 27 to 21 days):</i></u></p> <p>The decrease in inventory holding days was due to better inventory management and revised expectations based on past sales performance. While residential and export sales were again projected to grow, adjustments in inventory planning helped optimize stock levels, reducing the overall holding period.</p> <p><u><i>FY 2023-24 to September 30, 2024 (Increase in Inventory to ₹658.28 Lakhs and Holding Period from 21 to 31 days):</i></u></p>

Particulars	Details
	<p>The increase in inventory holding period was due to assumptions made in FY 2023-24 that residential and export sales would continue to rise. As a result, higher inventory levels were maintained to support anticipated demand, leading to an increase in inventory days.</p> <p><u><i>Future Outlook (Increase in Inventory Holding Period to 45-50 days):</i></u></p> <p>With the expansion into battery manufacturing, the inventory holding period is expected to increase significantly. Battery production requires maintaining a larger stock of raw materials and finished goods, leading to an estimated 60-day inventory holding period for this segment. Consequently, the combined business operations—including the existing and new manufacturing units—will require an inventory holding period of approximately 45 to 50 days in the coming years.</p> <p>The Company remains committed to optimizing inventory management while ensuring sufficient stock availability to meet business growth and market demands.</p>
Trade Payable	<p>Trade payables represent amounts payable to suppliers for the purchase of Raw Materials, Packaging Materials, and Stores &amp; Consumables on credit. The trade payables holding period reflects the Company's procurement strategy, cash flow management, and business expansion.</p> <p><u><i>FY 2021-22 to FY 2022-23 (Decrease from 4 days to 1 day):</i></u></p> <p>The reduction in trade payables holding period was primarily due to a decline in sales during FY 2022-23, leading to lower raw material purchases. With reduced procurement requirements, trade payables decreased, resulting in a shorter payable period.</p> <p><u><i>FY 2022-23 to FY 2023-24 (Increase from 1 day to 2 days):</i></u></p> <p>The increase in trade payables holding period was driven by higher demand, leading to an increase in raw material purchases. As procurement volumes grew, trade payables also increased, extending the payment cycle slightly.</p> <p><u><i>FY 2023-24 to September 30, 2024 (Increase from 2 days to 3 days):</i></u></p> <p>The increase in trade payables holding period reflects the continued growth in demand and procurement requirements. As the Company scaled up operations, supplier credit utilization slightly increased, leading to a marginal extension in trade payable days.</p> <p><u><i>Future Outlook (Stable at 3 Days in FY 2024-25, FY 2025-26, and FY 2026-27):</i></u></p> <p>The Company expects the trade payables holding period to stabilize at 3 days over the next three years due to:</p> <ul style="list-style-type: none"> <li>• Consistently increasing demand and expansion into battery manufacturing, requiring a steady procurement of raw materials.</li> <li>• Early payments to suppliers to secure better pricing and ensure uninterrupted supply chains.</li> <li>• Optimized cash flow management, allowing prompt settlement of trade payables to maintain strong supplier relationships.</li> </ul>



Particulars	Details
	<ul style="list-style-type: none"> <li>By maintaining a disciplined payment strategy, the Company aims to enhance vendor trust, negotiate better deals, and strengthen its supply chain while efficiently managing working capital.</li> </ul>
Short Term Loans & Advances	<p>The Company's Short-Term Loans and Advances reflect payments made in advance to suppliers for procurement of raw materials and other operational requirements. The trend in holding period is influenced by the Company's expansion strategy and procurement policies.</p> <p><u>FY 2024-25 (7 days):</u></p> <p>The holding period for short-term loans and advances remains low as the Company's procurement model primarily relies on domestic suppliers, with minimal advance payment requirements.</p> <p><u>FY 2025-26 to FY 2027-28 (Increase to 25 days):</u></p> <p>The sharp increase in the holding period to 25 days is driven by the expansion into battery manufacturing, where most of the raw materials will be imported. International vendors typically require advance payments of up to one month, leading to a longer short-term advance cycle.</p> <p><i>Future Impact:</i></p> <ul style="list-style-type: none"> <li>Higher advance payments to secure raw materials from global suppliers.</li> <li>Improved supplier relationships by ensuring timely payments.</li> <li>Ensuring uninterrupted production for the battery manufacturing unit.</li> <li>As the Company progresses with its expansion, it will continue to optimize working capital management to balance advance payments with operational cash flow efficiency.</li> </ul>
Other Current Assets	<p>Other Current Assets includes Advance Income Tax, GST &amp; TDS Receivable, Subsidy Receivable and Retention &amp; Withheld Amount (as part of our business and as is customary, our clients deduct margins from Running Account (RA) bills as retention money, such retention money is withheld until the commissioning of the project and completion of PR Test), Prepaid Expenses and Interest Receivable. With increase in the quantum of projects, higher amounts will be withheld as Retention money. Further, Other Assets are estimated based on previous year outstanding amount and for expected Business requirement of company.</p>
Other Current liabilities	<p>Other Current Liabilities mainly include Statutory Payables, Expenses Payables and Advance from Customers. Other Current liabilities are estimated based on previous year outstanding amount and for expected Business requirement of company.</p>
Short-Term provisions	<p>Short-Term provisions mainly include provision for gratuity and Provision for Income Tax. Short-Term provisions are estimated based on previous year outstanding amount and for expected Business requirement of company.</p>

\*As certified by Tibrewal Bhagat & Associates, Chartered Accountants pursuant to their certificate dated March 25, 2025

Without sufficient working capital, the company may face challenges in meeting short-term obligations, such as paying suppliers or employees, which can ultimately impact production and overall business performance. Additionally, having adequate working capital also allows company to take advantage of growth opportunities, manage seasonal fluctuations, and maintain a competitive edge in the market.

## 2. General Corporate Purpose

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Net Proceeds aggregating ₹ [●] lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, initial development costs for new products, meeting operating expenses, strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in the Draft Red Herring Prospectus, shall not exceed 15% of the Gross Proceeds raised by our Company through this Issue or ₹ 10 Crore whichever is lower.

### Offer related expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs. The Issue related expenses primarily include fees payable to the Lead Manager and legal counsel, fees payable to the Auditors, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Sponsor Bank's fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Each of our Company and the Promoter Selling Shareholders agree to share the costs and expenses (including all applicable taxes, except STT which shall be borne by the Promoter Selling Shareholder) directly attributable to the Offer (excluding listing fees, audit fees of the Statutory Auditors and expenses for any corporate advertisements, i.e. any corporate advertisements consistent with past practices of our Company that will be borne by the Company), based on the proportion of the Equity Shares allotted by the Company in the Fresh Issue and sold by the Promoter Selling Shareholders in the Offer for Sale, subject to applicable law.

All such payments shall be made by our Company in the first instance on behalf of the Promoter Selling Shareholders and the Promoter Selling Shareholders will reimburse our Company in proportion to the Offered Shares, for any expenses incurred by our Company on behalf of the Promoter Selling Shareholder. Further, the expenses related to the portion of the Offer for Sale shall be deducted from the proceeds of the Offer for Sale and only the balance amount shall be paid to the Promoter Selling Shareholders in the proportion to the Offered Shares sold by the Promoter Selling Shareholder. In the event of withdrawal or postponement of the Offer or if the Offer is not successful or consummated or is abandoned for any reason, all costs and expenses (including all applicable taxes) with respect to the Offer shall be borne by our Company unless under Applicable Law such costs and expenses are required to be shared between: (a) our Company, and (b) the Promoter Selling Shareholder, to the extent of and in proportion to the number of Equity Shares proposed to be issued and Allotted by the Company pursuant to the Fresh Issue and offered for sale by the Promoter Selling Shareholders in the Offer for Sale, respectively.

The break-up of the estimated Issue expenses is set forth below:

Activity	Estimated Expense * (₹ in lakhs)	As a % of total estimated Issue related expenses	As a % of Issue size
BRLM fees (including underwriting, brokerage and selling commission)	[●]	[●]	[●]
Commission / processing fee for SCSBs, Sponsor Bank and Bankers to the Issue. Brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs. **	[●]	[●]	[●]
Fees payable to Registrar to the Issue	[●]	[●]	[●]
Fees payable to auditors, market research firms and other consultants / professionals	[●]	[●]	[●]
Other Expenses			

Activity	Estimated Expense * (₹ in lakhs)	As a % of total estimated Issue related expenses	As a % of Issue size
• Listing fees, SEBI Fees, upload fees, BSE, book building software fees and other regulatory expenses	[●]	[●]	[●]
• Printing and Stationery	[●]	[●]	[●]
• Advertising and Marketing expenses	[●]	[●]	[●]
• Fees payable to Legal Advisors to the Issue	[●]	[●]	[●]
• Miscellaneous	[●]	[●]	[●]
<b>Total estimated Issue expenses</b>	[●]	[●]	[●]

\* Issue expenses include taxes, where applicable. Issue expenses will be incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change.

\*\* Selling commission payable to the SCSBs on the portion for Individual Bidders and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:

Portion for Individual Bidders <sup>^</sup>	[●]% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders <sup>^</sup>	[●]% of the Amount Allotted (plus applicable taxes)

<sup>^</sup> Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

No additional bidding charges shall be payable by the Company to the SCSBs on the applications directly procured by them. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

Processing fees payable to the SCSBs on the portion for Individual Bidder and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate / sub-Syndicate / Registered Broker / RTAs / CDPs and submitted to SCSB for blocking would be as follows:

Portion for Individual Bidders <sup>^</sup>	₹ [●] per valid Bid cum Application Form (plus applicable taxes)*
Portion for Non-Institutional Bidders <sup>^</sup>	₹ [●] per valid Bid cum Application Form (plus applicable taxes)*

\* For each valid application

Notwithstanding anything contained above, the total processing fee payable under this clause will not exceed ₹ [●] lakhs (plus applicable taxes) and in case if the total processing fees exceeds ₹ [●] lakhs (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of Individual Investors and Non-Institutional Investors, as applicable.

Brokerage, selling commission and processing/ uploading charges on the portion for Individual Investors and Non-Institutional Investors (excluding UPI Bids) which are procured by Members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their sub-Syndicate members) would be as follows:

Portion for Individual Bidders <sup>^</sup>	[●]% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders <sup>^</sup>	[●]% of the Amount Allotted (plus applicable taxes)

<sup>^</sup> Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

The selling commission payable to the Syndicate/sub-Syndicate members will be determined (i) for IIs, NIIs (up to ₹ 5 lakhs) on the basis of the application form number/series, provided that the application is also bid by the respective Syndicate/sub-Syndicate member. For clarification, if a Syndicate ASBA application on the application form number/series of a Syndicate/sub-Syndicate member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate/sub-Syndicate member; (ii) for NIIs (above ₹10 lakhs), Syndicate ASBA Form bearing SM code and sub-Syndicate code of the application form submitted to SCSBs for blocking of the fund and uploading on the exchange platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate member, is bid by an SCSB, the selling commission will be payable to the Syndicate / sub-Syndicate members and not the SCSB.

Selling commission payable to the Registered Brokers, RTAs and CDPs on the portion for Individual Investors, and portion for Non-Institutional Investors which are directly procured by the Registered Broker or RTAs or CDPs or submitted to SCSB for processing, would be as follows:

Portion for Individual Bidders <sup>^</sup>	₹ [●] per valid Bid cum Application Form (plus applicable taxes)*
Portion for Non-Institutional Bidders <sup>^</sup>	₹ [●] per valid Bid cum Application Form (plus applicable taxes)*

\* For each valid application.

Bidding charges of ₹[●] (plus applicable taxes) shall be paid per valid Bid cum Application Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Individual Investors using the UPI mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. Further, in order to determine to which Registered Broker/RTA/CDP, the commission is payable, the terminal from which the bid has been uploaded will be taken into account.

The Processing fees for applications using the UPI Mechanism would be as follows:

RTAs / CDPs/ Registered Brokers/Members of the Syndicate	₹[●] per valid Bid cum Application Form (plus applicable taxes)
Sponsor Bank	₹ [●] per valid Bid cum Application Form* (plus applicable taxes)  <i>The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NCPI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.</i>

\* For each valid application.

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public issuing (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / sub-Syndicate Member shall not be able to Bid the Application Form above ₹ 5 lakhs and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the Stock Exchange bidding platform. To identify bids submitted by Syndicate / sub-Syndicate Member to SCSB a special Bid-cum-application form with a heading / watermark "Syndicate ASBA" may be used by Syndicate / sub-Syndicate Member along with SM code and broker code mentioned on the Bid-cum Application Form to be eligible for brokerage on allotment. However, such special forms, if used for IIB and NIB bids up to ₹ 5 lakhs will not be eligible for brokerage.

The processing fees for applications made by UPI Bidders using the UPI Mechanism 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/CIR/P/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

### **Interim use of the Net Proceeds**

Our Company, in accordance with the applicable law, policies established by our Board from time to time and in order to attain the Objects set out above, will have flexibility to deploy the Net Proceeds. Pending utilisation of the Net Proceeds for the purposes described in this section, our Company may temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board. In accordance with Section 27 of the Companies Act, our Company confirms that, other than as specified in this section for the purposes of the Objects, it shall not use the Net Proceeds for buying, trading or otherwise dealing in equity securities or any equity linked securities.

**Appraising entity**

None of the Objects for which the Net Proceeds will be utilised have been appraised by any agency.

**Bridge financing facilities**

Our Company has not raised any bridge loans from any bank or financial institution as of the date of the Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

**Monitoring of utilisation of funds**

Our Company will appoint a monitoring agency to monitor utilization of the Gross Proceeds from the Fresh Offer, in accordance with Regulation 262(1) of the SEBI ICDR Regulations, prior to the filing of the Red Herring Prospectus. For details in relation to the proposed utilisation of the Gross Proceeds, see “Objects of the Offer” on page 89.

**Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English, and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoter or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**Other confirmations**

Except as disclosed below, and except to the extent of any proceeds received pursuant to the sale of Offered Shares proposed to be sold in the Offer by the Promoter Selling Shareholder, no part of the Gross Proceeds will be paid to our Promoters, members of our Promoter Group, Directors, our Group Companies, our Key Managerial Personnel or Senior Management, except in the ordinary course of business.

Our Promoters Manish Bagadia and Karuna Bagadia are the Selling Shareholders in the Offer and shall receive proceeds pursuant to the sale of Offered Shares in the Offer. Our Company has neither entered nor has planned to enter into any arrangement/ agreements with our Promoters, members of our Promoter Group, Directors, Key Managerial Personnel, Senior Management or our Group Companies in relation to the utilization of the Gross Proceeds. Further, there are no material existing or anticipated interest of such individuals and entities in the Objects of the Offer except as set out above.

## BASIS FOR ISSUE PRICE

The Price Band and the Issue Price will be determined by our Company and Promoter Selling Shareholders in consultation with the BRLM based on an assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹10/- each and the Issue Price is [●] times of the face value.

Investors should read the following basis with the section titled “Risk Factors” and chapters titled “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business” beginning on page 30, 188, 231 and 136 respectively, of this Draft Red Herring Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

### Qualitative Factors

We believe that some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

1. Established track record and End-to-end value chain capabilities and an integrated approach to developing renewable power projects by our in-house project development, EPC and O&M teams.
2. Established relationships with our customers and wide customer base
3. Robust order book and visibility for future growth
4. Strong financial performance driven by asset light business model
5. Experienced management team and qualified personnel with significant industry experience

For further details please refer “Our Business – Our Strengths” on page 138.

### Quantitative Factors

The information presented in this chapter is derived from company’s Restated Financial Statements for the period ended September 30, 2024 and the financial year ended March 31 2024, 2023 and 2022 prepared in accordance with IGAAP. For more details on financial information, investors please refer the chapter titled “Restated Financial Statements” beginning on page 188 of this Draft Red Herring Prospectus.

#### 1. Basic and Diluted Earnings / (Loss) Per Share (“EPS”)

As per Restated Financial Statements – Post Bonus

Particulars	Basic & Diluted EPS (in ₹)	Weights
March 31, 2024	3.68	3
March 31, 2023	0.47	2
March 31, 2022	0.56	1
<b>Weighted Average</b>		2.09
For the period ended September 30, 2024 <sup>#</sup>	4.48	-

<sup>#</sup> Not annualised

Notes:

- (1) Basic and Diluted EPS is computed in accordance with Accounting Standard 20, notified under the Companies(Accounting Standards) Rules, 2006 (as amended) read with the requirements of SEBI ICDR Regulations.
- (2) Basic and diluted EPS is calculated as Profit/(loss) for the year/period attributable to Equity shareholders divided by the adjusted weighted average number equity shares outstanding during the year/period.

#### 2. Price Earnings Ratio (“P/E”) in relation to the Issue Price of [●]/- per share of ₹ 10/- each fully paid-up – Post Bonus.

Particulars	P/E (number of times)
<b>Based on Restated Financial Statements – Post Bonus</b>	
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-24	[●]
P/E ratio based on the Weighted Average Basic & Diluted EPS	[●]
<b>Industry P/E Ratio</b>	
Highest	126.73
Lowest	48.11
Average	87.42

### 3. Return on Net worth (RoNW) As per Restated Financial Statements

Particulars	RONW (%)	Weights
March 31, 2024	62.40	3
March 31, 2023	21.11	2
March 31, 2022	31.72	1
<b>Weighted Average</b>		43.52%
<b>For the period ended September 30, 2024<sup>#</sup></b>	43.18	-

<sup>#</sup> Not annualised

*Note: The RONW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year.*

### 4. Net Asset Value (NAV) As per Restated Financial Statements

Financial Year	NAV (₹)
As on September 30, 2024	54.01
As on March 31, 2024	30.69
After the Issue	
At Floor Price	[●]
At Cap Price	[●]
At Issue Price *	[●]

*Note: NAV has been calculated as net worth divided by number of Equity Shares outstanding at the end of the year.*

*\*Offer Price per Equity Share will be determined on conclusion of the Book Building Process*

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

Name of the Company	CMP	Face Value (In Rs.) <sup>^</sup>	EPS (In Rs.) <sup>^</sup>	P/E Ratio **	RONW (%) <sup>^</sup>	NAV (In Rs.) <sup>^</sup> &	Total Revenue from Operations (Rs. In Lakhs) <sup>^</sup>
Grace Renewable Energy Limited*	[●]	10	3.68	[●]	62.40	30.69	7790.91
Zodiac Energy Limited	##413.15	10	3.26	126.73	5.94	53.78	13,210.46
Oriana Power Limited	#1378.4	10	26.62	51.78	11.85%	201.75	35,954.38
Solarium Green Energy Limited	##238.65	10	4.96	48.11	22.80%	21.58	8,199.85

<sup>#</sup>Closing price on March 25, 2025 at National Stock Exchange of India Limited.

<sup>##</sup>Closing price on March 25, 2025 at BSE Limited

<sup>^</sup>Source: Data for these Companies are sourced from financial results / restated financial statements. RONW / EPS / NAV etc. is adjusted for face value & NAV calculated on the basis of latest data available on the NSE/BSE.

\*\* P/E Ratio is computed by dividing the closing market price on March 25, 2025 on NSE/ BSE by EPS

\*Based on September 30, 2024 restated financial statements.

## 6. Key Performance Indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated March 25, 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 Draft Red Herring Prospectus. Further, the KPIs herein have been certified by M/s Tibrewal Bhagat & Associates, Chartered Accountants, by their certificate dated March 25, 2025

The KPIs of our Company have been disclosed in the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 136 and 231 of this Draft Red Herring Prospectus, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” on page 2 of this Draft 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 utilisation of the proceeds of the Issue as per the disclosure made in the chapter titled “Objects of the Issue” on page 89, 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)

Particulars	For the period ended September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations	5,237.80	7,790.91	3,854.98	4,936.23
Revenue CAGR <sup>(1)</sup>			25.63%	
Revenue growth <sup>(2)</sup>	-	102.10%	(21.90) %	-
EBITDA <sup>(3)</sup>	946.88	825.32	114.49	139.48
EBITDA Margin (%) <sup>(4)</sup>	18.08%	10.59%	2.97%	2.83%
PAT <sup>(5)</sup>	699.57	574.50	73.07	86.63
PAT Margin (%) <sup>(6)</sup>	13.36%	7.37%	1.90%	1.76%
Net Worth <sup>(7)</sup>	1620.29	920.71	346.22	273.15
Debt To Equity Ratio <sup>(8)</sup>	0.13	0.35	1.18	1.11
RONW (%) <sup>(9)</sup>	43.18%	62.40%	21.11%	31.72%
EPS (Basic & Diluted) <sup>(10)</sup>	4.48	3.68	0.47	0.56
Return on Capital Employed (RoCE) % <sup>(11)</sup>	53.07%	77.06%	19.26%	25.64%

**Notes:** As certified by M/s Tibrewal Bhagat & Associates, Chartered Accountants through their certificate dated March 25, 2025

### Explanation of KPIS:

- (1) Revenue CAGR is calculated by dividing the Revenue from operation for the FY 2024 by the Revenue from operation for the FY 2022, raising it to the power of one divided by the number of compounding periods i.e. 2 years, and subtracting by one
- (2) Revenue Growth is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period
- (3) ‘EBITDA’ is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income
- (4) ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations.
- (5) PAT is calculated as Profit after interest, exceptional items, tax & depreciation



- (6) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
- (7) Net Worth is calculated by subtracting a company's Total Liabilities from its Total Assets
- (8) Debt Equity Ratio is calculated as Total debt divided by total shareholders' Equity
- (9) Return on Net worth is calculated as companies PAT divided by the company Total Shareholders' Equity (Net worth)
- (10) Earnings Per Share (Basic) is calculated as PAT divided by the Weighted average no. of Shares
- (11) Return on Capital Employed is calculated as companies EBIT divided by the company Average Capital Employed

For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 136 and 231, respectively

**Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company**

S.No.	Key Performance Indicator	Explanation
1.	Revenue from Operations	Used to track the revenue profile of the business and in turn helps us assess the overall financial performance of our Company and size of our business.
2.	Revenue CAGR	Used to track the annualised growth rate of our revenue over a specific period, and is a measure of growth in business
3.	Total Revenue	Used to track the total revenue profile of the business and in turn helps us assess the overall financial performance of our Company and size of our business.
4.	EBITDA	Used to track the operating performance of our Company
5.	EBITDA Margin	Used to track operating efficiency and profitability of our Company
6.	PAT	Used to track the profitability of our business
7.	PAT Margin	Used to track the profitability and financial performance of our business
8.	Net Worth	Used to track our financial position
9.	Debt To Equity Ratio	Used to track our financial leverage and related risk
10.	Return on Net worth	Used to measure the profitability and effectiveness of equity investments by shareholder
11.	EPS (Basic)	Used to track our profit per outstanding equity share, without accounting for any potential dilution
12.	EPS (Diluted)	Used to track our profit per outstanding equity share, accounting for any potential dilution from instruments that could be converted into or result in new equity shares
13.	Return on Capital Employed	Used to assess the efficiency and profitability of capital investments

**Comparison of KPI with Listed Industry Peers**

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

₹ in Lakhs except %

Particulars	Zodiac Energy Limited				Oriana Power Limited				Solarium Green Energy Limited			
	For the period ended September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022	For the period ended September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022	For the period ended September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations	13210.46	22006.11	13765.92	14297.05	35,954.38	38,287.49	13,471.72	10,077.44	8,199.85	17,739.69	9,878.98	16,736.91
Revenue CAGR <sup>(1)</sup>	-	24.06%			-	94.92%			-	2.95%		
Revenue growth <sup>(2)</sup>	-	59.86%	-3.71%	-	-	184.21%	33.68%	-	-	79.57%	-40.97%	-
EBITDA <sup>(3)</sup>	909.73	1,896.23	750.01	887.55	7,538.49	8,071.49	1,940.02	1,269.87	1,159.25	2,377.51	557.89	449.36
EBITDA Margin (%) <sup>(4)</sup>	6.89%	8.62%	5.45%	6.21%	20.97%	21.08%	14.40%	12.60%	14.14%	13.40%	5.65%	2.68%
PAT <sup>(5)</sup>	481.94	1,097.20	318.94	546.02	4857.04	5428.35	1056.29	735.52	755.43	1558.97	173.86	205.04
PAT Margin (%) <sup>(6)</sup>	3.65%	4.99%	2.32%	3.82%	13.51%	14.18%	7.84%	7.30%	9.21%	8.79%	1.76%	1.23%
Net Worth <sup>(7)</sup>	8118.38	4,757.41	3605.04	3291.23	40994.55	14619.91	3203.46	1532.45	3313.26	2032.83	473.26	300
Debt To Equity Ratio <sup>(8)</sup>	0.97	0.85	1.27	0.54	0.09	1.27	2.29	0.43	25.11	40.92	110.12	112.30
RONW (%) <sup>(9)</sup>	5.94	23.06	8.85	16.59	11.85%	37.13%	32.97%	48.00%	22.80%	76.69%	36.74%	68.35%
EPS (Basic & Diluted) <sup>(10)</sup>	3.26	7.50	2.18	3.73	26.62	33.41	17.50	22.6	4.96	10.39	1.16	1.37
Return on Capital Employed	25.17	35.23	16.77	13.28	14.66	35.89%	24.42%	34.92	18.70	54.18	15.92	19.12

(RoCE) % <sup>(11)</sup>													
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\*As certified by Tibrewal Bhagat & Associates, Chartered Accountants pursuant to their certificate dated March 25, 2025

Source: All the financial information for listed industry peer mentioned above is sourced from the regulatory filings made by aforesaid companies to stock exchanges for the respective year/ period to compute the corresponding financial ratios.

- (1) Revenue CAGR is calculated by dividing the Revenue from operation for the FY 2024 by the Revenue from operation for the FY 2022, raising it to the power of one divided by the number of compounding periods i.e. 2 years, and subtracting by one
- (2) Revenue Growth is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period
- (3) 'EBITDA' is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income
- (4) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.
- (5) PAT is calculated as Profit after interest, exceptional items, tax & depreciation
- (6) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
- (7) Net Worth is calculated by subtracting a company's Total Liabilities from its Total Assets
- (8) Debt Equity Ratio is calculated as Total debt divided by total shareholders' Equity
- (9) Return on Net worth is calculated as the company PAT divided by the company Total Shareholders' Equity (Net worth)
- (10) Earnings Per Share (Basic) is calculated as PAT divided by the Weighted average no. of Shares
- (11) Return on Capital Employed is calculated as companies EBIT divided by the company Average Capital Employed

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**7. Justification for Basis for Issue price**

**a. The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities), excluding shares issued under ESOP/ESOS and issuance of bonus shares**

There have been no issuance of Equity Shares or convertible securities during the 18 months preceding the date of this Draft Red Herring Prospectus, excluding the shares issued under the ESOP Schemes and issuance of bonus shares, 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.

**b. The price per share of our Company based on the secondary sale / acquisition of shares (equity shares) or acquisition of equity shares or convertible securities (excluding gifts) involving any of the Selling Shareholders, members of the Promoter Group or other Shareholders with rights to nominate directors during the 18 months preceding the date of filing of the DRHP/ RHP, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer 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 (“Secondary Transactions”)**

There have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group, selling shareholders 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), during the 18 months preceding the date of this Draft Red Herring Prospectus, 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 share 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.

Since there are no such transaction to report to under (a) and (b), the following are the details based on the last five primary or secondary transactions (secondary transactions where the Promoters or members of the Promoter Group or shareholders having a right to nominate directors to the Board are a party to the transaction, excluding gifts), not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions:

<b>A. Primary Transaction</b>					
Date of Allotment	Nature of Transaction	No. of Equity Shares	Cost per Equity Share	Total Cost	
March 30, 2024	Bonus issue	2950000	Nil	Nil	
January 25, 2025	Bonus Issue	12600000	Nil	Nil	
WACA				Nil	

<b>B. Secondary Transaction</b>						
Name of the Acquirer	Date of Allotment / Transfer	nature of Allotment / transaction	Face Value	Offer Price	Number of Equity Shares Alloted	Total Consideration
Transferred from Naresh Garg to Manish Bagadia	January 21, 2022	Transfer	10	10	100	1000
Transferred from Asha Garg to Manish Bagadia	January 21, 2022	Transfer	10	10	100	1000
Transferred from Harsh Trust to Harsh	April 04, 2022	Transfer	10	10	100	1000

<b>B. Secondary Transaction</b>						
<b>Name of the Acquirer</b>	<b>Date of Allotment / Transfer</b>	<b>nature of Allotment / transaction</b>	<b>Face Value</b>	<b>Offer Price</b>	<b>Number of Equity Shares Alloted</b>	<b>Total Consideration</b>
Transferred from Arun Bagadia HUF to Manish Bagadia	August 01, 2024	Transfer	10	23.33	6,000	139980
Transferred from Mitosh Bagadia to Manish Bagadia	August 01, 2024	Transfer	10	23.33	6,000	139980
Transferred from Sunita Bagadia to Manish Bagadia	August 01, 2024	Transfer	10	23.33	6,000	139980
Transferred from Rajshree Bagadia to Manish Bagadia	August 28, 2023	Transfer gift deed	10	0	2,58,000	0
Transferred from Savitridevi Family Trust to Manish Bagadia	August 29, 2024	Transfer	10	31.76	5,850	185796
Transferred from Savitridevi Family Trust to Jigar Patel	August 29, 2024	Transfer	10	31.76	50	1588
Transferred from Savitridevi Family Trust to Prashant Agarwal	August 29, 2024	Transfer	10	31.76	50	1588
Transferred from Savitridevi Family Trust to Radhika Bhut	August 29, 2024	Transfer	10	31.76	50	1588
Total					282300	613500
<b>Weighted Average Cost of Acquisition (Secondary Transaction) (₹ per Equity Share)</b>						<b>2.17</b>

\* As certified by M/s Tibrewal Bhagat & Associates, Chartered Accountants through their certificate dated March 25, 2025.

- c. **The Floor Price is [●] times and the Cap Price is [●] times the weighted average cost of acquisition at which the Equity Shares were issued by our Company, or acquired or sold by the shareholders with rights to nominate directors are disclosed below:**

Based on the disclosures in (a) above, the weighted average cost of acquisition of Equity Shares as compared with the Issue Price is set forth below:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price (₹[●]/-)	Cap Price (₹[●]/-)
Weighted average cost of acquisition of primary issuances as per paragraph 7(a) above	NA <sup>^</sup>	[●]	[●]
Weighted average cost of acquisition for secondary transactions as per paragraph 7(b) above	NA <sup>^^</sup>	[●]	[●]
Weighted average cost of acquisition of primary issuance as per paragraph 7(c) (A) above	Nil	[●]	[●]
Weighted average cost of acquisition of secondary transactions as per paragraph 7(c) (B) above	2,17	[●]	[●]

As certified by M/s Tibrewal Bhagat & Associates. statutory auditors, vide their certificate dated March 25, 2025

<sup>^</sup>There were no primary / new issue of shares (equity/convertible securities).

<sup>^^</sup>There were no secondary sales / acquisition of shares (equity/ convertible securities) transactions in last 18 months from the date of this Draft Red Herring Prospectus, the detail as required under paragraph (b) above is thus applicable.

8. **Explanation for Issue Price being [●] times of weighted average cost of acquisition of secondary issuance price of Equity Shares (set out in 7(d) above) along with our Company's key performance indicators and financial ratios and in view of external factors for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022.**

[●]\*

\*To be included on finalisation of Issue Price and updated in the Prospectus.

9. **The Issue Price is [●] times of the face value of the equity shares**

The face value of our share is ₹ 10/- per share and the Issue Price is of ₹ [●]/- per share are [●] times of the face value. Our Company, Promoter Selling Shareholders in consultation with the Lead Manager believes that the Issue Price of ₹ [●]/- per share for the Public Issue is justified in view of the above quantitative and qualitative parameters. Investor should read the above-mentioned information along with the section titled "Risk Factors" beginning on page 30 of this Draft Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled "Restated Financial Statements" beginning on page 188 of this Draft Red Herring Prospectus.

## STATEMENT OF SPECIAL TAX BENEFIT

**Date: March 25, 2025**

**To,**

**The Board of Directors,  
Grace Renewable Energy Limited**  
43, The Chambers, Near TGB hotel,  
S.G. Highway, Bodakdev, Ahmedabad-380054

**Re: Proposed initial public offering of 5500000 equity shares of face value of Rs. 10 each (the “Equity Shares” and such offering, the “Offer”) of Grace Renewable Energy Limited (the “Company”)**

We, Tibrewal Bhagat and Associates, Chartered Accountants, statutory auditors to the Company, Firm Registration Number 125173, hereby confirm that the enclosed Annexure A provides the special tax benefits available to the Company, its shareholders identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to (i) the Income Tax Act, 1961, as amended by the Finance Act, 2023 and read with the rules, circulars and notifications issued in relation thereto; and (ii) applicable indirect taxation laws, as amended and read with the rules, circulars and notifications issued in connection thereto.

Several of these stated tax benefits/consequences are dependent on the Company or its shareholders if any, fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company or its shareholders to derive the tax benefits is dependent on fulfilling such conditions.

The benefits discussed in the enclosed annexure are not exhaustive. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest money based on this statement. These statements do not cover any general tax benefits available to the Company and/or its shareholders and is neither designed nor intended to be a substitute for professional tax advice.

**We do not express any opinion or provide any assurance as to whether:**

- i) the Company or its shareholders will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with; or,
- iii) The revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

This certificate, including Annexure A herein, is for your information and for inclusion in the draft red herring prospectus, red herring prospectus, prospectus and any other material used in connection with the Offer (together the “Offer Documents”) with the Securities and Exchange Board of India (“SEBI”), BSE Limited ( the “Stock Exchanges”) and subsequently the red herring prospectus and the prospectus with the Registrar of Companies, Ahmedabad at Gujarat (“RoC”), in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”) may be prepared in connection with the Offer.

The aforesaid information contained herein and in Annexure A may be relied upon by the Book Running Lead Manager appointed pursuant to the Offer and may be submitted to the stock exchange, the Securities and Exchange Board of India, and any other regulatory or statutory authority in respect of the Offer and for the records to be maintained by the Book Running Lead Manager.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We undertake to update you in writing of any changes in the abovementioned position, until the date the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the Offer Documents.

**Yours faithfully,**

**For** Tibrewal Bhagat & Associates

**Chartered Accountants**

**Firm Registration Number:** 128374W

Ankit K Tibrewal

**(Partner)**

**(Membership Number:** 125173

**UDIN:** 25125173BMJUNB1911



## **Annexure A**

### **TO THE STATEMENT OF TAX BENEFITS**

The information provided below sets out the possible special tax benefits available to the Company, the Shareholders under the Taxation Laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

#### **YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION**

##### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

The Company is not entitled to any special tax benefits under the Taxation Laws.

##### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

The Shareholders of the Company are not entitled to any special tax benefits under the Taxation Laws.

Note:

All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

We hereby give our consent to include our above referred opinion regarding the special tax benefits available to the Company, to its shareholders in the Draft Red Herring Prospectus /Red Herring Prospectus/Prospectus.

## SECTION VI: ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section has not been independently verified by us, the Lead Manager or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information.*

### **GLOBAL ECONOMIC OVERVIEW-**

The global economy remains remarkably resilient, with growth holding steady as inflation returns to target. The journey has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, a Russian-initiated war on Ukraine that triggered a global energy and food crisis, and a considerable surge in inflation, followed by a globally synchronized monetary policy tightening. Yet, despite many gloomy predictions, the world avoided a recession, the banking system proved largely resilient, and major emerging market economies did not suffer sudden stops. Moreover, the inflation surge—despite its severity and the associated cost-of living crisis—did not trigger uncontrolled wage-price spirals. Instead, almost as quickly as global inflation went up, it has been coming down. On a year-over-year basis, global growth bottomed out at the end of 2022, at 2.3 percent, shortly after median headline inflation peaked at 9.4 percent. According to our latest projections, growth for 2024 and 2025 will hold steady around 3.2 percent, with median headline inflation declining from 2.8 percent at the end of 2024 to 2.4 percent at the end of 2025. Most indicators point to a soft landing.

Markets reacted exuberantly to the prospect of central banks exiting from tight monetary policy. Financial conditions eased, equity valuations soared, capital flows to most emerging market economies excluding China have been buoyant, and some low-income countries and frontier economies regained market access. Even more encouraging, we now estimate that there will be less economic scarring from the pandemic—the projected drop in output relative to pre pandemic projections—for most countries and regions, especially for emerging market economies, thanks in part to robust employment growth. Astonishingly, the US economy has already surged past its pre pandemic trend. Resilient growth and faster disinflation point toward favourable supply developments, including the fading of earlier energy price shocks, the striking rebound in labour supply supported by strong immigration flows in many advanced economies. Decisive monetary policy actions, as well as improved monetary policy frameworks, especially in emerging market economies, have helped anchor inflation expectations. The transmission of monetary policy may have been more muted this time around in countries such as the United States, where an increased share of fixed-rate mortgages and lower household debt levels since the global financial crisis may have limited the drag on aggregate demand up to now.

Despite these welcome developments, numerous challenges remain, and decisive actions are needed. First, while inflation trends are encouraging, we are not there yet. Somewhat worryingly, the most recent median headline and core inflation numbers are pushing upward. This could be temporary, but there are reasons to remain vigilant. Most of the progress on inflation came from the decline in energy prices and goods inflation below its historical average. The latter has been helped by easing supply-chain frictions, as well as by the decline in Chinese export prices. But services inflation remains high—sometimes stubbornly so—and could derail the disinflation path. Bringing inflation down to target remains the priority.

Second, the global view can mask stark divergence across countries. The exceptional recent performance of the United States is certainly impressive and a major driver of global growth, but it reflects strong demand factors as well, including a fiscal stance that is out of line with long-term fiscal sustainability. This raises short-term risks to the disinflation process, as well as longer-term fiscal and financial stability risks for the global economy since it risks pushing up global funding costs.

In the euro area, growth will pick up this year, but from very low levels, as the trailing effects of tight monetary policy and past energy costs, as well as planned fiscal consolidation, weigh on activity. Continued high wage growth and persistent services inflation could delay the return of inflation to target. However, unlike in the United States, there is scant evidence of overheating and the European Central Bank will also need to carefully calibrate

the pivot toward monetary easing to avoid an excessive growth slowdown and inflation undershoot. While labor markets appear strong, that strength could prove illusory if European firms have been hoarding labor in anticipation of a pickup in activity that does not materialize. China's economy is affected by the enduring downturn in its property sector. Credit booms and busts never resolve themselves quickly, and this one is no exception. Domestic demand will remain lackluster for some time unless strong measures and reforms address the root cause. Public debt dynamics are also of concern, especially if the property crisis morphs into a local public finance crisis. With depressed domestic demand, external surpluses could rise. The risk is that this will further exacerbate trade tensions in an already fraught geopolitical environment. At the same time, many other large emerging market economies are performing strongly, sometimes even benefiting from a reconfiguration of global supply chains and rising trade tensions between China and the United States. A troubling development is the widening divergence between many low-income developing countries and the rest of the world. For these economies, growth is revised downward, whereas inflation is revised up. Worse, in contrast with most other regions, scarring estimates for low-income developing countries, including some large ones, have been revised up, suggesting that the poorest countries are still unable to turn the page from the pandemic and cost-of-living crises. In addition, conflicts continue to result in loss of human lives and raise uncertainty. For these countries, investing in structural reforms to promote growth-enhancing domestic and foreign direct investment, and strengthening domestic resource mobilization, can help manage borrowing costs and reduce funding needs while achieving development goals. Efforts must also be made to improve the human capital of their large young populations.

Third, even as inflation recedes, real interest rates have increased, and sovereign debt dynamics have become less favorable in particular for highly indebted emerging markets. Countries should turn their sights toward rebuilding fiscal buffers. Credible fiscal consolidations help lower funding costs and improve financial stability. In a world with more frequent adverse supply shocks and growing fiscal needs for safety nets, climate adaptation, digital transformation, energy security, and defense, this should be a policy priority. In countries where inflation is under control, and that engage in a credible multiyear effort to rebuild fiscal buffers, monetary policy can help support activity. The successful 1993 US fiscal consolidation and monetary accommodation episode comes to mind as an example to emulate.

Fourth, medium-term growth prospects remain historically weak. The main culprit is lower total factor productivity growth. A significant part of the decline comes from increased misallocation of capital and labor within sectors and countries. Facilitating faster and more efficient resource allocation can help boost growth. Much hope rests on artificial intelligence (AI) delivering strong productivity gains in the medium term. It may do so, but the potential for serious disruptions in labor and financial markets is high. Harnessing the potential of AI for all will require that countries improve their digital infrastructure, invest in human capital, and coordinate on global rules of the road. Medium-term growth prospects are also harmed by rising geoeconomic fragmentation and the surge in trade restrictive and industrial policy measures since 2019. Global trade linkages are already changing as a result, with potential losses in efficiency. But the broader damage is to global cooperation and multilateralism.

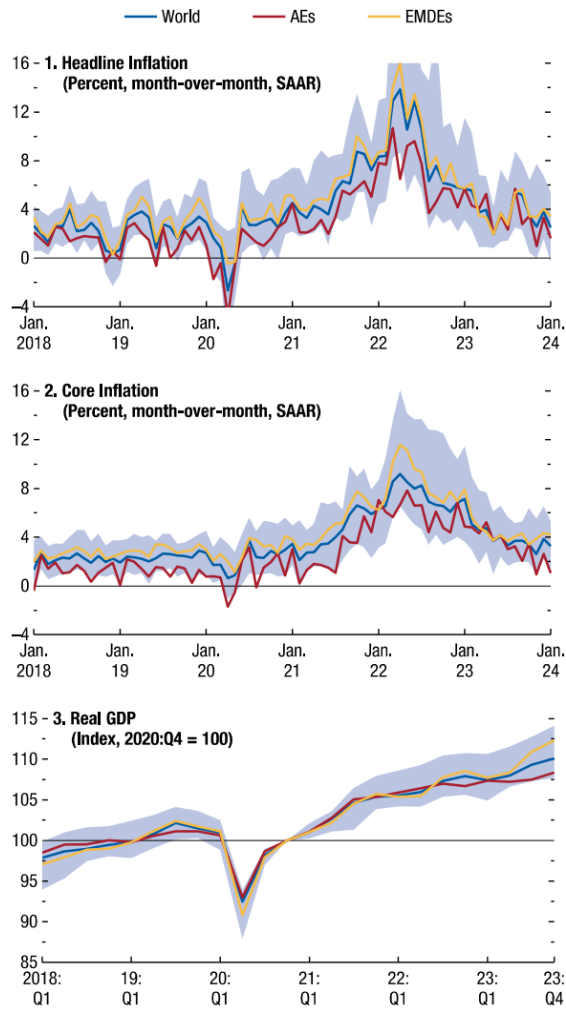
Finally, huge global investments are needed for a green and climate-resilient future. Cutting emissions is compatible with growth, as is seen in recent decades during which growth has become much less emissions intensive. Nevertheless, emissions are still rising. A lot more needs to be done and done quickly. Green investment has expanded at a healthy pace in advanced economies and China. Cutting harmful fossil fuel subsidies can help create the necessary fiscal room for further green investments. The greatest effort must be made by other emerging market and developing economies, which need to massively increase their green investment growth and reduce their fossil fuel investment. This will require technology transfer by other advanced economies and China, as well as substantial financing, much of it from the private sector, but some of it concessional.

### **Global Economic Growth Outlook**

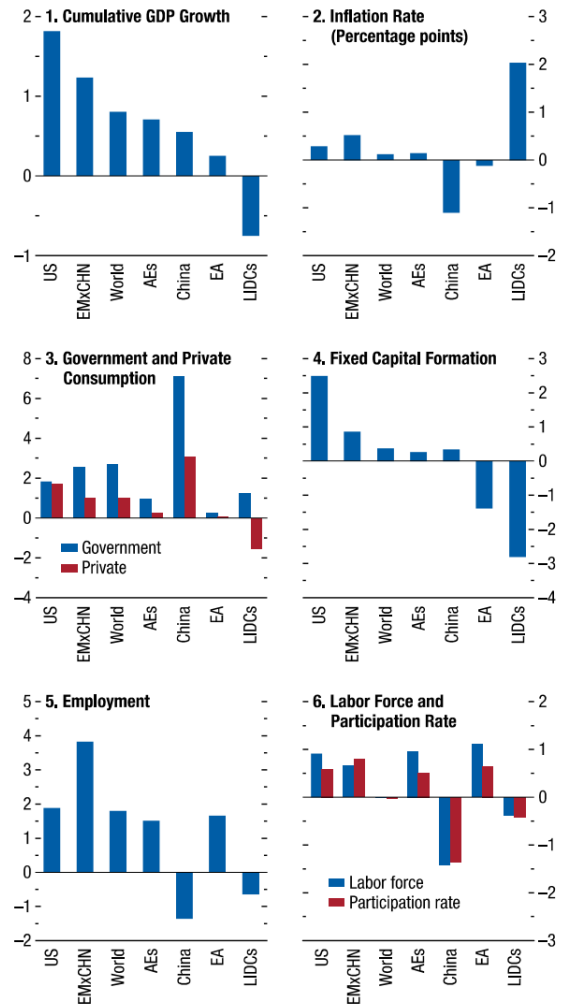
Latest projections are for the global economy to continue growing at a similar pace as in 2023 during 2024–25 and for global headline and core inflation to decline steadily. There is little change in the forecast for global growth since the January 2024 WEO Update, with some adjustments for major economies (Tables 1.1 and 1.2), including a further strengthening in the projection for the United States, offset by modest downward revisions across several other economies. The forecast for global growth remains higher, however, than in the October 2023 WEO. The outlook for inflation is broadly similar to that in the October 2023 WEO, with a downward revision for advanced economies, offset by an upward revision for emerging market and developing economies. Medium-term prospects for growth in world output and trade remain the lowest in decades, with the pace of convergence toward higher living standards slowing for middle- and lower-income countries. The baseline forecasts for the global economy

are predicated on a number of projections for global commodity prices, interest rates, and fiscal policies :

**Figure 1.1. Global Inflation Falling as Output Grows**



**Figure 1.2. Performance in 2022-23 Compared with Projections at Time of Cost-of-Living Crisis**  
(Percent deviation from October 2022 WEO projection, unless noted otherwise)



➤ **Commodity price projections:** Prices of fuel commodities are projected to fall in 2024 by, on average, 9.7 percent, with oil prices falling by about 2.5 percent. The decreases reflect abundant spare capacity and strong non-OPEC+ (Organization of the Petroleum Exporting Countries plus selected non-member countries, including Russia) supply growth. Coal and natural gas prices are expected to continue declining from their earlier peaks, by 25.1 percent for coal and 32.6 percent for natural gas in 2024, with the gas market becoming increasingly balanced on account of new supply, dampened demand, and high storage levels. The forecast for nonfuel commodity prices is broadly stable in 2024, with prices for base metals expected to fall by 1.8 percent, on account of weaker industrial activity in Europe and China. Food commodity prices are predicted to decline by 2.2 percent in 2024.

➤ **Monetary policy projections:** With inflation projected to continue declining toward targets and longer-term inflation expectations remaining anchored, policy rates of central banks in major advanced economies are generally expected to start declining in the second half of 2024. Among major central banks, by the fourth quarter of 2024 (Figure 1.13), the Federal Reserve’s policy rate is expected to have declined from its current level of about 5.4 percent to 4.6 percent, the Bank of England to have reduced its policy rate from about 5.3 percent to 4.8 percent, and the European Central Bank to have reduced its short-term rate from about 4.0 percent to 3.3 percent. For Japan, policy rates are projected to rise gradually, reflecting growing confidence that inflation will sustainably converge to target over the medium term despite Japan’s history of deflation.

➤ **Fiscal policy projections:** Governments in advanced economies are expected to tighten fiscal policy in 2024 (Figure 1.13) and, to a lesser extent, in 2025–26. Among major advanced economies, the structural fiscal-balance-to-GDP ratio is expected to rise by 1.9 percentage points in the United States and by 0.8 percentage point in the euro area in 2024. In emerging market and developing economies, the projected fiscal stance is expected to be, on average, broadly neutral in 2024, with a tightening of about 0.2 percentage point projected for 2025.

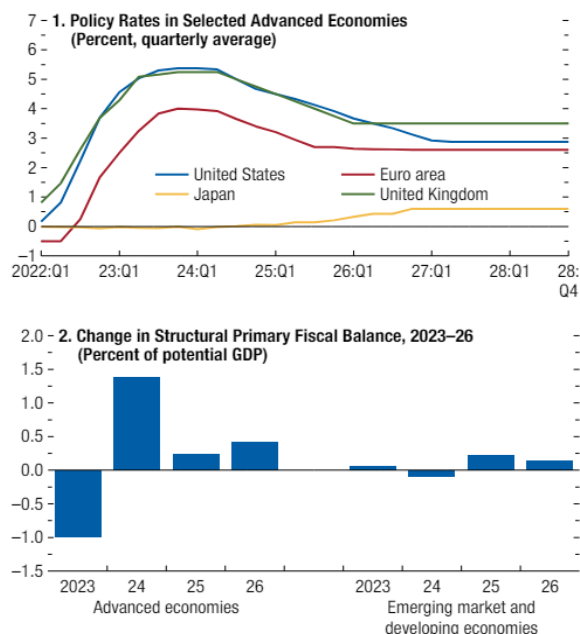
Global growth, estimated at 3.2 percent in 2023, is projected to continue at the same pace in 2024 and 2025. The projection for 2024 is revised up by 0.1 percentage point from the January 2024 WEO Update, and by 0.3 percentage point with respect to the October 2023 WEO forecast. Nevertheless, the projection for global growth in 2024 and 2025 is below the historical (2000–19) annual average of 3.8 percent, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth. Advanced economies are expected to see growth rise slightly, with the increase mainly reflecting a recovery in the euro area from low growth in 2023, whereas emerging market and developing economies are expected to experience stable growth through 2024 and 2025, with regional differences.

### **Growth Forecast For Emerging Market And Developing Economies**

In emerging market and developing economies, growth is expected to be stable at 4.2 percent in 2024 and 2025, with a moderation in emerging and developing Asia offset mainly by rising growth for economies in the Middle East and Central Asia and for sub-Saharan Africa. Low-income developing countries are expected to experience gradually increasing growth, from 4.0 percent in 2023 to 4.7 percent in 2024 and 5.2 percent in 2025, as some constraints on near-term growth ease.

➤ **Growth in emerging and developing Asia** is expected to fall from an estimated 5.6 percent in 2023 to 5.2 percent in 2024 and 4.9 percent in 2025, a slight upward revision compared with the January 2024 WEO Update. Growth in China is projected to slow from 5.2 percent in 2023 to 4.6 percent in 2024 and 4.1 percent in 2025 as the positive effects of one-off factors—including the post pandemic boost to consumption and fiscal stimulus—ease and weakness in the property sector persists. Growth in India is

**Figure 1.13. Monetary and Fiscal Policy Projections**



projected to remain strong at 6.8 percent in 2024 and 6.5 percent in 2025, with the robustness reflecting continuing strength in domestic demand and a rising working-age population.

- **Growth in the Middle East and Central Asia** is projected to rise from an estimated 2.0 percent in 2023 to 2.8 percent in 2024 and 4.2 percent in 2025, with a downward revision of 0.1 percentage point for 2024 from the January 2024 projections. The revision reflects a downward adjustment in the 2024 growth forecast for Iran driven by lower non-oil activity and oil revenues, as well as for a number of smaller economies.

**Source:** (<https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>)

## OVERVIEW OF INDIAN ECONOMY

### Introduction

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

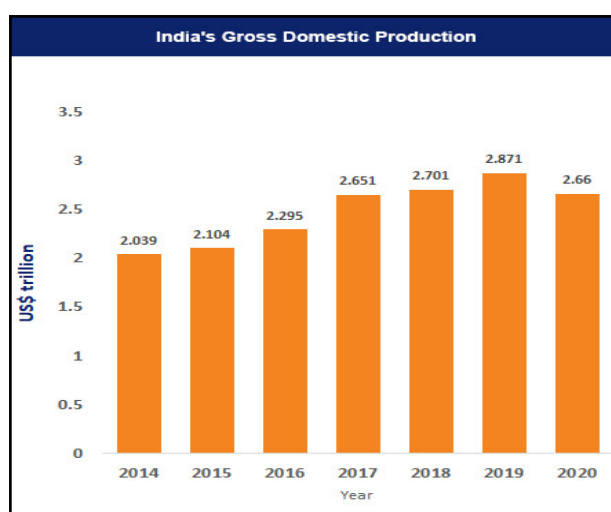
Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalization of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

### Market Size

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn start-ups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech start-ups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net



Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

### **Recent Developments**

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs.1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crore (US\$ 4.14 billion), SGST is Rs. 43,746 crore (US\$ 5.25 billion).
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 8.06 billion) in India during January-April 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MOSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 2023.
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.

### **Government Initiatives**

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.
- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Atma Nirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.



- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- National Bank for Financing Infrastructure and Development (NABFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise Rs. 4 trillion (US\$ 53.58 billion) in the next three years.

### **Road Ahead**

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in Budget estimate 2023-24 to Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in Revised estimate 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels. In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

*Source:* (<https://www.ibef.org/economy/indian-economy-overview>)

## **RENEWABLE ENERGY INDUSTRY**

### **An Introduction**

India's energy demand is expected to increase more than that of any other country in the coming decades due to its sheer size and enormous potential for growth and development. Therefore, most of this new energy demand must be met by low-carbon, renewable sources. India's announcement India that it intends to achieve net zero carbon emissions by 2070 and to meet 50% of its electricity needs from renewable sources by 2030 marks a historic point in the global effort to combat climate change.

India was ranked fourth in wind power capacity and solar power capacity, and fourth in renewable energy installed capacity, as of 2023. Installed renewable power generation capacity has increased at a fast pace over the past few years, posting a CAGR of 15.4% between FY16 and FY23. India has 125.15 GW of renewable energy capacity

in FY23. India is the market with the fastest growth in renewable electricity, and by 2026, new capacity additions are expected to double.

With the increased support of the Government and improved economics, the sector has become attractive from an investor's perspective. As India looks to meet its energy demand on its own, which is expected to reach 15,820 TWh by 2040, renewable energy is set to play an important role.

### **Market Size**

As of July 2024, Renewable energy sources, including biomass, waste to power and waste to energy, have a combined installed capacity of 150.27 GW.

As of July 2024, 44% of the total power installed capacity is from non-fossil-based sources, which fulfils the target of 40% by the end of 2022.

India's installed renewable energy capacity is expected to increase to about 170 GW by March 2025 from the level of 135 GW as of December 2023, according to research agency ICRA.

The country is targeting about 450 Gigawatt (GW) of installed renewable energy capacity by 2030 – about 280 GW (over 60%) is expected from solar.

The non-hydro renewable energy capacity addition stood at 4.2 GW for the first three months of FY23 against 2.6 GW for the first three months of FY22. According to research by the Council on Energy, Environment and Water's Centre for Energy Finance (CEEW-CEF), India's total installed power generation capacity reached 416 GW in FY23, of which 125 GW (30%) came from renewable energy (RE) and 47 GW (11%) comes from hydro.

The electricity generation target (Including RE) for the year 2023-24 has been fixed as 1750 Billion Units (BU). i.e. growth of around 7.2% over the actual generation of 1624.158 BU for the previous year (2022-23). The generation during 2022-23 was 1624.158 BU as compared to 1491.859 BU generated during 2021-22, representing a growth of about 8.87%.

The installed solar energy capacity has increased by 26 times in the last 9 years and stands at 73.32 GW as of December 2023. In 2023, India has added 7.5 GW of solar power capacity.

During January 2024, the capacity addition from solar energy stood at 9008.47 MW.

Solar power accounted for 16.9% of the total installed power capacity and 40.1% of the total installed renewable capacity at the end of December 2023. Solar power's share increased by 0.3% from the last quarter, when it accounted for 39.5% of the total renewable capacity.

India has hydroelectric power projects with a total capacity of 15 GW under construction, which will increase the country's total hydro capacity from 42 GW to 67 GW by 2031-32, supported by IMD's prediction of higher rainfall and the government's proactive stance towards accelerated hydropower development.

India has generated 75.57 BU of solar power in the first eleven months of FY24.

Power generation from renewable energy sources (not including hydro) stood at 22.41 billion units (BU) in January 2024, down from 25.79 BU in January 2023.

India added a record 18.48 GW of renewable energy capacity in 2023-24, a 21% increase over the previous year.

Power generation from renewable energy sources (not including hydro) stood at 22.27 billion units (BU) in June 2024, up from 21.86 BU in June 2024.

Power generation from renewable energy sources stood at 62.09 billion units (BU) between April-June 2024, up from 57.94 BU in the same period in the previous year.

With a potential capacity of 363 GW and with policies focused on the renewable energy sector, Northern India is expected to become the hub for renewable energy in India.

### **Investments/ Developments**

According to the data released by the Department for Promotion of Industry and Internal Trade (DPIIT), the non-conventional energy space in India has become highly attractive for investors and received an FDI inflow of US\$ 15.36 billion between April 2000-September 2023, More than Rs. 5.2 lakh crore (US\$ 70 billion) has been invested in India's renewable energy sector since 2014.

Some major investments and developments in the Indian renewable energy sector are as follows:

- India is set to significantly boost its renewable energy investments, with a projected increase of 83% to approximately US\$ 16.5 billion in 2024, as part of its strategy to transition to cleaner energy sources and reduce carbon emissions.
- India is set to invest over US\$ 360 billion in renewable energy and infrastructure by 2030, with US\$ 190 billion to US\$ 215 billion needed to achieve 500 GW of renewable capacity. An additional US\$ 150 billion to US\$ 170 billion will be required for electricity transmission and storage.
- Brookfield Asset Management plans to boost its investments in India's renewable energy sector to over US\$ 10 billion in the next three to four years, also exploring electric vehicles and green hydrogen.
- India's renewable energy sector set to attract over \$250 billion in investments, with solar PV projects expecting \$15.5 billion and battery manufacturing \$2.7 billion.
- The non-conventional energy space in India has become highly attractive for investors and received an FDI inflow of US\$ 17.88 billion between April 2000-March 2024.
- According to Moody's, India will require US\$ 190 billion-US\$ 215 billion of investment over the next seven years to achieve the target of 500 GW of renewable energy capacity by 2030, and another US\$ 150 billion-US\$ 170 billion for electricity transmission, distribution, and energy storage.
- Radiance Renewables, an Indian renewable energy developer, and the UK's Private Infrastructure Development Group have formed a joint venture called Radiance InfraCo Renewables to develop greenfield solar and wind-solar hybrid projects for commercial and industrial clients in India, leveraging their expertise to support the country's transition towards its net-zero emissions target by 2070.
- Maruti Suzuki India will invest Rs. 450 crore (US\$ 54 million) over the next three years in renewable energy projects, including a biogas plant at Manesar and expanding solar capacity. The pilot biogas plant aims to produce 1 lakh cubic meters of biogas in FY 2024-25, offsetting 190 tonnes of CO2 annually. Solar capacity will grow from 43.2 MWp to 78.2 MWp by FY 2025-26, supporting Suzuki's 'Environment Vision 2050'.
- NTPC Green Energy Ltd. will invest Rs. 80,000 crore (US\$ 9.59 billion) in Maharashtra for green hydrogen, ammonia, and methanol projects, including 2 GW pumped storage and up to 5 GW renewable energy projects, as part of a plan to build 60 GW renewable capacity by 2032.
- On December 4, 2023, Andhra Pradesh announced Rs 6600 crore (US\$ 794 million) clean energy and infrastructure expansion plans, including a 750 MW solar project, 100 MW solar plant, substation enhancements, collaborations with HPCL, Avera AI Mobility's electric vehicle expansion, and SECI contract for solar energy.
- On January 4, 2024, Torrent Power signed four initial pacts with the Gujarat government to invest Rs 47,350 crore (US\$ 5.70 billion) in renewable energy, green hydrogen, and electricity distribution. These investments are aimed at contributing to the state's development and creating employment opportunities.
- On January 8, 2024, Tata Power announced a Rs 70,000 crore (US\$ 8.42 billion) investment to develop 10 GW of solar and wind power capacity in Tamil Nadu over the next 5-7 years. This aligns with its goal of achieving 70% clean energy production by 2030.

- In November 2023, AmpIn Energy Transition announced an investment of Rs. 3,100 crore (US\$ 372.6 million) to establish renewable energy projects exceeding 600 MW and an integrated manufacturing facility for solar cells and modules across the Eastern region. The funding will be focused in West Bengal, Bihar, Odisha, Jharkhand, Chhattisgarh, and the Northeastern States.
- Around US\$ 2.8 trillion will be invested in energy in 2023 globally. More than US\$ 1.7 trillion is going to clean energy, including renewable power, nuclear, grids, storage, low-emission fuels, efficiency improvements and end-use renewables and electrification.
- US\$ 2.4 billion National Hydrogen Mission for production of 5 MMT by 2030 and US\$ 36 million additional in budget.
- 59 solar parks with an aggregate capacity 40 GW have been approved in India.
- Solar Parks in Pavagada (2 GW), Kurnool (1 GW) and Bhadla-II (648 MW) are included in the top 5 operational solar parks of 7 GW capacity in the country.
- The world's largest renewable energy park of 30 GW capacity solar-wind hybrid project is under installation in Gujarat.
- India offers a great opportunity for investments in the RE sector; \$196.98 Bn worth of projects are underway in India.
- Wind Energy has an offshore target of 30 GW by 2030 with 3 potential sites identified.
- In August 2022, Norfund, who manages the Norwegian Climate Investment Fund, and KLP, Norway's biggest pension company, signed an agreement to buy a 49% share of a 420 MW solar power plant in Rajasthan for Rs. 2.8 billion (US\$ 35.05 million).
- India has generated 47.64 BU of solar power in the first half of 2022, a 34% YoY increase.
- Investment in renewable energy in India reached a record US\$ 14.5 billion in FY22, an increase of 125% over FY21.
- Delhi's Indira Gandhi International Airport (IGIA) has become the first Indian airport to run entirely on hydro and solar power. The onsite solar power plants meet around 6% of the airport's electricity requirement.
- Ayana Renewable Power Pvt Ltd (Ayana) announced plans to set up renewable energy projects totalling 2 gigawatts (GWs) with an investment of Rs. 12,000 crore (US\$ 1.53 billion) in Karnataka.
- India ranked third on the EY Renewable Energy Country Attractive Index 2021.
- In February 2022, Creduce Technologies-HCPL JV announced winning the bid for India's single largest hydropower carbon credits project with Satluj Jal Vidyut Nigam, which will create more than 80 million carbon credits.
- In February 2022, Husk Power Systems, a renewable energy company working towards rural electrification, secured a US\$ 4.2 million loan from the Indian Renewable Energy Development Agency (IREDA).

### **Government initiatives**

Some initiatives by the Government of India to boost India's renewable energy sector are as follows:

- The PM-KUSUM scheme, launched in March 2019 and scaled up in January 2024, aims to enhance energy and water security for farmers by enabling them to set up solar power plants, install standalone solar agriculture pumps, and solarize grid-connected agriculture pumps, with significant financial assistance from the government.
- The Rajasthan government signed an MoU with NTPC Green Energy for 28,500 MW of renewable energy-based projects, as part of the total 31,825 MW of power generation projects worth Rs 1.6 lakh crore (US\$ 19.18

billion). This massive renewable energy investment is aimed at making Rajasthan self-reliant in the energy sector and significantly expanding the state's renewable power capacity.

- In the Interim Budget for 2024-2025, The Government of India doubled funding for the National Green Hydrogen Mission, allocating Rs. 600 crores (US\$ 72 million). Additionally, Rs. 17,490 crores (US\$ 2.10 billion) were allocated for the Green Hydrogen Mission and the Strategic Interventions for Green Hydrogen Transition (SIGHT) Programme, highlighting a commitment to sustainable energy transition.
- In the Interim Budget for 2024-2025, The fiscal allocation for solar power grid infrastructure development surged to Rs. 8,500 Crore (US\$ 1.02 billion), a significant rise from the previous year's Rs. 4,970 Crore (US\$ 0.60 billion).
- As of January 2, 2024, the Government of India is implementing the Production Linked Incentive (PLI) Scheme for the National Programme on High Efficiency Solar PV Modules, aimed at achieving gigawatt-scale manufacturing capacity. Under Tranche-II, with a budget allocation of Rs 19,500 crore (US\$ 2.35 billion), Letters of Award were issued in April 2023 for the establishment of 39,600 MW of fully or partially integrated solar PV module manufacturing units.
- The Ministry of New and Renewable Energy (MNRE) has proposed the establishment of a 13,000 MW renewable energy (RE) capacity along with a 12,000 MWh Battery Energy Storage System (BESS) in Ladakh. On October 18, 2023, the Cabinet Committee on Economic Affairs approved the construction of an Inter-State Transmission System (ISTS) to facilitate the power evacuation and grid integration of these RE projects in Ladakh.
- Proposed solar cities and parks: The Solar Park Scheme launched in December 2014 with a capacity of 20,000 MW was expanded to 40,000 MW by March 2017. As of November 30, 2023, 50 solar parks have been approved, totaling around 37,490 MW capacity across 12 states. Of these, 10,401 MW has been commissioned, including 284 MW in 2023.
- On February 13, 2024, Prime Minister Mr. Narendra Modi launched PM Surya Ghar Muft Bijli Yojana, offering free rooftop solar electricity to 1 crore households, backed by subsidies and concessional loans.
- On December 12, 2023, the Union Minister for New & Renewable Energy and Power reported the installation of 140 MW solar power plants and 2.73 lakh standalone solar pumps under PM-KUSUM, aimed at farmer welfare and environmental sustainability.
- In Budget 2023-24, Green Growth was identified as one of the nodes in the SAPTARISHI (7 priorities).
- In Budget 2023-24, pumped storage projects received a push with a detailed framework to be formulated.
- Union Budget 2023-24 envisions to create sustainable cities of tomorrow. To translate this, states and cities will be encouraged to undertake urban planning reforms and actions to transform our cities into 'sustainable cities of tomorrow.'
- The Indian government's commitment to reaching net-zero emissions by 2070 and increasing its renewable energy target to 500 GW by 2030 at the COP26 summit has provided great support to the industry and spurred unprecedented growth.
- In Budget 2023-24, US \$1.02 billion (Rs. 8,300 crore) central sector support for ISTS infrastructure for 13 GW renewable energy from Ladakh was announced.
- On November 19, Prime Minister Mr. Narendra Modi dedicated the 600 MW Kameng Hydro Power Station in Arunachal Pradesh to the country. The project, which covers more than 80 kilometres and costs about Rs. 8,200 crore (US\$ 1 billion), is located in Arunachal Pradesh's West Kameng District.
- On November 9, Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman, approved the final Sovereign Green Bonds framework of India. The Paris Agreement's Nationally Determined Contribution (NDC) targets will be further strengthened by this approval, which will also aid in attracting foreign and domestic capital to green projects.

- In the Union Budget 2022-23, the allocation for the Solar Energy Corporation of India (SECI), which is currently responsible for the development of the entire renewable energy sector, stood at Rs. 1,000 crore (US\$ 132 million).
- In the Budget, the government allocated Rs. 19,500 crore (US\$ 2.57 billion) for a PLI scheme to boost manufacturing of high-efficiency solar modules.
- In February 2022, Nepal and India agreed to form a Joint Hydro Development Committee to explore the possibility of viable hydropower projects.

### **Road Ahead**

India has set a target to reduce the carbon intensity of the nation's economy by less than 45% by the end of the decade, achieve 50% cumulative electric power installed by 2030 from renewables, and achieve net-zero carbon emissions by 2070. Low-carbon technologies could create a market worth up to \$80 billion in India by 2030.

India's target is to produce five million tonnes of green hydrogen by 2030. The Green Hydrogen target is set at India's electrolyzer manufacturing capacity is projected to reach 8 GW per year by 2025. The cumulative value of the green hydrogen market in India could reach \$8 Bn by 2030 and India will require at least 50 gigawatts (GW) of electrolyzers or more to ramp up hydrogen production.

India's ambitious renewable energy goals are transforming its power sector. The rising population and widespread electrification in rural homes are fueling the demand for energy to power homes, businesses and communities. Clean energy will reduce pollution levels as villages become self-sustainable with their use of clean energy. In 2022, India's renewable energy sector is expected to boom with a likely investment of US\$ 15 billion this year, as the government focuses on electric vehicles, green hydrogen, and the manufacturing of solar equipment.


It is expected that by 2040, around 49% of the total electricity will be generated by renewable energy as more efficient batteries will be used to store electricity, which will further cut the solar energy cost by 66% as compared to the current cost. The use of renewables in place of coal will save India Rs. 54,000 crore (US\$ 8.43 billion) annually. Around 15,000 MW of wind-solar hybrid capacity is expected to be added between 2020-25.

As per the Central Electricity Authority (CEA) estimates, by 2029-30, the share of renewable energy generation would increase from 18% to 44%, while that of thermal is expected to reduce from 78% to 52%. The CEA also estimates India's power requirement to grow to reach 817 GW by 2030.

*Source: (<https://www.ibef.org/industry/renewable-energy>)*


### **INDIA'S SOLAR POWER REVOLUTION**

India is leading the renewable energy revolution, with a strategic emphasis on solar power to meet its growing electricity needs. The 14th National Electricity Plan (NEP14), introduced in May 2023, aims to double the country's electricity generation capacity by 2032, with solar energy poised to play a pivotal role. This blog provides an insightful overview of India's energy landscape, highlighting the significant growth of the solar sector, underscored by government initiatives and the potential for future development. It outlines solar energy's environmental and economic benefits, the government's strategies to boost solar adoption, and the anticipated impact on the global clean energy market.




India stands **4th** globally in solar power capacity (as per REN21 Renewables 2022 Global Status Report)


**Bhadla Solar Park** is the World's largest Solar park covering **56 square kilometers** with an installed capacity of **2,245 Megawatts** is located in the Thar Desert of Rajasthan, India.




The government has sanctioned 50 **Solar Parks** with a combined capacity of **37.99 GW**; among these, 11 parks are fully operational, and an additional 7 parks are in various stages of completion.



**Cochin International Airport** Ltd in India is the world's first airport fully powered by **solar energy**.

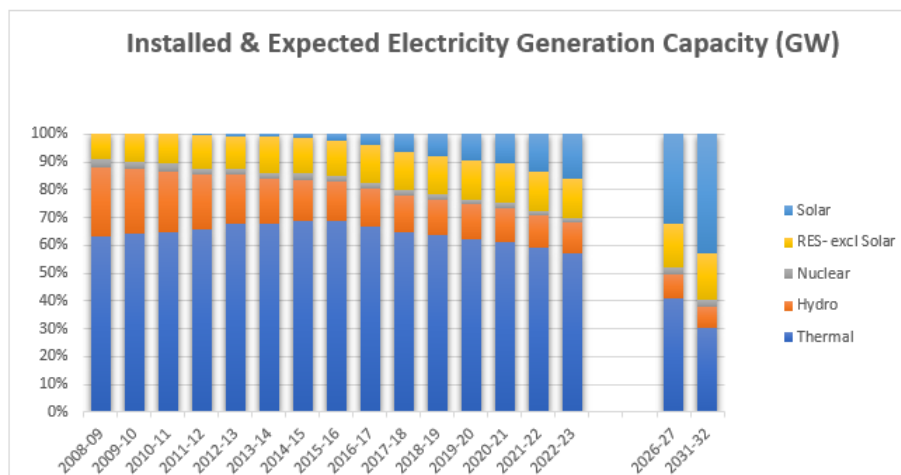


The world's largest floating solar energy project, with a capacity of **600 MW**, is set to be constructed at the Omkareshwar Dam in Madhya Pradesh's Khandwa district, at an estimated cost of **Rs.3,000 crore** (approximately US\$ 3.84 billion).



### INDIA'S COAL-TO-CLEAN ENERGY TRANSITION LED BY SOLAR

India has undergone a notable transformation in its power landscape since 2017, when solar energy constituted merely 1% of its power mix. Envisaging a substantial departure from the coal-dominated trajectory of the past decade, the NEP14 outlines ambitious targets for India. If successfully realised, the plan anticipates a surge in solar power's share from 5% to 25% between 2022 and 2032, marking a pivotal period of expansion. India plans to more than double its electricity generation capacity from 399.5 GW in 2022 to approximately 849 GW by 2032. The NEP14 emphasizes a robust focus on renewable energy, particularly solar power, which is projected to grow from 66.78 GW in 2023 to 366 GW by 2032, constituting half of the total growth. India's solar capacity is expected to increase at a CAGR of 22.7% through 2023–27 to achieve its initial target of installed capacity of 185.6 GW until 2027, which is further expected to increase to 364.6 GW by 2032, as per NEP14.



The graph shows a big shift to cleaner energy, with solar capacity jumping 24 times in the last nine years, hitting 66.7 GW in May 2023, thus contributing 16% to the overall installed capacity. The government has set a target to

elevate this share to 43% of the total installed capacity, as illustrated in the graph above. This is the opposite of what has been seen in the past decade. Until 2022, coal was driving India's power growth. Total power generation, including imports, shot up by 564 TWh between FY2012 and FY2022 (928 TWh to 1,492 TWh). Notably, 83% of this growth (467 TWh) came from more coal power.

### **INDIA'S BOLD VISION FOR SOLAR ENERGY LEADERSHIP**

India possesses a significant solar energy potential, with an annual incidence of approximately 5,000 trillion kWh across its landmass, where most regions receive 4–7 kWh per square meter daily. Recognising this, the National Institute of Solar Energy has evaluated the country's solar potential of about 748 GW, assuming 3% of the wasteland area will be covered by solar PV modules.

During its G20 presidency, India unveiled the 'Roadmap of Solar Energy for Universal Energy Access', highlighting solar energy's critical role in ensuring widespread access to electricity and driving socio-economic progress. The Interim Union Budget for 2024–25 further underscores this commitment by considerably increasing funding for green infrastructure. Specifically, the budget for the central sector scheme on grid-connected solar power has seen a substantial increase to US\$ 1,204 million (Rs. 10,000 crores) in 2024–25, up from the revised estimate of US\$ 572.6 million (Rs. 4,757 crores) in 2023–24, demonstrating the government's strong support for solar energy development.

The Indian government has ambitious goals for 2030, targeting 500 GW of non-fossil-fuel-based capacity, which includes 280 GW of solar and 140 GW of wind power. To achieve these targets, the government plans to auction approximately 50 GW of renewable energy capacity annually over the next five years, with central renewable energy agencies such as Solar Energy Corporation of India Limited (SECI), National Hydroelectric Power Corporation (NHPC), and Satluj Jal Vidyut Nigam Limited (SJVN) playing key roles in this initiative. The solar energy sector is expected to be a key driver of this green transition, supported by favourable policies, robust manufacturing capabilities and a skilled workforce. India aims to position itself as a global leader in clean technology manufacturing, with projected investments of US\$ 350–400 billion annually by 2030, as reported by KPMG, highlighting significant investment opportunities for global investors in the Indian solar energy market.

In pursuit of its 2030 objectives, India is not only focused on expanding its solar energy capacity but also on ensuring that 50% of its total energy needs are met through renewable sources. This ambitious strategy aligns with global climate objectives and establishes India as a key player in the global effort to combat climate change. The growth of the solar power sector in India is seen not just as a pathway to energy security but also as a driver of economic growth and job creation, with the potential to generate 5–6 million jobs by 2030 and possibly 9–10 million by 2047, thereby boosting the national economy.

### **RENEWABLE ENERGY INITIATIVES: INDIA'S COMMITMENT TO CLEAN AND AFFORDABLE POWER**

India's is witnessing a significant increase in its energy consumption, evident by 2x growth in its energy consumption over the last two decades. Further, the energy consumption in India is expected to grow by another 25% by 2030, as per a report from Ministry of New and renewable energy. The report further states that major sectors in India are still dependant on imported fossil fuels. To attain net zero carbon emissions by 2070, the government has taken necessary steps and recognized the negative impact of fossil fuels on the environment. To achieve this goal government is taking several steps to accelerate the adoption of renewable energy sources. In this blog, we discuss and evaluate the key initiatives being taken by the Indian government.

#### **GOVERNMENT INITIATIVES**

##### **• Production Linked Incentive (PLI) Scheme**

The scheme's main goal is to boost domestic module manufacturing and decrease dependence on imports. With a huge outlay of US\$ 2.9 billion (Rs. 24,000 crore), the scheme aims to achieve GW-scale manufacturing capability in high-efficiency solar photovoltaic (PV) modules.

A total capacity of 8,737 MW has been added under PLI (Tranche I). The government has approved a significant expansion in domestic solar PV module manufacturing, allocating 39,600 MW across 11 companies under the PLI Scheme for High Efficiency Solar PV Modules (Tranche II). This initiative, with an investment of US\$



1,686.2 million (Rs. 14,007 crore), will be implemented in three phases: 7,400 MW by October 2024, 16,800 MW by April 2025, and the remaining 15,400 MW by April 2026. This initiative is expected to attract an investment of US\$ 11.2 billion (Rs. 93,041 crore) and create over 101,487 jobs, including 35,010 direct and 66,477 indirect roles, significantly boosting the sector and advancing India's sustainable energy future.

- **Reduced solar power tariffs and improved affordability for consumers**

Government initiative 'National Solar Mission' has significantly contributed to reduce solar power tariffs, which helps consumers to buy. The aim is to create dedicated infrastructure to which will help in conquering the challenges associated with generation of renewable energy.

- **Subsidy for solar panels installation**

- Up to 2kW: US\$ 359.4 (Rs. 30,000/Kw)
- 3Kw: US\$ 359.4 (Rs. 78,000)
- Over 3Kw: US\$ 359.4 (Rs. 78,000 fixed)

- **Solar parks**

Launched in December 2014, the Scheme for the Development of Solar Parks and Ultra Mega Solar Power Projects initially targeted a total capacity of 20,000 MW.

This target was subsequently increased to 40,000 MW. The Ministry of Renewable Energy has approved 50 solar parks with a combined capacity of approximately 37,490 MW across 12 states nationwide, till 2022.

- **Green Energy Corridor**

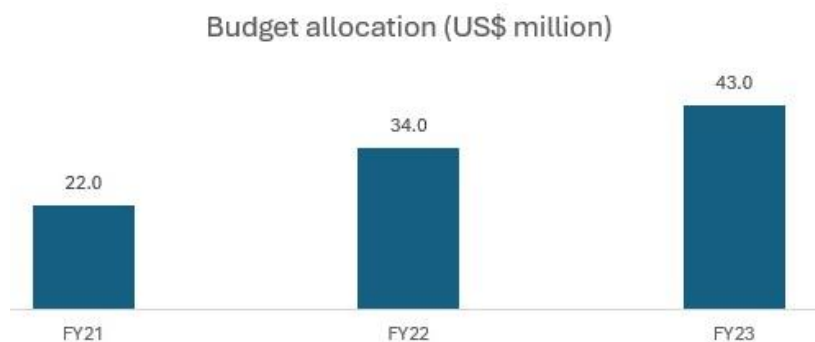
- This project focuses on developing and integrating renewable energy sources, particularly wind and solar, into the existing electricity grid infrastructure.

- GEC phase 1 is already under implementation in many states of India. The total project cost for the phase is estimated to be US\$ 1.21 billion (Rs. 10,141 crore), with funding mechanism of 40% from central financial assistance, 40% loan from Kreditanstalt für Wiederaufbau (KfW), Germany and the remaining 20% from State Transmission Utilities (STU).

- GEC phase 2 was approved in October 2023, with a target to be setup by FY30, with total estimated cost of US\$ 2.5 billion (Rs. 20,773 crore) and central financial assistance of 40% of the project cost.

### **Increase in allocation of budgetary spending for green India**

One of the National Action Plan on Climate Change's (NAPCC) eight missions is the National Mission for Green India (GIM). This mission is a comprehensive effort to enhance sustainable development and environmental conservation in India.



The government has taken active measures on energy conversion by raising the budget for green and clean energy, from US\$ 22 million in FY21 to US\$ 34 million in FY22, and further increased to US\$ 43 million in FY23.

In June 2024, the Government of India approved a funding of US\$ 5.6 million (Rs. 50 crore) for each of the four upcoming green hydrogen valley projects in the country. This financial support aims to promote the development and adoption of clean energy technologies in India.

#### ● NEP 14

The central authority, the Central Electricity Authority (CEA) has announced the National Electricity Plan (NEP) for 2022-32. This plan presents an idea of the prevalent electricity demand, installed capacity, and set targets for [renewable energy](#) development. The NEP aims at the achievement of a non-fossil based installed capacity size of up to 500 GW by 2029-30. For that to be achieved, the NEP envisages the share of non-fossil-based capacity to be increased in 2026-27 to 57.4% and potentially 68.4% by 2031-32. Projections aims at significant rise of India's electricity generation in FY32 from 1,492 TWh of FY22 to the projected 2,666 TWh. The plan highlights the aggressive targets for wind and solar for the coming decade, with levelized solar energy expected to grow by 50% in this year period, from 73 TWh in FY22 to 666 TWh in FY32. The wind power capacity is projected by the NEP14 to expand from 69 TWh to the total of 258 TWh of power during the mentioned period.

#### **CONCLUSION**

India's commitment to enhancing its solar energy capacity is a key component of its sustainable development and energy independence strategy. India is well positioned to execute its plans to leverage solar power to meet a substantial portion of its energy needs by 2032, backed by government initiatives and investment in technology. As India advances towards meeting its renewable energy goals, the solar sector is expected to drive not only environmental benefits but also economic growth and job creation, underscoring India's role in the global transition to renewable energy.

*Source:* (<https://www.ibef.org/industry/renewable-energy>)

## OUR BUSINESS

*To obtain a complete understanding of our Company and its business, prospective investors should read this section in conjunction with “Risk Factors”, “Industry Overview”, “Management’s Discussions and Analysis of Financial Condition and Results of Operations” and “Restated Financial Information” as well as the financial, statistical and other information contained in this Draft Red Herring Prospectus.*

*Our fiscal year ends on March 31 of each year, so all references to a particular “Fiscal” and “Fiscal Year” are to the 12-months period ended March 31 of that fiscal year. All references to a year are to that Fiscal Year, unless otherwise noted. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Draft Red Herring Prospectus. For further information, see “Restated Financial Statements” on page 188 of this DRHP.*

*We have, in this Draft Red Herring Prospectus, included various operational performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus*

### **OVERVIEW**

We specialise in providing solar Energy Solutions to residential, commercial and industrial. Our Company offers low carbon energy solutions by installing on-site solar projects such as rooftop and ground-mounted systems, as well as off-site solar farm. In addition, we also deal in sale and supply of battery energy storage solution under the brand name “Grace” manufactured by third party. Our comprehensive range of value-added services include installation, after-sales service, operation and maintenance (“**O&M**”) services. Our O&M services are tailored to meet the unique needs of each solar power plant, ensuring reliable and efficient operations. Our portfolio includes residential installations, commercial and industrial installations, along with battery energy storage solutions (“**BESS**”) (“**Energy Solutions**”). From the period April 01, 2021 to September 30, 2024, we have successfully executed and commissioned 36,450 KW solar projects at over 3,359 sites having presence in the 8 states across India and 2 countries. These projects comprise 3,180 residential sites with a capacity installed about 14,746 KW, 179 commercial and industrial sites with a capacity installed about 21,704 KW. We are also channel partner of solar panel of reputed Indian Company and distributor of Invertor of reputed Chinese Company.

Our EPC (Engineering, Procurement and Commissioning) contracts are on turnkey basis, encompassing a comprehensive range of services. Our scope of services includes assessing the plant site/layout and its feasibility, selecting the plant configuration, conducting financial and technical evaluation of technology options, assessing technology risks and grid connectivity, detailed engineering, and defining contract structure. Additionally, we manage the complete supply chain from India, including the design and engineering functions and engage supplies and third-party subcontractors, and procure raw materials for our operations locally or internationally. We also provide O&M services to our clients, which include testing and cleaning of solar panels, repair and replacement of damaged components and conducting inspection of solar systems.

We commenced our operations in 2017 with a 1302 KW solar project over 256 sites, and since then, for a period ended September 30, 2024 our Solar EPC services have expanded and completed 488 projects, achieving a commissioned and committed capacity of 13,462 KW in India as well as internationally. Our business operations are supported by our strong execution capabilities, which is demonstrated by the projects which have achieved their commercial operation date (“**Completed Projects**”) and our projects for which we have received orders and are currently under execution (“**Ongoing Projects**”). For the period ended September 30, 2024, we have Completed Projects with a total capacity of 13,462 KW and Ongoing Projects with a cumulative capacity of 3,917 KW and as on September 30, 2024 we have an outstanding work order of 26,958 KW. Our solutions are designed to strengthen our customer’s sustainable energy infrastructure, supporting their decarbonisation efforts and driving energy efficiency improvements.

We offer these solutions through the capital expenditure (“**CAPEX**”) model. Under the CAPEX model, we provide end-to-end solutions by designing, installing, setting up and commissioning the solar power projects on a turn-key basis for our customers, while the ownership of the solar power projects vests with the customer itself. The scope of our services ranges from the evaluation of land, designing of the project, procurement of raw material and components, installation of equipment, setup of the transmission infrastructure and the maintenance/operation of the project for the contracted period. We believe that our expertise in the EPC domain allows us to offer end-

to-end solutions for solar installations, covering all aspects of solar PV power project development, including site assessment, system design, procurement of high-quality materials, and complete installation services. Additionally, we provide operations and maintenance (“O&M”) services to our clients to ensure optimal performance, reliability, and longevity of the solar power systems.

In the year 2024, we have expanded our business operations by venturing into assembling of battery packs through third party contract manufacturer for offering Energy Solution to our customer. These vertical complements energy solutions business, aligning with the increasing demand for renewable energy sources and sustainable power solutions. We are seizing this opportunity by setting up a new battery manufacturing plant and gain a competitive edge. As on September 30, 2024, we sourced battery from over 1 third party contract manufacturer and high-quality solar components from over 96 suppliers spanning across both local and global markets, including our channel partnership with reputed organisation in India, which grants us access to a diverse range of solar modules.

The table below sets forth the breakdown of our revenue from operations for period ended September 30, 2024, Fiscal 2024, 2023 and 2022.

Particulars	For the period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ lakhs)	As a % of revenue from operations	Amount (in ₹ lakhs)	As a % of revenue from operations	Amount (in ₹ lakhs)	As a % of revenue from operations	Amount (in ₹ lakhs)	As a % of revenue from operations
Solar EPC Contracts	2,555.06	51.01	5,373.19	68.97	3,129.78	81.19	4,385.66	88.85
<i>Commercial</i>	1,634.26	32.63	3,449.61	44.28	1,511.45	39.21	1,741.75	35.29
<i>Residential</i>	920.80	18.38	1,923.58	24.69	1,618.33	41.98	2,643.91	53.56
Sale of Solar Panels	2,245.22	44.82	2377.97	30.52	710.33	18.43	532.15	10.78
Sale of Inverters	174.51	3.48	5.38	0.07	-	-	-	-
O&M	1.71	0.03	9.33	0.12	11.09	0.29	9.33	0.19
Other services	32.56	0.65	25.04	0.32	3.78	0.10	9.09	0.18
<b>Total</b>	<b>5,009.06</b>	<b>100.00</b>	<b>7,790.91</b>	<b>100.00</b>	<b>3,854.98</b>	<b>100.00</b>	<b>4,936.23</b>	<b>100.00</b>

We also consider our quality control procedures to be the cornerstone of our business operations. As on the date of this Draft Red Herring Prospectus, our Company have been accredited with ISO 9001:2015 (Quality Management System). We have been felicitated with ‘EPC Company of The Year Gujarat - SILVER organized by EQ International Magazine in the year 2023.

We have an experienced management team led by our Promoter Director, Manish Bagadia who possess about three decades of experience in the manufacturing, infrastructure and power system and we benefit significantly from his expertise. Our Promoters continue to remain actively involved in our operations and continue to bring their vision, business acumen and leadership to our Company, which has been instrumental in sustaining our business operations and growth. We are led by well-qualified and experienced Board, key management personnel and senior management personnel, who have demonstrated their ability to manage and grow our operations and leverage and deepen customer relationships. The knowledge and experience of our management team provides us with a significant competitive advantage as we seek to grow our business. For further information on our Promoters and management, see “Our Management” and “Our Promoters and Promoter Group” on pages 168 and 182, respectively.

### Financial Performance of Our Company

A list of certain financial data, based on our Restated Financial Information is set out below for the indicated Fiscals:

(₹ in Lakhs, unless otherwise specified)

Particulars	For the period ended September 30, 2024	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022
Revenue from Operations <sup>(1)</sup>	5,237.80	7,790.91	3,854.98	4,936.23
EBITDA <sup>(2)</sup>	946.88	825.32	114.49	139.48
EBITDA Margin <sup>(3)</sup>	18.08%	10.59%	2.97%	2.83%
PAT	699.57	574.50	73.07	86.63
PAT Margin <sup>(4)</sup>	13.36%	7.37%	1.90%	1.76%
Return on Net Worth <sup>(5)</sup>	43.18%	62.40%	21.11%	31.72%
Return on Capital Employed <sup>(6)</sup>	53.07%	77.06%	19.26%	25.64%
Debt-Equity Ratio <sup>(7)</sup>	0.13	0.35	1.18	1.11

Notes:

<sup>(1)</sup> Revenue from operation means revenue from sales.

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses.

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

<sup>(4)</sup> PAT Margin is calculated as PAT for the period/year divided by revenue from operations.

## AWARDS AND RECOGNITION

Calendar Year	Details
2024	Excellence in Solar Energy Solutions by The Times of India
2024	Selected among Top 50 Achievers & Business Leaders from Clean Energy and E-mobility
2023	EPC Company of the Year in Residential - SILVER organized by EQ- Gujarat Annual Solar Award 2023
2023	EPC Company of the Year Gujarat - SILVER" organized by EQ Gujarat Annual Solar Award 2023
2023	EPC Company of the Year Industrial - GOLD" organized by EQ Gujarat Annual Solar Award 2023
2022	EPC Company of the Year for State of Gujarat in Residential Category(Gold Category) organised by EQ - Gujarat Annual Solar Award 2022
2021	EPC Company of the Year for State of Gujarat in Residential Category- GOLD organised by EQ - Gujarat State Annual Solar Award 2021
2021	Industry Leadership Award – 2021 (Industrial Segment) Award by Solar Quarter Magazine
2019	Best Rooftop Solar EPC Company in the State- Industrial Segment Award by Solar Quarter
2019	Emerging Company in Rooftop Solar- 2019" organized by 8th EPC World, New Delhi

## OUR STRENGTHS

***Established track record and End-to-end value chain capabilities and an integrated approach to developing renewable power projects by our in-house project development, EPC and O&M teams***

We have an integrated in-house approach for executing our renewable projects across the entire life cycle of developing a project, from finalisation of the order to commissioning of the project, duration ranging from 01 month to 01 year and subsequently operating and maintaining the project. We believe that the scale of our operations and our growth strategy enables us to deploy our EPC resources across any future projects that we undertake, in an efficient and timely manner, without affecting the scheduled timelines of project development.

Our Company has a cumulative track record from the period April 01, 2021 to September 30, 2024 of developing, executing and commissioning a total of 3,180 Residential rooftop projects, 179 projects under Commercial and Industrial ("C&I") roof top and ground mounted project. The table below sets forth the breakdown of number of project and capacity of completed projects for period ended September 30, 2024, Fiscal 2024, 2023 and 2022.

Particulars	For the period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	No. of Projects	Capacity in KW	No. of Projects	Capacity in KW	No. of Projects	Capacity in KW	No. of Projects	Capacity in KW
Residential	437	2079.09	775	3938.96	591	2627.49	1377	6100.75

Particulars	For the period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	No. of Projects	Capacity in KW	No. of Projects	Capacity in KW	No. of Projects	Capacity in KW	No. of Projects	Capacity in KW
Commercial	51	11383.08	44	4346.08	58	2287.13	26	3,687.91
<b>Total</b>	<b>488</b>	<b>13,462.17</b>	<b>819</b>	<b>8,285.04</b>	<b>649</b>	<b>4,914.61</b>	<b>1,403</b>	<b>9,788.66</b>

With a track record of successfully managing complex projects, the company excels in coordinating all phases of solar EPC (Engineering, Procurement, and Commissioning) projects. Our in-house EPC capabilities allow us to control our process, costs and timelines, use our project design expertise, and be flexible with our choice of technology and top tier suppliers. We also utilize technologically advanced modules including topcon bifacial modules to optimize power generation, where possible. Having in-house construction expertise allows us to track the pricing trends of raw materials, monitor established milestones during the construction phase, strengthen our design expertise and maintain quality of build when we develop a project. As on January 31, 2025 our design team comprises 2 experienced design professionals, while our Technical (execution) team comprises 13 qualified individuals.

Our team's expertise is further enhanced using advanced technological tools, including PVSYST, a software used for solar system design, sizing, simulation and economic evaluation, BricsCAD which equips our team with precision tools to design and annotate 2D geometry, automate drafting tasks, compare drawings, create schedules and publish layouts, drones, and project-specific ERP systems. Further, our strong execution track record is evident from the wide range of projects that we have completed, spanning from small rooftop installations to large solar projects across multiple geographies.

Our execution team screens project opportunities through a comprehensive process, evaluating factors such as resource availability, evacuation infrastructure, technical specifications, environmental impact, sources of funds, regulatory landscape and the commercial viability of each project. Our multi-stage evaluation process ensures we maintain technical, commercial, and financial discipline across all our projects. Our execution capabilities are further strengthened by our experience in technological advancements in the solar energy sector.

For our EPC customers, we also provide O&M services for the solar power projects. Our in-house O&M capabilities, through the use of technology, forecasting software, central monitoring system software, maintenance scheduling and other systems, allow us to monitor our portfolio performance and operational metrics, in order to maximize our plants' utilization rates, availability and system life. As on January 31, 2025 our experienced O&M team comprising of 3 employees, manages and coordinates efforts across multiple projects and states, leverage insights and best practices gained from a diverse project portfolio.

Our integrated approach to project development allows us to control our costs, especially in our EPC related activities.

#### ***Established relationships with our customers and wide customer base***

We have established and will continue to focus on strengthening our relationships with customers across our product verticals. With over seven years of operations in dealing with energy solution products, we believe that we have the requisite experience in the industry and have garnered trust of our customers. During the period ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 we catered to over 653, 1019, 829 and 1646 customers, 2 customers from top 10 have been associated with us for the last three (3) Fiscals.

The table below sets forth the revenue from Top 10 Clients for the period ended September 30, 2024, the Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars *	For the period ended September 30, 2024		For the Financial year 2024		For the Financial year 2023		For the Financial year 2022	
	₹ in Lakhs	% of Revenue from operations	₹ in Lakhs	% of Revenue from operations	₹ in Lakhs	% of Revenue from operations	₹ in Lakhs	% of Revenue from operations
Customer 1	407.88	8.14	1,843.85	23.67	532.95	13.82	400.00	8.10
Customer 2	370.27	7.39	285.46	3.66	391.97	10.17	211.33	4.28

Particulars *	For the period ended September 30, 2024		For the Financial year 2024		For the Financial year 2023		For the Financial year 2022	
	₹ in Lakhs	% of Revenue from operations	₹ in Lakhs	% of Revenue from operations	₹ in Lakhs	% of Revenue from operations	₹ in Lakhs	% of Revenue from operations
Customer 3	210.61	4.20	242.92	3.12	227.98	5.91	175.43	3.55
Customer 4	187.53	3.74	242.81	3.12	153.94	3.99	168.22	3.41
Customer 5	180.51	3.60	229.65	2.95	77.49	2.01	166.47	3.37
Customer 6	139.78	2.79	208.97	2.68	56.55	1.47	137.39	2.78
Customer 7	95.43	1.91	147.61	1.89	49.91	1.29	121.21	2.46
Customer 8	92.89	1.85	138.53	1.78	45.49	1.18	74.62	1.51
Customer 9	90.06	1.80	130.23	1.67	42.92	1.11	72.68	1.47
Customer 10	89.64	1.79	111.94	1.44	42.78	1.11	68.75	1.39
<b>Total</b>	<b>1,864.60</b>	<b>37.22</b>	<b>3,581.97</b>	<b>45.98</b>	<b>1,621.98</b>	<b>42.07</b>	<b>1,596.11</b>	<b>32.33</b>

Note: The name of the customer is not disclosed due to absence of consent

Our diversified customer base has played a key role in our success so far and will continue to be a significant driver of our future growth. It will help us expand our market share, develop new products, and enter new markets. Our customer-centric approach ensures that any concerns raised by our clients are swiftly addressed by our dedicated after-sales support team, providing a rapid response time.

#### **Robust order book and visibility for future growth**

Our Order Book is an important indicator of future revenues and growth for our Company. As on September 30, 2024, our Order Book was ₹ 7640.95 Lakhs for EPC projects with a cumulative capacity of 25325.7 KW. Our Order Book has grown from ₹ 852.11 Lakhs as on Fiscal ended 2022 to ₹2615.78 Lakhs as on Fiscal ended 2024, at a CAGR of 75.21%. Our growth in our Order Book provides us with a clear visibility on our future cash flows.

Set forth below are the details of our Order Book, as on September 30, 2024:

Particulars	No. of Projects	KW	Contract value (in ₹ Lakhs)
Residential	71	378.21	158.85
C&I	29	24947.49	7482.10
<b>Total</b>	<b>100</b>	<b>25325</b>	<b>7640.95</b>

The consistent growth in our Order Book is a result of our extensive experience, our commitment to maintaining quality standards in our construction and strong project execution skills. Our emphasis on quality execution and customer management is a cornerstone of our business leading to a consistent growth in our Order Book. Our commitment to delivering projects that meet and exceed client expectations has fostered lasting relationships. Our strong relationship with our customers has resulted in us receiving repeat orders from our customers.

#### **Strong financial performance driven by asset light business model**

We operate on an asset - light business model in relation to our operations under the CAPEX model, where customers handle real estate acquisition. Our model minimizes capital expenditures and fixed costs, providing us with the flexibility and scalability to meet customer needs, offer customized solutions, and respond quickly to changing market conditions.

We have demonstrated strong financial performance, and our total income has grown at a CAGR of 25.82% from ₹ 4947.28 Lakhs in Fiscal 2022 to ₹ 7831.72 Lakhs in Fiscal 2024. Driven by our strong operational capabilities, we have been able to minimize costs and achieve healthy profit margins. Our EBITDA increased from ₹ 141.36 Lakhs in Fiscal 2022 to ₹ 831.29 Lakhs in Fiscal 2024. Our profit after tax has grown at a CAGR of 157.51% from a profit after tax of ₹ 86.63 Lakhs in Fiscal 2022, to ₹ 574.50 Lakhs in Fiscal 2024.

Our growth and financial performance have been driven by a strong focus on risk management and adherence to streamlined internal processes. We manage counterparty risk by prioritizing clients that have achieved financial closure for their respective projects before initiating our operations. Our approach includes stringent criteria for project selection that incorporates comprehensive risk assessments to protect returns. These assessments evaluate

geographical risks based on market presence, size, growth opportunities, and geopolitical factors. Additionally, we prioritize minimizing counterparty credit risk by selecting solar power projects that typically secure financial closure before we commence operation.

***Experienced management team and qualified personnel with significant industry experience***

We are led by a highly experienced management team with extensive expertise in the solar EPC industry and a deep understanding of managing solar power projects. Collectively, our Promoters, Directors, Key Managerial Personnel, and Senior Management bring over several years of experience in management, operations, finance and project execution, giving us a significant competitive advantage. Our Board of Directors plays a crucial role in supporting and guiding our experienced management and execution teams, enabling them to develop and execute focused strategies that strengthen our market position.

Manish Bagadia, one of our Promoters and the Managing Director, has experience of over a decade in the solar energy sector, playing a pivotal role in shaping the Company's vision for renewable energy solutions. We have expanded our focus on solar power projects, embracing modern technology and sustainable energy practices under his leadership and guidance. His deep understanding of the industry, combined with his management skills, has enabled the Company to execute large-scale solar projects and develop innovative energy solutions, positioning it as one of the key players in the renewable energy market.

Our team of 59 permanent employees as of January 31, 2025, benefits from the extensive experience of our management and project execution teams, who bring both local market expertise and strong project execution capabilities. Our expertise allows us to identify and capitalize on strategic opportunities effectively. Our commitment to business growth is evident from our track record of successful project execution and strong financial performance. We also engage in continuous learning and development for our employees, ensuring they stay updated with the latest market trends, technologies, and innovations. We believe that the industry knowledge and leadership of our executive leadership team, combined with their extensive experience, provides us with a competitive advantage and are instrumental in enabling us to attract high-quality talent.

**Our Strategies**

***Invest in our manufacturing capabilities for Battery Energy Solution System ("BESS")***

In 2024, we ventured the battery pack assembly business by partnering with third-party contract manufacturers, enabling us to offer comprehensive energy solutions to our customers. This new vertical enhances our energy solutions portfolio, addressing the growing demand for renewable and sustainable power sources. To capitalize the growing opportunity, Considering the growing opportunity, we intend to establish a new 248 M.W. Battery Energy Storage Solution ("BESS") facility in Unit Survey No. 527, Plot No. 2, Narmada Canal Road, Sarkhej - Bavala Highway, Navapura, Taluka: Sanand, District: Ahmedabad – 382210. The facility has been leased from Karuna Bagadia as per Registered Lease Agreement No. 27733 dated 13-11-2024. The total land area measures 14,402.11 square feet, with different allocations for Phase-I and Phase-II. The ground floor of Phase-II spans 9,900 square feet, providing a substantial area for its designated purpose. Meanwhile, the first floor of Phase-I covers 6,800 square feet, ensuring efficient utilization of space across both phases.

***Grow our customer base by diversifying into new geographies and maintain relationships with our key customers and other stakeholders***

We have established and will continue to focus on strengthening our relationships with customers across our product verticals. With over seven years of operations in dealing with energy solution products, we believe that we have the requisite experience in the industry and have garnered trust of our customers. During the period ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 we catered to over 653, 1019, 829 and 1646 customers having presence in 8 states and one international market, Africa.

The below table set forth the breakdown of revenue from operations statewise:



Particulars	For the period ended September 30, 2024		For the Financial year 2024		For the Financial year 2023		For the Financial year 2022	
	₹ in Lakhs	% of Revenue from Operations	₹ in Lakhs	% of Revenue from Operations	₹ in Lakhs	% of Revenue from Operations	₹ in Lakhs	% of Revenue from Operations
Gujarat	4,615.39	92.14	5,942.50	76.27	3,080.33	79.91	4,297.44	87.06
Maharashtra	136.93	2.73	-	-	535.63	13.89	13.93	0.28
Andhra Pradesh	70.41	1.41	-	-	-	-	-	-
Karnataka	4.87	0.10	-	-	-	-	-	-
Rajasthan	0.96	0.02	3.94	0.05	232.03	6.02	7.72	0.16
Tamil Nadu	-	-	0.49	0.01	-	-	-	-
Madhya Pradesh	-	-	0.10	Negligible	2.92	0.08	405.76	8.22
Dadra & Nagar Haveli	-	-	0.03	Negligible	4.08	0.11	44.91	0.91
<b>Total</b>	<b>4828.55</b>	<b>96.40</b>	<b>5,947.06</b>	<b>76.33</b>	<b>3,854.98</b>	<b>100.00</b>	<b>4,769.76</b>	<b>96.63</b>

We believe there are significant opportunities to grow our customer base both in existing and new geographies through our strong track record, experienced management and execution teams, performance efficiency and focus on providing quality and customer satisfaction. To capitalize on this, we plan to continue investing in our business development, tendering, and marketing functions to enhance our ability to identify, evaluate, and win new customers.

Simultaneously, we will focus on maintaining and leveraging our strong relationships with existing customers and key stakeholders, such as engineers, suppliers, and consultants, to foster repeat business and secure cost advantages. By streamlining the process for our customers and reducing the number of service providers they need to engage with, we aim to save them time and cost.

#### ***Focus on increasing operational and financial efficiency***

We plan to continue focusing on operational and financial efficiency by investing in our competent and sizable team. In addition, we are continually evolving our internal processes for project execution, frequently update our risk assessment matrix, stay updated with new technology and continue leveraging the global presence for our operations. We intend to continue to devote significant resources to recruit and retain a talented workforce and offer competitive compensation packages and career opportunities to attract and retain capable employees. Through our geography specific market approach, building strong customer and stakeholder relationships and operational efficiency, we intend to tailor our business model and enhance our ability to procure solar power projects.

### **Our Business Operations**

#### **Our Products Portfolio and Service Offerings**

Our products and service offerings can be broadly classified as:

##### **A. Solar EPC Contracts**

We are empanelled as vendor for government tender in the year 2018. We are engaged in providing turnkey solutions offering EPC services high efficiency Solar PV Modules to residential, commercial and industrial segments. We commenced our EPC business in the year 2017 and we have successfully executed and commissioned Solar PV Power Plants totalling 36,450 KW solar projects at over 3,359 sites in the last three (3) Fiscals and for the period ended September 30, 2024. Furthermore, our O&M services are usually part of our EPC contracts and are generally undertaken for a period upto 1 year from installation as per the terms of the contracts.

The below table provides the breakdown of revenue from operations sector wise for the period ended September 30, 2024 and Fiscals 2024, 2023 and 2022.

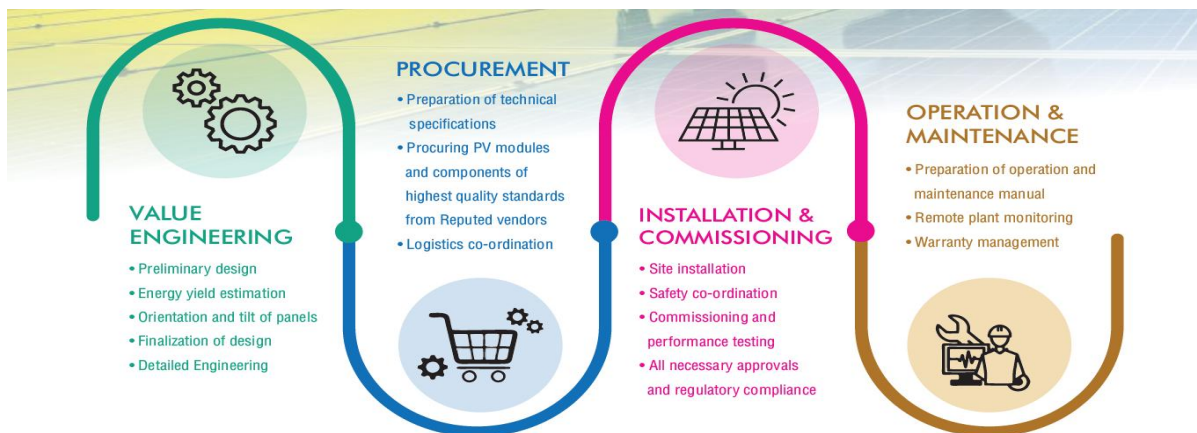
Particulars	For the period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ lakhs)	As a % of revenue From operations	Amount (in ₹ lakhs)	As a % of revenue From operations	Amount (in ₹ lakhs)	As a % of revenue From operations	Amount (in ₹ lakhs)	As a % of revenue From operations
Residential	920.80	36.04	1,923.58	35.80	1,618.12	51.70	2,643.91	60.29
Commercial and Industrial	1,634.26	63.96	3,449.61	64.20	1,511.45	48.30	1,741.75	39.71
<b>Total</b>	<b>2,555.06</b>	<b>100.00</b>	<b>5,373.19</b>	<b>100.00</b>	<b>3,129.57</b>	<b>100.00</b>	<b>4385.66</b>	<b>100.00</b>

Further, our solar power projects are categorized into the following types;

a. **Ground mounted projects:** These comprise solar power projects which are installed on land parcels. These ground mounted projects are setup for captive power consumption by our customers which are typically C&I Clients as they allow our customers to substitute their power supply requirements from large power distribution companies with such captive power plants. For a period of 3 Fiscal and period ended September 30, 2024, we have installed 9,850 KW ground mounted projects.

b. **Rooftop project:** These comprise solar power projects which are installed on rooftops of buildings and structures. These are typically set up for customers who require power to meet their captive energy requirements. The use of captive power from our rooftop projects provides our customers with substantial savings in power costs and allows them to offset their carbon footprint. For a period of 3 Fiscal and period ended September 30, 2024, we have installed 26,600 KW rooftop projects.

#### Solar EPC Process



The execution of Solar EPC Business process that we undertake, typically involves the following process:

#### 1. Business development, market evaluation and preparedness

Our business development team identifies potential markets, conducts on-the-ground market diligence to evaluate each local opportunity including from the perspective of a comprehensive risk assessment matrix with escalation at critical decision points and prepares a comprehensive checklist to verify market preparedness. In addition, our team evaluates each local opportunity and establishes relationships with local suppliers and subcontractors. Further, our business development team focuses on markets with conducive solar power policies particularly in regions with high solar resources and stays updated with the new projects of our key customers.

#### 2. Project Selection:

We use a comprehensive evaluation process. Our marketing and contracts teams are responsible for marketing and commercial activities in connection with the procurement of contracts. We cannot predict with any degree of certainty the frequency, timing or location of new contract awards. Until final selection by the customer,

negotiations can continue on a range of matters pertaining to the specific project, such as construction schedule and financial and other contractual terms and conditions. This stage varies depending on the complexity of the project and negotiations. After we execute the EPC contract, the business development team hands over the project to the execution team.

### 3. *Selection of Suppliers and Subcontractors*

Concurrently with the negotiation of the EPC contract with our customer, our procurement and project execution teams select potential suppliers and subcontractors for the proposed project. We typically serve as the principal contractor for an EPC project and we provide most of the engineering and project management services using our in-house resources. We generally subcontract activities such as construction, fabrication and installation, which enables us to deploy our resources more effectively. In addition, we procure major equipment, such as inverters, transformers and trackers from third-party suppliers and, in the case of turnkey EPC contracts, we procure modules from customer selected suppliers. We believe this allows us to focus our resources on higher value-added tasks, such as engineering design and project management. We have established relationships with many of these suppliers and subcontractors with whom we have worked in the past. Through our risk management process, we conduct a thorough diligence on these suppliers, identify the scope, create a detailed bill of materials and do a supply chain analysis. Based on our assessment, we prepare a response for our suppliers, specify technical qualifications and engage in commercial negotiations. We also consider such factors as the supplier's reputation and financial strength, the geographic location of the proposed project and the difficulty of the work and the project's cost and profitability estimates before selecting a supplier. Our procurement and project execution teams coordinate with regional development teams to ensure that supplier and subcontractor selection complies with local regulatory requirements.

### 4. *Permits and Approvals; Finalization of Design and Specifications:*

After we have selected and finalized the relevant suppliers and subcontractors for the project, our project execution team attends to basic infrastructure at the site, obtains required regulatory permits and approvals, and work closely with our engineering design team and our customer to finalize the design and specification of the project. The engineering design process includes the site layout and the electrical design as well as assessing a variety of factors to choose an appropriate technology and, in the case of a turnkey contract, the modules and inverters. Through engineering design, we aim to reduce the risks and costs of a project, and improve the performance of solar power projects and maintain the contractually agreed performance ratio.

### 5. *Design and Engineering:*

It is the foundation stage of any solar EPC project. It is started by conducting a feasibility study to assess a project's viability based on factors like available space, energy consumption, and sunlight exposure. The Engineering phase starts off as a basic technical concept, the engineering design is itself a process that evolves and is constantly refined as the project development advances into a detailed execution design blueprint, issued for construction. A detailed site assessment follows to evaluate its suitability for solar panel installation.

### 6. *Procurement and Construction Phase*

The Procurement phase covers the selection and purchase of components such as PV modules and inverters, and the identification and mitigation of risks through suitable inspection, testing and qualification mechanisms. It also involves supplier onboarding, and inspections and tests until the end of the procurement process.

### 7. *Installation & Commissioning*

The solar power plant is installed based on installation manuals provided by suppliers. Construction works involve civil works (mounting structures) and electro-mechanical works (modules, inverters, etc.) and supervisory and monitoring equipment.

Our project managers and supervisory teams monitor project construction. After a project has been completed, our project commissioning team conducts a final inspection and testing to ensure that the newly-constructed power project is safe and meets design and performance objectives. System commissioning closes the construction phase of the solar power plant and begins the commercial operation period. Commissioning includes performance and reliability tests to make sure that the solar power plant is built according to international standards, best industry practice, and complies with the Owner's requirements and grid specifications.

### 8. *Operation and Maintenance*

O&M services usually form part of our contracts which includes regular maintenance checks and repairs to optimize system output and longevity.



Our business model for O&M services involves a fixed annual fee or a percentage of the plant's capacity or energy generated. We believe that, our highly-skilled professionals ensures that our clients receive the most reliable and efficient O&M services. By offering customized services that meet the needs of each individual solar plant, we establishes a sustainable long-term revenue model. This not only creates a more predictable revenue stream for our clients but also ensures the long-term profitability and success of the solar power plant. We are dedicated to provide our clients with the most reliable and efficient solar energy solutions.

9. *Submission of Application for subsidy claim:*

In the case of residential rooftop solar project, after the successful commissioning of solar system, our company uploads the required documents on behalf of customers on the specified e-portal for claiming subsidy available under relevant government scheme. After which, the subsidy amount will be directly credited to the respective customer's account.

*Our Completed Projects:*

Name and Description of Project	Image
<p><b>Completed Projects</b>  <b>Location:</b> Village paldi kankaj Ahmedabad  <b>Type of work :</b> Commercial  <b>Area:</b> 13500 sq mt  <b>Capacity:</b> 1350 kwp  <b>Start Date:</b> 13-08-2024  <b>End Date:</b> 12-09-2024</p>	
<p><b>Location:</b> Maharashtra  <b>Type of work :</b> Commercial  <b>Area:</b> 26000 sq mtr  <b>Capacity:</b> 2100 kwp  <b>Start Date:</b> 18-05-2022  <b>End Date:</b> 02-09-2024</p>	
<p><b>Location:</b> Ahmedabad  <b>Type of Work:</b> Commercial  <b>Area:</b> 35000 sq mt  <b>Capacity:</b> 4000 kwp  <b>Start Date:</b> 26-12-2019  <b>End Date:</b> 21-06-2022</p>	
<p><b>Location:</b> Ahmedabad  <b>Type of Work:</b> Residential  <b>Area:</b> 380 Sq ft  <b>Capacity:</b> 4.025 KW  <b>Start Date:</b> 31-12-2024</p>	

Name and Description of Project	Image
<b>End Date:</b> 29-01-2025	
<b>Location:</b> Ahmedabad <b>Type of Work:</b> Residential <b>Area:</b> 830 Sq ft <b>Capacity:</b> 9.04 KW <b>Start Date:</b> 12-12-2024 <b>End Date:</b> 10-01-2025	
<b>Location:</b> Africa <b>Type of Work:</b> Commercial <b>Area:</b> 55000 sq mtr <b>Capacity:</b> 4200 kwp <b>Start Date:</b> 23-09-2023 <b>End Date:</b> 03-07-2024	

### Ongoing Projects Portfolio

This table presents our top 10 ongoing current projects as on September 30, 2024 in progress, showcasing our ongoing commitment to delivering quality work.

S.N O.	Particulars	Location	Capacity Installed (Kw)	Type of work	Completion Year
1.	Project 1	Ahmedabad	460	Commercial	2024
2.	Project 2	Ahmedabad	444.4	Commercial	2024
3.	Project 3	Ahmedabad	396	Commercial	2024
4.	Project 4	Bharuch	264.48	Commercial	2025
5.	Project 5	Ahmedabad	238.16	Commercial	2025
6.	Project 6	Ahmedabad	227.7	Commercial	2025
7.	Project 7	Jamnagar	184.25	Commercial	2025
8.	Project 8	Dehgam	176	Commercial	2024
9.	Project 9	Ahmedabad	150.7	Commercial	2024
10.	Project 10	Ahmedabad	150	Commercial	2025

### B. Others

We are a channel partner of a reputed Indian Company for the entire range of solar modules and a distributor of inverters of a Chinese Company. Further, in the period ended September 30, 2024, we have also provided a solar hybrid energy solution to one of our clients.

### *Quality Control, Testing and Certifications*

Maintaining a high standard of quality in our operation and maintenance activities is critical to our growth and success. We have implemented quality control systems across our operations that cover the full project lifecycle.

from project identification to project procurement, execution and operation and maintenance for ensuring consistent quality, efficacy and safety of our projects and team. As of the date of this Draft Red Herring Prospectus, our manufacturing units hold accreditations for ISO 9001:2015 (Quality Management Systems) by Royal Stancert B.V.

### **Manufacturing Process of BESS:**

Addressing the 21st edition of the Global MSME Business Summit organized by the Confederation of Indian Industry (CII), the official said that an initial mandate of 10% of the plant's total renewable energy capacity may be introduced for storage, and that this can then be gradually enhanced. (Source: <https://www.livemint.com/industry/energy/govt-to-mandate-battery-storage-for-renewable-power-projects-11734356975792.html>). Considering the growing opportunity, we intend to establish a new 248 M.W. Battery Energy Storage Solution ("BESS") facility in Unit Survey No. 527, Plot No. 2, Narmada Canal Road, Sarkhej - Bavala Highway, Navapura, Taluka: Sanand, District: Ahmedabad – 382210. The facility has been leased from Karuna Bagadia as per Registered Lease Agreement No. 27733 dated 13-11-2024. The total land area measures 14,402.11 square feet, with different allocations for Phase-I and Phase-II. The ground floor of Phase-II spans 9,900 square feet, providing a substantial area for its designated purpose. Meanwhile, the first floor of Phase-I covers 6,800 square feet, ensuring efficient utilization of space across both phases.

#### **Step- 1: Storing of Incoming cells**

- Temperature: Store between 15°C and 25°C (59°F - 77°F).
- Humidity: Keep below 60% relative humidity.
- State of Charge: Store at 40% to 60% charge for long-term storage.
- Protection: Protect terminals and ensure the cells are physically undamaged.
- Ventilation: Ensure good airflow in the storage area.
- Fire Safety: Avoid storing near flammable materials or high heat sources.
- Shelf Life: Regularly monitor stored cells for degradation.

#### **Step- 2: Cell aging**

Cell aging in lithium-ion (Li-ion) batteries refers to the gradual loss of capacity and performance over time due to chemical and physical changes within the cell. This process occurs due to a combination of calendar aging (natural degradation over time) and cycle aging (degradation due to charge-discharge cycles).

- **Electrolyte Decomposition** – Breakdown of the electrolyte leads to gas formation and increases internal resistance.
- **SEI (Solid Electrolyte Interphase) Growth** – The SEI layer on the anode thickens over time, consuming lithium and reducing capacity.
- **Lithium Plating** – At high charging rates or low temperatures, lithium metal deposits on the anode, leading to capacity loss and safety risks.
- **Cathode Degradation** – Structural changes in the cathode material reduce its ability to store lithium effectively.

#### **Step- 3: Cell Sorting**

After completing aging of cells, CV and IR testing is carried out to make a group with same internal properties. The batteries made with same internal properties cells have better balancing capability.

- **CV (Capacity-Voltage) Testing:** Capacity-Voltage (CV) testing evaluates the charge-discharge characteristics of a Li-ion cell by measuring its capacity (Ah) at different voltages. The Hioki battery tester records voltage response during charging and discharging, helping analyze:
  - Charge-discharge efficiency
  - Voltage plateaus (indicating electrode material performance)
  - Degradation trends over cycles

## 2. IR (Internal Resistance) Testing:

Internal Resistance (IR) testing measures a battery's ability to deliver current efficiently. Hioki testers use AC or DC pulse methods to determine:

- AC IR (1kHz method) – Identifies electrolyte resistance and contact issues.
- DC IR (Pulse method) – Measures total resistance, including polarization effects.

### Step- 4: Busbar assembly

The busbar in a prismatic Li-ion battery pack is a conductive strip that connects multiple cells in series or parallel to form a complete electrical circuit. Proper mounting ensures low resistance, mechanical stability, and efficient current flow while minimizing heat generation.

- **Material Selection:**

- Copper (Cu) or Aluminum (Al) busbars are commonly used for their high conductivity.
- Surface coatings like nickel or tin plating improve corrosion resistance.

- **Welding Methods:**

- Laser Welding – Precise and reliable for high-power applications.
- Resistance Welding – Used in smaller packs but requires careful heat control.

- **Mechanical Design:**

- Flat Busbars ensure uniform contact and minimize electrical resistance.
- Flexible Busbars help accommodate thermal expansion and mechanical vibrations.
- Insulation Layers (e.g., Kapton or mica sheets) prevent short circuits.

- **Thermal & Electrical Considerations:**

- Proper spacing between busbars prevents overheating.
- Use of thermal interfaces (such as thermal pads) improves heat dissipation.
- Low contact resistance is crucial to avoid localized heating and energy loss.

- **Fastening & Safety Measures:**

- Bolted or Screwed Connections require proper torque control to ensure firm electrical contact.

### Step-5:BMS testing

Battery Management System (BMS) testing ensures the reliability, safety, and efficiency of Li-ion battery packs by verifying the system's ability to monitor, control, and protect the battery.

- **Voltage, Current & Temperature Monitoring:** Ensures accurate measurement of individual cell voltages, pack voltage, current, and temperature to prevent overcharging, deep discharging, or overheating.
- **Cell Balancing:** Validates the BMS's ability to equalize charge levels among cells, improving battery life and performance.
- **State of Charge (SOC) & State of Health (SOH) Estimation:** Tests algorithms used for SOC (remaining capacity) and SOH (battery health) predictions to ensure accurate battery status reporting.
- **Protection & Safety Features:** Simulates fault conditions (overvoltage, undervoltage, short circuits, overcurrent, overheating) to confirm the BMS's response in preventing damage or thermal runaway.

- **Communication & Data Logging:** Verifies CAN, UART, or other communication protocols used for real-time data transmission between the BMS and external systems (e.g., vehicle control units, cloud monitoring).
- **Hardware & Software Validation:** Ensures firmware integrity, failsafe mechanisms, and redundancy checks work correctly to prevent malfunctions.

#### Step- 6: BMS Mounting:

The Battery Management System (BMS) is essential for monitoring, protecting, and optimizing the performance of lithium-ion battery packs. When mounting a BMS on prismatic cells, several key factors must be considered for safety, efficiency, and reliability.

- **Placement & Orientation :**The BMS is typically mounted on top or side of the prismatic cells to minimize wiring complexity and ensure efficient thermal management. Compact designs integrate the BMS within the battery module casing.
- **Connection to Cells**
  - **Voltage & Temperature Sensing Wires:** Each cell is connected to the BMS through balance leads to monitor voltage and temperature.
  - **Current Sensors:** Shunt resistors or Hall-effect sensors measure current flow. **Balancing Circuit:** Passive or active balancing helps maintain equal charge distribution across cells.
- **Insulation & Safety:** Proper electrical insulation (e.g., Mylar sheets or thermal pads) prevents short circuits. The BMS must be securely fixed using screws, clips, or adhesive mounts to withstand vibrations.
- **Cooling & Heat Dissipation :** The BMS is positioned away from high heat-generating components. Some designs incorporate heatsinks or cooling plates for thermal management.
- **Wiring & Busbar Integration :** The BMS is connected to busbars or flexible PCB connectors for minimal resistance and efficient current flow. High-voltage isolation is ensured for safety.

#### Step- 7: Battery performance testing

A Battery Performance Test Machine is a specialized system used to evaluate the electrical, thermal, and mechanical characteristics of Li-ion cells, ensuring safety, reliability, and compliance with industry standards.

- **Charge-Discharge Testing** – Simulates real-world usage by applying controlled charging and discharging cycles.
- **Capacity & Energy Measurement** – Determines the actual capacity (Ah) and energy (Wh) of the battery under various load conditions.
- **Internal Resistance Testing** – Measures the cell's impedance, which affects efficiency and power delivery.
- **Cycle Life Testing** – Repeated charge-discharge cycles assess aging and long-term performance.
- **Temperature & Environmental Control** – Integrated climate chambers allow testing under different temperature and humidity conditions.
- **Overcharge & Over-discharge Protection** – Detects safety risks when a battery is pushed beyond its operational limits.



- **Data Logging & Analysis** – Records voltage, current, temperature, and resistance for performance evaluation.

### **Step- 8: Battery charge discharge testing unit**

Charge-discharge testing is a critical process in evaluating the performance, efficiency, and lifespan of lithium-ion (Li-ion) batteries. It involves repeatedly charging and discharging the battery under controlled conditions to assess its capacity, degradation, and behavior over time.

#### *Charge Process:*

Constant Current-Constant Voltage (CC-CV) Charging is commonly used. Charging typically stops when the current drops to a predefined limit after reaching the maximum voltage (e.g., 4.2V for Li-ion). Fast charging may lead to lithium plating and reduced lifespan.

#### *Discharge Process:*

The battery is discharged at a controlled current until it reaches a lower cutoff voltage (e.g., 2.5V–3.0V per cell). Higher discharge rates lead to increased heat and capacity fade.

#### **Testing Objectives:**

- ✓Capacity Measurement – Determines usable energy storage over cycles.
- ✓Life Cycle Analysis – Evaluates how performance degrades over time.
- ✓Efficiency Evaluation – Measures charge/discharge energy losses.
- ✓Temperature Impact Study – Assesses performance under different thermal conditions.
- ✓Safety & Reliability Checks – Identifies risks such as thermal runaway and voltage instability.

#### **Types of Charge-Discharge Testing:**

1. Life Cycle Testing – Continuous cycling to determine long-term aging.
2. Rate Capability Testing – Evaluates battery performance at different charge/discharge rates (C-rates).
3. Temperature Testing – Assesses performance under extreme hot and cold conditions.
4. Overcharge & Overdischarge Testing – Checks safety limits and battery protection features. By analyzing charge-discharge data, manufacturers and researchers optimize battery chemistry, improve battery management systems (BMS), and enhance overall battery safety and longevity.

### **MATERIAL SUPPLIES AND CONTRACT MANUFACTURING**

We are supported by third party domestic and international suppliers for supply of materials. We have relationships with a diversified group of suppliers globally, which helps us source equipment, such as modules, inverters, transformers, trackers and other solar equipment at competitive costs, while maintaining quality, which we believe gives us a competitive advantage as competition is largely from regional players. However, we also source subcontractors locally, whenever feasible, and procure certain raw materials from local suppliers, where there is a cost advantage or to comply with local regulations. We generally subcontract activities such as construction, fabrication and installation, which enables us to deploy our resources more effectively. While identifying suitable suppliers, we are generally guided by a purchase requisition list provided by the project manager that specifies the materials required, technical specifications and quality plans for the raw materials.

We employ a number of measures to manage and monitor the performance of such subcontractors in terms of both quality and timeliness and to ensure compliance with applicable safety and other requirements. For example, we generally have on-site supervisors and hold regular on-site meetings with our subcontractors to monitor their work to ensure that projects progress according to schedule and adhere to quality standards. We also conduct periodic

inspections to examine project implementation and quality standards compared to our project planning and prepare periodic reports for review and approval by the relevant departments in our corporate headquarters. If we identify any quality or progress issues which are attributable to the work of the subcontractor, we will have further follow-up discussions with the subcontractor and monitor their rectification work. For the period ended September 30, 2024, Fiscal 2024, 2023 and 2022, our sub-contracting expenses amounted to ₹ 82.45 lakhs, ₹129.49 lakhs, ₹ 163.27 lakhs and ₹ 176.69 lakhs, respectively, representing 2.01%, 1.85%, 4.32% and 3.66%, respectively, of our total expenses.

Further, we procure batteries as per our requirement from third party manufacturer under our brand name “Grace”. We ensure that our third-party manufacturers adhere to timelines/schedules and quality as prescribed by us.

The purchase price of our products, materials, and components generally aligns with market prices. We typically base our purchases on historical sales data, current sales orders, and anticipated production needs, while also considering potential fluctuations in raw material prices and delivery timelines. Additionally, we do not depend on a single vendor for materials and components; instead, we maintain alternative sources for each category. This approach provides us with leverage to ensure material availability and negotiate better credit terms at competitive rates.

The table forth details of our supplier concentration (based on value of purchases) in the last three (3) fiscals and sub period:

Particulars	For the period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ lakhs)	As a % of Purchases	Amount (in ₹ lakhs)	As a % of Purchases	Amount (in ₹ lakhs)	As a % of Purchase	Amount (in ₹ lakhs)	As a % of Purchases
Top Supplier	1,894.68	45.68	2,470.84	39.45	944.45	29.16	1,750.43	42.57
Top 5 Supplier	3,410.79	82.24	4,678.57	74.69	2324.02	71.76	2,572.73	62.57
Top 10 Supplier	3,690.90	88.99	5,409.26	86.36	2638.58	81.48	3,090.89	75.17

The table below sets forth details of our suppliers and the amount of domestic and imported materials purchased during the last three (3) Fiscals:

Particulars	For the period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ lakhs)	As a % of Purchases	Amount (in ₹ lakhs)	As a % of Purchases	Amount (in ₹ lakhs)	As a % of Purchase	Amount (in ₹ lakhs)	As a % of Purchase
Imported	183.51	4.42	576.34	9.20	0.00	-	1977.41	48.09
Domestic	3963.82	95.58	5687.39	90.80	3238.49	100.00	2134.56	51.91
<b>Total</b>	<b>4147.33</b>	<b>100.00</b>	<b>6263.72</b>	<b>100.00</b>	<b>3238.49</b>	<b>100.00</b>	<b>4111.88</b>	<b>100.00</b>

## SALES AND MARKETING

The senior management is actively involved in managing client relationships and business development through targeted interaction with multiple customers at different levels. Our Promoters through their experience and good rapport with customers owing to timely and quality delivery of products plays an instrumental role in creating and expanding the sales network of our Company. Our marketing activities also involve sponsorship at industrial events, taking part in exhibitions and advertisements in industrial magazines related to our products. As on October 31, 2024 our sales and marketing team comprises of 20 personnel. We have incurred ₹ 8.76 Lakhs, ₹ 40.71 Lakhs, ₹ 11.97 Lakhs and ₹ 13.52 Lakhs towards advertisement and marketing in the period ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 representing 2.99 %, 7.69 %, 2.89 % and 2.52 % of the total expenses respectively.

## ENVIRONMENT, HEALTH AND SAFETY

Our Company aims to maintain strong Environmental, Social and Governance standards. We actively pursue environmental, social and governance initiatives as part of our business operations. Our business is environmentally focused, and we strive towards facilitating a cleaner environment and reduced carbon emissions using PV solar modules for solar power generation, which is an environment friendly method of power generation. Furthermore, our marketing and branding efforts are constantly focused on building climate consciousness amongst our customers. We work towards a safe and healthy workplace and provide our employees with the benefits, resources and flexibility to maintain and improve their wellness. We have a designated team of quality health and safety personnel. The long-term sustainability of our businesses is built on the foundation of delivering sustained value for our stakeholders. Our business model is fundamentally anchored in environmental sustainability, with a mission to make renewable energy accessible across a broad spectrum—from residential homes to large-scale industries. We are committed to reducing carbon footprints and advancing the use of clean, renewable energy through our high-efficiency solar solutions. Our dedication to environmental stewardship is reflected in our sustainable, eco-friendly product designs, and active involvement in global sustainability initiatives.

### INFORMATION TECHNOLOGY

Our IT systems are vital to our business, and we have adopted IT policies to assist us in our operations. We utilize PVSYST, a software used for solar system design, sizing, simulation an economic evaluation, BricsCAD which equips our team with precision tools to design and annotate 2D geometry, automate drafting tasks, compare drawings, create schedules, publish layouts. Further, we have also implemented project specific ERP systems for smooth functioning of our execution process. Our projects typically began with an evaluation of the potential power generation capacity of the proposed site using the PVSYST software. It takes into consideration site-specific irradiation levels and technical parameters of the solar panels, batteries, Inverters, and access to transmission lines. This software also projected losses due to factors like soiling and temperature, forming the basis for the initial system design. These tools not only facilitate precise design and planning but also enable effective communication and management throughout the project lifecycle, ensuring timely execution and adherence to quality standards.

### INSURANCE

Sr. No.	Insurer	Description of Insurance	Policy No.	Expiry Date	Insured Amount (₹)
1.	The Oriental Insurance Company Limited	Stock insurance	141591/11/2025/94	November 06, 2025	6,00,00,000
2.	The Oriental Insurance Company Limited	Burglary insurance	141591/48/2025/2450	November 06, 2025	6,00,00,000
3.	Royal Sundaram General Insurance Company Limited	Marine Cargo Insurance	MOI0000521000100	November 05, 2025	5,00,00,000

### COMPETITION

The solar EPC and O&M markets are highly competitive, and our competitors include global and regional solar EPC and O&M service providers. The solar EPC and O&M industries are also highly fragmented but has been trending towards increased consolidation in recent years. Our primary competitors are local and international developers and operators of renewable energy projects. We believe that our competitive pricing, strong customer focus, excellent track record, financial strength and group parentage allows us to compete favourably with these companies.

### HUMAN RESOURCES

We place importance on developing our human resources. We aim to attract and retain highly skilled, technical and professional staff at all levels. Selection of executives for key roles is carried out on the basis of merit, predominantly depending upon qualifications and past performance.

The following table sets forth the number of our permanent employees as of January 31, 2025:

Sr. No	Department	Number of employees
1.	Management	05
2.	Accounts	03
3.	Purchase	04
4.	Design	02

Sr. No	Department	Number of employees
5.	Liasoning	02
6.	Technical	10
7.	O&M	03
8.	Battery	04
9.	Sales and Marketing	22
10.	Administration and Human Resource	04
	<b>Total</b>	<b>56</b>

Please find below the details of employees registered with Employee Provident Fund and Employee State Insurance as on February 28, 2025:

Sr. No	Department	Number of employees	Amount Paid
1.	Employee Provident Fund	2	3600
2.	Employee State Insurance	6	2963

### Intellectual Property

For details, see “Government and Other Approvals – Intellectual Property Registrations” on page 251.

### Properties

The details of the Immovable Property owned by our Company is given here below:

Sr. No.	Location of the Property	Area	Usage Purpose
1.	405 Sarthik Square, S.G.Highway Road, Ahmedabad	157 Sq.mt	Corporate office
2.	406 Sarthik Square, S.G.Highway Road, Ahmedabad	157 Sq.mt	Corporate office

The details of the Immovable Property taken on lease basis by our Company is given here below:

Sr. No.	Date of Leave and License & Term	Name of the Lessor	Name of the Lessee	Area	Location of the Property	Lease Fees (Rs.)	Usage Purpose
1.	08.01.2025; 11 months w.e.f. 01.01.2025	Manish Bagadia	Grace Renewable Energy Limited	830 Sq. Ft.	43, The Chambers, Near TGB Hotel, SG Highway Bodakdev, Ahmedabad-380054	40,000/- p.m.	Registered office
2.	20.07.2024; 11 months w.e.f. 1.07.2024	Manish Bagadia	Grace Renewable Energy Limited	157.43 Sq. Ft.	404, Sarthik Square, S.G.Highway Road, Ahmedabad	68,000/- p.m.	Corporate office
3.	24.10.2024; w.e.f. 01.08.2024 till July 31, 2030	Karuna Bagadia	Grace Renewable Energy Limited	1338 sq m	Godown no. 527, Plot No. 2, The Waterside, Narmada Canal Road, Sarkhej-Bawala Highway, Ahmedabad-382210	33,000/- p.m.	Battery Manufacturing Unit

## KEY INDUSTRY REGULATIONS AND POLICIES

*In carrying on our business as described in the section titled “Our Business” on page 136, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, see “Government and Other Approvals” on page 249.*

Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our Company’s businesses. Our Company is required to obtain and regularly renew certain licenses/registrations and/or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by our Company:

### A. Industry Related Laws

#### *The Electricity Act, 2003 (“Electricity Act”)*

The Electricity Act is a central legislation and provides for, inter alia, generation, transmission, distribution, trading and use of electricity. Under the Electricity Act, the transmission, distribution, and trade of electricity are regulated activities which require licenses from the Central Electricity Regulatory Commission (“CERC”), the State Electricity Regulatory Commissions (“SERCs”) or a joint commission. Under the Electricity Act, the appropriate commission, guided by, inter alia, the methodologies specified by the CERC with the aim of promotion of co-generation and generation of electricity from renewable sources of energy, shall specify the terms and conditions for the determination of tariff.

The Electricity Act requires the GOI to prepare the national electricity policy and tariff policy, from time to time, in consultation with the state governments and Central Electricity Authority. The Draft Electricity (Amendment) Bill, 2022 (“Draft EAA”) was proposed by the Ministry of Power which seeks to amend certain provisions of the Electricity Act. Among others, the amendment proposes that on the issuance of license to more than one distribution licensee in an area of supply, the power and associated costs from the existing power purchase agreements with the existing distribution licensee, as on the date of issuing license to another distribution licensee, shall be shared among all the distribution licensees in the area of supply as specified by the State Commission. Further, it also proposes that in case of distribution of electricity in the same area of supply by two or more distribution licensees, the appropriate Commission, for promoting competition among such distribution licensees, will fix the maximum ceiling of tariff and the minimum tariff for retail sale of electricity. The Draft EAA also provides that a distribution licensee may use distribution systems of other licensees in the area of supply for supplying power through the system of non-discriminatory open access on payment of wheeling charges.

#### *Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2024 (“Tariff Regulations”)*

The Tariff Regulations prescribe the criteria that may be taken into consideration by the CERC while determining the tariff for the sale of electricity generated from renewable energy sources. The CERC shall determine project-specific tariff for solar PV power projects, based on financial principles such as, inter alia, debt equity ratio, loan tenure and interest on loan, prevailing market trends, interest on working capital and any incentive, grant or subsidy from the Central or State Government.

#### *Approved Models and Manufacturers of Solar Photovoltaic Modules (Requirement for Compulsory Registration) Order, 2019 (“ALMM Order”)*

The Ministry of New and Renewable Energy (MNRE) issued the ALMM (Approved List of Models and Manufacturers) Order on January 2, 2019, to ensure quality in solar cells and modules for solar PV power plants.

This order mandates that only models and manufacturers listed on the ALMM, meeting BIS standards, are eligible for government or government-assisted projects, including those selling power to the government. The ALMM includes two lists: List I for solar PV modules and List II for solar PV cells. Module manufacturers on List I must source cells from List II manufacturers. To qualify, manufacturers must obtain BIS certification and apply to the MNRE, with enlistment valid for two years, renewable based on product performance. MNRE conducts facility inspections and random quality tests; non-compliance may result in removal from the list. Exemptions apply to projects with bids finalized before the ALMM Order's issuance. MNRE published guidelines for ALMM enlistment on March 28, 2019, and extended the order to cover open access and net metering projects in January 2022. Temporarily suspended for FY 2023-24, the ALMM Order was reinstated on April 1, 2024, with an updated List I published on September 27, 2024. A draft amendment issued on September 7, 2024, proposes implementing List II for PV cells effective April 1, 2026.

### ***Framework for enlistment of Models of Original Equipment Manufacturers (“OEMs”) of Solar PV Modules and Inverters***

The GoI launched the PM-Surya Ghar: Muft Bijli Yojana on February 29, 2024, aimed at significantly increasing rooftop solar capacity across residential households and is set to run until 2026-27, contributing to a sustainable energy future. Under this scheme, the MNRE has introduced a comprehensive framework for the enlistment of models from OEMs to assist consumers in making informed decisions about solar PV modules and inverters. The manufacturer models satisfying the eligibility criteria as well as undertaking the enlistment procedure shall be listed on the National Portal as those offering superior performance, for the benefit of the consumer.

### ***Bureau of Indian Standards Act, 2016 (the “BIS Act”) and the Solar Photovoltaics, Systems, Devices and Components Goods (Requirements for Compulsory Registration) Order, 2017 (“Compulsory Registration Order”)***

The Bureau of Indian Standards Act, 2016 provides for the establishment of bureau for the standardisation, marking and quality certification of goods. Functions of the bureau include, inter alia, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license. A person may apply to the bureau for grant of license or certificate of conformity, if the articles, goods, process, system or service confirms to an Indian Standard.

The Compulsory Registration Order issued by MNRE was published on August 30, 2017 and was scheduled to come into effect on the expiry of one year from the date of such publication. In terms of the Compulsory Registration Order, any manufacturer who, inter alia, manufactures, stores for sale, sells or distributes; (a) utility interconnected photovoltaic inverters, (b) power converters for use in PV power system, (c) PV modules (wafer and thin film) (d) thin film terrestrial PV modules; and (e) crystalline silicon terrestrial PV modules (collectively the “Goods”) would require registration from the Bureau of Indian Standards for use of the Standard Mark as specified in the Schedule of the Compulsory Registration Order. The Compulsory Registration Order seeks to prohibit the manufacture or storage for sale, import, or distribution of the Goods which do not conform to the standard specified under the Compulsory Registration Order. However, pursuant to the notifications of MNRE dated April 16, 2018 and October 12, 2018, considering the time taken for tests and the framing of the guidelines for such tests, manufacturers of SPV modules and inverters were permitted in the interim to continue operations by submitting a self-certification that their products conform to the relevant Indian standards or their IEC counterparts along with proof of submission of samples to laboratories with the expected date of completion of testing. With respect to SPV modules ((c), (d) and (e) above), the timeline for submission of such self-certification together with samples for a test lab recognised by BIS pending results was January 1, 2019. However, pursuant to subsequent notifications of the MNRE, manufacturers of inverters ((a) and (b) above) have been permitted to continue operations by only submitting self-certification until December 31, 2024, provided that the manufacturers have valid IEC corresponding to the Indian Standard and test reports from accredited test labs.

### ***Public Procurement (Preference to Make in India) Order for Renewable Energy Sector, 2018 (“Make in India Renewable Energy Order”)***

Pursuant to the Public Procurement (Preference to Make in India) Order, 2017 dated June 15, 2017 issued by the DIPP (the “Make in India Order”) to promote the manufacture and production of goods and services in India, the

MNRE has issued the Make in India Renewable Energy Order, directing all departments / attached offices / subordinate offices of the MNRE or autonomous bodies controlled by the GoI or government companies (as defined under the Companies Act) to adhere to the Make in India Order with respect to all of their procurements. For grid connected solar power projects, apart from civil construction, central ministries, departments, and central public sector undertakings, are required to give preference to domestically manufactured components, with solar modules required to be 100% locally manufactured and other components such as invertors required to be at least 40% locally manufactured. With respect to off grid / decentralised solar power, the requirement of local content in solar streetlights, solar home lighting systems, solar power packs / micro grid, solar water pumps, inverters, batteries, and any other solar PV balance of system is at least 70%.

### ***Renewable Purchase Obligations***

The Electricity Act promotes the development of renewable sources of energy by requiring the relevant electricity regulatory commission to ensure grid connectivity and the sale of electricity generated from renewable sources. In addition, it requires the relevant electricity regulatory commission to specify a percentage of the total consumption of electricity within the area of a distribution licensee, for the purchase of electricity from renewable sources, which are known as renewable purchase obligations (“RPOs”). Pursuant to this mandate, most of the relevant electricity regulatory commission have specified solar and non-solar RPOs in their respective states. RPOs are required to be met by obligated entities i.e., distribution licensees, captive power plants and open access consumers, by purchasing renewable energy, either by entering into power purchase agreements with renewable energy power producers or by purchasing renewable energy certificates. Pursuant to the order dated June 14, 2018 (no. 23/03/2016-R&R) issued by the Ministry of Power, Government of India (the “MoP”), the MoP has notified the long-term growth trajectory of renewable purchase obligations for solar and non-solar, uniformly for all states/Union Territories for a period of three years i.e., Fiscal 2020 to 2022. This long-term growth trajectory has also been revised to include Large Hydropower Projects commissioned after March 8, 2019 pursuant to an order dated January 29, 2021 by the Ministry of Power, Government of India. Subsequently, the MoP, through an order dated July 22, 2022 (F. No. 09/13/2021-RCM) notified the renewable purchase trajectory for a period of 8 years i.e., Fiscal 2023 to Fiscal 2030. It includes trajectory for wind renewable purchase obligations, hydro power renewable purchase obligations and other renewable purchase obligations.

### ***National Electricity Policy***

The GoI approved the National Electricity Policy on February 12, 2005, in accordance with the provisions of the Electricity Act. The National Electricity Policy lays down the guidelines for development of the power sector, including renewable energy, and aims to accelerate the development of the sector by providing supply of electricity to all areas and protecting interests of consumers and other stakeholders. The National Electricity Policy provides that the SERCs should specify appropriate tariffs in order to promote renewable energy, until renewable energy power producers relying on non-conventional technologies can compete with conventional sources of energy.

The SERCs are required to ensure progressive increase in the share of generation of electricity from non-conventional sources and provide suitable measures for connectivity with grid and sale of electricity to any person. Further, the SERCs are required to specify, for the purchase of electricity from renewable energy sources, a percentage of the total consumption of electricity in the area of a distribution licensee. Furthermore, the National Electricity Policy provides that such purchase of electricity by distribution companies should be through a competitive bidding process. The National Electricity Policy permits the SERCs to determine appropriate differential prices for the purchase of electricity from renewable energy power producers, in order to promote renewable sources of energy. The Ministry of Power has revised the existing National Electricity Policy and proposed the Draft National Electricity Policy, 2021 that aims to expand the availability of electricity in households across the country, while supplying efficient and quality power at specified standards.

### ***Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan Scheme 2019 (“PM-KUSUM”)***

The PM-KUSUM scheme was implemented by the MNRE in 2019 with three components: (i) Component A -For setting up of 10,000 MW of decentralised grid connected renewable energy power plants on barren land. Under this component, renewable energy-based power plants (REPP) of capacity 500 KW to 2 MW will be set up by individual farmers / group of farmers / cooperatives / panchayats / farmer producer organisations (FPO) / water user associations (WUA) on barren land. The power generated will be purchased by state electricity distribution companies (DISCOMs) at pre-fixed tariff; (ii) Component B -For installation of 17.50 lakh standalone solar agriculture pumps. Individual farmers will be supported to install standalone solar agriculture pumps of capacity

upto 7.5 HP for replacement of existing diesel agriculture pumps / irrigation systems in off-grid area, where grid supply is not available; and (iii) Component C -For solarisation of 10 lakh grid connected agriculture pumps. Under this component, individual farmers having grid connected agriculture pumps will be supported to solarise pumps. The farmers will be able to use the generated solar power to meet their irrigation needs and excess power will be sold to DISCOMs at pre-fixed tariff.

The scope of this scheme was expanded in 2021, with 20 lakh farmers to now be provided with assistance to install standalone solar pumps, and another 15 lakh farmers to be assisted with solarising their grid-connected pump sets. The scheme aims to add solar capacity of about 34,800 MW by March 2026. The MNRE vide its order dated August 1, 2022, extended the scheme till December 31, 2026 along with certain amendments to the implementation guidelines of the PM-KUSUM scheme.

### ***Grid Connected Solar Rooftop Programme***

The aim of this initiative is to achieve a cumulative capacity of 40,000 MW from the rooftop solar projects. Phase-II of the Grid Connected Solar Rooftop Programme was approved by the Cabinet Committee on Economic Affairs (“CCEA”). The MNRE by way of its office memorandum dated January 5, 2024 has provided for central financial assistance for residential rooftop solar installations, at the revised rates of ₹ 18000/kW for the first 3 kW capacity of rooftop systems, and ₹ 9000/kW for those with a capacity beyond 3kW and upto 10 kW. The Phase-II also focuses on increasing the incentives for DISCOMs based on achievement of certain installed capacity. This Phase-II Scheme shall remain in existence till March 31, 2026.

### ***Renewable Energy Research and Technology Development Programme***

This initiative by the Ministry of New and Renewable Energy (“MNRE”) provides grants for research and development (“R&D”) / technology development projects for renewable energy. As per the terms and conditions, approval of the R&D / technology development project and the grant is released for the specific project sanctioned and the grant is to be exclusively spent on the project within the approved time duration. The grantee organisation is not permitted to seek or utilise funds from any other organisation (government, semi-government, autonomous and private bodies) for the research project, unless specifically approved for joint funding. Under this programme, the assets acquired in the project shall be shared proportionately between the Government of India and the grantee organisation in accordance with the cost sharing pattern of the project.

### ***National Tariff Policy***

The GoI notified the revised National Tariff Policy effective from January 28, 2016. Among others, the National Tariff Policy seeks to ensure availability of electricity to consumers at reasonable and competitive rates, financial viability of the sector and attract investments and promote generation of electricity from renewable sources. The National Tariff Policy mandates that SERCs must reserve a minimum percentage for purchase of solar energy equivalent to 8% of total consumption of energy by March 2022.

### ***Integrated Energy Policy 2006***

The Integrated Energy Policy, 2006, (the “Policy”) is a report of an expert committee constituted by the Government of India, to explore alternative technologies and possible synergies that would increase energy system efficiency and meet the requirement for energy services. The aims and objectives of this Policy include, amongst others, providing appropriate fiscal policies to take care of externalities, tax measures, transparent and targeted subsidies, promoting energy efficiency, providing incentive for renewable energy production by linking the incentive to not just the outlay but also the output. The Policy also provides for the respective power regulators to mandate feed-in-laws for renewable energy, as may be appropriate and as provided under the Electricity Act.

### ***State solar policies***

Our Company’s operations are also subject to the solar policies framed in the states in which the solar power projects are implemented, and we supply our products to such projects. Such policies typically provide a framework for the governance of the solarpower industry and projects, procedures for undertaking of bids, terms of the renewable purchase obligations, connectivity to grid lines and the measures to be taken to promote the development of solar power in the state, including incentives to manufacturer such as grants of concessions on certain taxes, research and development initiatives. For example, we have been granted incentives under the



Electronics Policy (2016-2021) of the Government of Gujarat, wherein we have been granted capital subsidy, reimbursement of stamp duty and registration fees, interest subsidy and power tariff incentives.

***Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022 (“Electricity Rules 2022”)***

The Ministry of Power (“MoP”) has notified the Electricity Rules 2022. The Electricity Rules 2022 provide for generation, purchase and consumption of green energy, including the energy from waste-to-energy plants. It provides in detail for renewable purchase obligation (RPO), green energy open access, nodal agencies, procedure for the grant of green energy open access, green certificate, banking, charges to be levied on open access and cross-subsidy surcharge. It also provides for tariff for green energy which shall be determined by the appropriate commission. It shall comprise of the average pooled power purchase cost of the renewable energy, cross-subsidy charges, if any, and service charges covering the prudent cost of distribution licensee for providing the green energy.

***Factories Act, 1948***

The Factories Act, 1948, sets the safety standards for workers employed in factories. It is applied to factories manufacturing goods. The Factories Act, 1948, regulates the working hours for all workers. According to the Act, a working week should not exceed 60 hours.

The Factories Act, 1948, mandates the payment of minimum wages to the workers by prescribing a fixed pay rate. An employer shall pay their employees at least the prescribed minimum wage rate. If an employee is paid less than minimum wage, the employer should pay that employee at least what the law requires. This Act reminds employers that any failure on their part to comply with its provisions will have serious legal consequences. The Act requires employers to allow a weekly holiday to their workers. It further makes it obligatory for the employer to provide proper sanitary facilities and a clean potable water supply in the factory or workplace. Strict action will be taken against the employer if they fail in providing these facilities to the workers.

The Factory Act, 1948, has provisions for the constitution of a Child Labour Committee in every factory. This committee should consist of employers, workers, representatives from local authorities and a medical officer. The committee is responsible for regulating and controlling employment in the age group of 14 to 18 years at factories where more than 20 persons are employed.

***Industrial Disputes Act, 1947, as amended (the “ID Act”)***

The ID Act provides for statutory mechanism of settlement of all industrial disputes, a term which primarily refers to a dispute or difference between employers and workmen concerning employment or the terms of employment or with the conditions of labour of any person. The Industrial Dispute (Central) Rules, 1957 inter-alia specify procedural guidelines for lock-outs, closures, layoffs and retrenchment.

***Industrial Employment (Standing Orders) Act, 1946***

In order to strengthen the bargaining powers of the workers this act is enacted, it requires the employers to formally define the working conditions to the employee. As per this act, an employer is required to submit five copies of standing orders required by him for adoption of his industrial establishment. An employer failing to submit the draft standing orders as required by this act shall be liable to pay fine as per section 13 of this act.

***The Industrial Relations Code, 2020***

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this Code will be brought into force on a date to be notified by the GOI.

**B. Laws Relating to Employment**

The various labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers’ rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include, among others, the following: (i) Contract Labour (Regulation

and Abolition) Act, 1970; (ii) Relevant state specific shops and commercial establishment legislations; (iii) Employees' Provident Funds and Miscellaneous Provisions Act, 1952; (iv) Employees' State Insurance Act, 1948; (v) Minimum Wages Act, 1948; (vi) Payment of Bonus Act, 1965; (vii) Payment of Gratuity Act, 1972; (viii) Payment of Wages Act, 1936; (ix) Maternity Benefit Act, 1961; (x) Apprenticeship Act, 1961; (xi) Equal Remuneration Act, 1976; (xii) Employees' Compensation Act, 1923; and (xiii) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 In order to rationalize and reform labour laws in India, the Government has enacted the following codes, which will be brought into force on a date to be notified by the Central Government:

### **Code on Wages, 2019**

The Code on Wages regulates and amalgamates wage and bonus payments and subsumes four existing laws namely –the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employee. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the central advisory board.

### **Code on Social Security, 2020**

The Code on Social Security amends and consolidates laws relating to social security, and subsumes various social security related legislations, *inter alia* including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, Building and Other Construction Worker's Welfare Cess Act, 1996 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund Organisation and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Factories Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.

## **C. Environmental Laws**

### ***The Environment (Protection) Act, 1986 (the "EPA")***

The EPA has been enacted with the objective of protecting and improving the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EPA, including the power to direct the closure, prohibition or regulation of any industry, operation or process.

### ***The Environmental Impact Assessment Notification, 2006 (the "Notification")***

As per the Notification, any construction of new projects or activities or the expansion or modernisation of existing projects or activities as listed in the Schedule attached to the notification entailing capacity addition with change in process and or technology can be undertaken only after the prior environmental clearance from the Central government or as the case may be, by the State Level Environment Impact Assessment Authority, duly constituted by the Central government under the provisions of the Environment (Protection) Act, 1986, in accordance with the procedure specified in the notification. The environmental clearance process for new projects comprises of four stages viz. screening, scoping, public consultation and appraisal. However, in 2016, MoEF issued a notification for integrating standard and objectively monitorable environmental conditions with building permissions for buildings of different sizes with rigorous monitoring mechanism for implementation of environmental concerns and obligations in building projects. This is in line with the objective of the Central government to streamline the permissions for buildings and construction sector so that affordable housing can be provided to weaker sections in urban area under the scheme 'Housing for All by 2022' and is proposing to remove

the requirement of seeking a separate environment clearance from the MoEF for individual buildings having a total build up area between 5,000 square metre and 150,000 square metre, apart from adhering to the relevant bye-laws of the concerned State authorities.

***The Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)***

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned PCB. The Water Act also provides that the consent of the concerned PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

***Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)***

The Air Act requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

***Municipal Solid Wastes (Management and Handling) Rules, 2000 (“Waste Management Rules, 2000”) as superseded by Solid Waste Management Rules, 2016 (“Waste Management Rules, 2016”)***

The Waste Management Rules, 2000 applied to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Any municipal solid waste generated in a city or a town was required to be managed and handled in accordance with the compliance criteria and the procedure laid down in Schedule II of the Waste Management Rules, 2000. The Waste Management Rules, 2000 made the persons or establishments generating municipal solid wastes responsible for ensuring delivery of wastes in accordance with the collection and segregation system as notified by the municipal authority. The Waste Management Rules, 2000 have been superseded by the Waste Management Rules, 2016 which stipulate various duties of waste generators which, inter alia, include segregation and storage of waste generated by them in the manner prescribed in the Waste Management Rules, 2016; separate storage of construction and demolition waste and payment of user fee for solid waste management as specified in the bye-laws of the local bodies.

***The Noise Pollution (Regulation & Control) Rules 2000 (“Noise Regulation Rules”)***

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

**D. Intellectual Property Laws**

***The Trademarks Act, 1999 (“Trademarks Act”)***

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trademark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewals.

**E. Foreign Investment Regulations**

The foreign investment in India is governed, among others, by the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (“FEMA Rules”) and the consolidated FDI policy (effective from October 15, 2020) issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion (“FDI Policy”), each as amended. Further, the Reserve Bank of India has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 on

October 17, 2019 which regulates mode of payment and remittance of sale proceeds, among others. The FDI Policy and the FEMA Rules prescribe inter alia the method of calculation of total foreign investment (i.e. direct foreign investment and indirect foreign investment) in an Indian company.

***Foreign Trade (Development and Regulation) Act, 1992 ("FTDRA"), the Foreign Trade (Regulation) Rules, 1993 ("FTRR") and the Foreign Trade Policy 2015-2020 ("Foreign Trade Policy")***

The Foreign Trade (Development and Regulation) Act (FTDRA) facilitates imports and promotes exports in India, empowering the Central Government to create and amend foreign trade policy. It mandates an Importer-Exporter Code (IEC) for all import/export activities, which may be suspended or canceled for violations of FTDRA, related rules, or foreign trade policy. The Foreign Trade (Regulation) Rules (FTRR) outline the procedure for applying for trade licenses, license conditions, and grounds for refusal. The Foreign Trade Policy, effective since 2017, requires an IEC and allows the Director General of Foreign Trade to impose restrictions on certain goods to protect public health, morals, and national resources. It also restricts trade with specific entities and offers schemes like the export promotion capital goods scheme and duty exemptions. The current Foreign Trade Policy (2015-20), extended to March 31, 2023, focuses on GST benefits for exporters, monitoring export performance, easing trade across borders, enhancing agriculture-based exports, and promoting exports from MSMEs and labor-intensive sectors.

***Foreign Exchange Management Act, 1999 ("the FEMA") and Rules and Regulations thereunder***

Export of goods and services outside India is governed by the provisions of the Foreign Exchange Management Act, 1999, read with the applicable regulations. The Foreign Exchange Management (Export of goods and services) Regulations, 2000 have been superseded by the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 ("Export of Goods and Services Regulations 2015") issued by the RBI on January 12, 2016 (last amended on June 23, 2017). The RBI has also issued a Master Circular on Export of Goods and Services. The export is governed by these Regulations which make various provisions such as declaration of exports, procedure of exports as well as exemptions.

**F. Miscellaneous Laws**

***The Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")***

The MSMED Act, was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise ("MSME"). A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated June 1, 2020 revising definition and criterion and the same came into effect from July 1, 2020. The notification revised the definitions as "Micro enterprise", where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; "Small enterprise", where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; "Medium enterprise", where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees.

***Municipality Laws***

State governments are empowered to endow municipalities with such powers and authority as may be necessary to enable them to perform functions in relation to permitting the carrying on of trade and operations. Accordingly, State governments have enacted laws authorizing municipalities to regulate use of premises, including regulations for issuance of a trade license to operate, along with prescribing penalties for non-compliance.

***Shops and Establishments Legislations***

Under the provisions of local shops and establishments legislations applicable in different states, commercial establishments are required to be registered. Such legislations regulate the working and employment conditions of workers employed in shops and commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

***Fire Prevention Laws***

State governments have enacted laws that provide for fire prevention and life safety. Such laws may be applicable to our offices and Training Centres and include provisions in relation to providing fire safety and life saving measures by occupiers of buildings, obtaining certification in relation to compliance with fire prevention and life safety measures and impose penalties for non-compliance.

### ***Taxation Laws***

The tax related laws that are applicable to our Company include the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017 and the relevant state legislations for goods and services tax.

### ***Professional Tax***

Professional tax is a state level tax which is imposed on income earned by way of profession, trade, calling or employment. At present, professional tax is imposed only in Karnataka, Bihar, West Bengal, Andhra Pradesh, Telangana, Maharashtra, Tamil Nadu, Gujarat, Assam, Kerala, Meghalaya, Odisha, Tripura, Madhya Pradesh, and Sikkim.

### ***Competition Act, 2002***

The Competition Act, 2002 came into effect on June 1, 2011, and has been enacted to “prohibit anti- competitive agreements, abuse of dominant positions by enterprises” and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. The Act prohibits Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India.

### ***The Insolvency and Bankruptcy Code, 2016 (the “Code”)***

The Insolvency and Bankruptcy Code, 2016 cover Insolvency of companies, Limited Liability partnerships (LLPs), unlimited liability partnerships, and individuals. The IBC 2016 has laid down a collective mechanism for resolution of insolvencies in the country by maintaining a delicate balance for all stakeholders to preserve the economic value of the process in a time bound manner. The code empowers any creditor of a Corporate Debtor (CD), irrespective of it being a Financial Creditor (FC) or Operational Creditor (OC) or secured or unsecured creditor, or the Corporate Debtor itself, to make an application before the Adjudicating Authority (AA) to initiate Corporate Insolvency Resolution Process (CIRP) against a Corporate Debtor, at their discretion, in the event of there being a default by the Corporate Debtor in payment of their dues for an amount as specified from time to time. On initiation of the Said CIRP, a resolution to be sought for the company within a time bound time period of 180 days

### ***Companies Act 2013***

The Companies Act 2013 is the law covering incorporations, dissolution and the running of companies in India. The Act came into force across India on 12th September 2013 and has a few amendments to the previous act of 1956. It has also introduced new concepts like a One Person Company.

### ***Consumer protection Act, 1986***

An Act to provide for protection of the interests of consumers and for the said purpose, to establish authorities for timely and effective administration and settlement of consumers' disputes and for matters connected therewith. The Act establish a Council to be known as the Central and State Consumer Protection Council. The Act establish Consumer Disputes Redressal Agencies. The Act provide speedy and simple redressal to consumer disputes, a quasi-judicial machinery is sought to be set up at the district, State and Central level. These quasi-judicial bodies will observe the principles of natural justice and have been empowered to give relief of a specific nature and to award, wherever appropriate, compensation to consumers. Penalties for non-compliance of the orders given by the quasi-judicial bodies have also been provided.

### ***Indian Contract Act 1872***

The Indian Contract Act 1872 is a comprehensive guide that governs contracts and agreements in India. The act was passed to provide a legal framework for contract law and has been amended several times over the years to keep up with changing economic conditions. The Indian Contract Act of 1872 is a comprehensive legal framework that controls all commercial relationships in India. The act lays down the rules and regulations that need to be followed while entering into a contract and also provides remedies for breach of contract.

**Sale of Goods Act, 1930.**

This Act has been came into force on the 1<sup>st</sup> day of July,1930. The unrepealed provisions of the Indian Contract Act, 1872, save in so far as they are inconsistent with the express provisions of this Act, shall continue to apply to contracts for the sale of goods. The Act contains the provisions regarding the sale and agreement to sell.

**Other Laws**

In addition to the above, our Company is required to comply with the provisions of the Prevention of Corruption Act, 1988, Information technology act and other applicable laws and regulations imposed by the Central and State Governments and other authorities for its day-to-day operations.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was originally incorporated and registered as a Private Limited Company under Companies Act, 1956 in the name and style of “Winwin Building Materials Private Limited” vide certificate of incorporation dated September 05, 2013 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further, the name of our Company was changed to “Grace Renewable Energy Private Limited” and a fresh certificate of incorporation was issued by Registrar of Companies, Ahmedabad dated February 22, 2017. Further, pursuant to a resolution passed by our Board on May 17, 2024 and a resolution passed by our shareholders on June 21, 2024, our Company was converted into a public limited company. Consequently, the name of our company was changed to “Grace Renewable Energy Limited”, and a fresh certificate of incorporation consequent upon conversion to public company issued by Registrar of Companies, Central Processing Centre on September 03, 2024.

### Changes in our Registered Office:

The following table sets forth details of the change in the registered office of our Company since the date of its incorporation:

Date of Change	From address	To address	Reason
February 22, 2017	302, 3rd Iscon Elegance, Nr. Jain Temple, S.G. Road, Vejalpur, Ahmedabad, Gujarat-380051 India	43, The Chamber Near TGB Hotel, S G Highway, Bodakdev, Ahmedabad, Gujarat, India, 380054 India	Administration Convenience

### Main objects of Memorandum of Association:

The main objects of our Company as contained in our Clause III (A) of Memorandum of Association of our company are as follows:

To carry on the business of non-conventional and renewable energy sources, including but without limitation, wind, heat, solar, hydro, wave, tidal, ocean, geo-thermal, bio-mass, hydrogen and fuel cells and other such sources. To carry on the business as manufacturer, exporters, importers, contractor, subcontractor, seller buyer, agent of non-conventional and renewable energy sources. To Promote, Own, acquire, set up, erect, build, install, commission, construct, establish, maintain, improve, manage, operate alter, control, take on hire/ lease, carry out and run all necessary power substations, workshops, repair shops, wires, cables, maintain generators, machinery, electrical equipment and cables, wires, lines, accumulators, lamps, fittings and apparatus in the capacity of principals, contractors, or otherwise and to deal, buy, sell and hire all apparatus and things required for or used in connection with generation, distribution, supply, accumulation of energy including in the term energy all power that may be directly or indirectly derived there from. To acquire concession or licenses, granted by or to enter into contracts with the Government of India, or any State Government, Municipal, or Local Authority or Statutory body, company or person in India for the construction and maintenance of any electric installation or the generation, production, To carry on the business of setting up industrial plants, project consultancy, product marketing and management consultants. To provide consultancy regarding installations of all types of projects and plant & machinery and business management regarding distribution, marketing and selling and to collect, prepare, distribute, information and statistics relating to any type of business or industry relating to solar systems and solar energy.

To carry on the business of generating, accumulating, distributing and supplying energy using nonconventional and renewable sources, including but without limitation, wind, heat, solar hydro, wave, tidal, ocean, geo-thermal, bio-mass, hydrogen and fuel cells and other such sources and to generate, buy, sell, supply, exchange, distribute, deal in and share the energy to Governments, Companies, Industrial Units, Residential Houses, State Electricity Boards for its own use or distribution or otherwise to other types of consumers of energy according to the Law for the time being in force. To Promote, Own, acquire, set up, erect, build, install, commission, construct, establish, maintain, improve, manage, operate alter, hire/ lease, carry out and run all necessary power substations, workshops, repair shops, cables, maintain generators, machinery, electrical equipment and cables, accumulators, lamps, fittings and apparatus in the capacity of principals, contractors, or otherwise and to deal, buy, sell and hire all apparatus and things require connection with generation, distribution, supply, accumulation of energy including in the term energy all power that may be directly or indirectly derived there from. To acquire concession or

licenses, granted by or to enter into contracts with the Government of India, or any State Government, Municipal, or Local Authority or Statutory body, company or person for the construction and maintenance of any electric installation or the generation, transmission or use of electric power.

The main object clause contained in the Memorandum of Association of our Company enables our company to carry on the business presently being carried out.

#### Amendments to our Memorandum of Association

The following table set forth details of the amendments to our Memorandum of Association, in the last ten years preceding the date of this Draft Red Herring Prospectus.:

Date of change/ shareholders' resolution	Nature of Amendment
February 03, 2017	Pursuant to issuance of the fresh certificate of incorporation by the Registrar of Companies consequent upon change of name, name clause of the Memorandum of Association of the Company was changed from "Winwin Building Material Private Limited" to "Grace Renewable Energy Private Limited"
February 03, 2017	Clause III (A) of the Memorandum of Association of Company was replaced by the existing clause and a new clause III (A) has been added in the Main Objects.
March 21, 2024	Clause V of the Memorandum of Association of the Company was amended to reflect the increase in authorised share capital from existing ₹ 5,00,000/- (Rupees Five Lakhs) divided into 50,000 (Fifty Thousand) Equity Shares of Rs. 10/- each (Rupee Ten only) to ₹ 3,00,00,000/- (Rupees Three Crore) divided into 30,00,000 (Thirty Lakhs) Equity Shares of ₹ 10/- each (Rupee Ten only).
June 21, 2024	Clause I of the Memorandum of Association of Company was amended to reflect the change in our name from 'Grace Renewable Energy Private Limited' to 'Grace Renewable Energy Limited' pursuant to the conversion of our Company from a Private Limited Company to a Public Limited Company.
June 21, 2024	Clause III (B) of the Memorandum of Association of Company was amended in line with the provisions of Companies Act 2013, pursuant to the conversion of our Company from a Private Limited Company to a Public Limited Company.
November 08, 2024	Clause V of the Memorandum of Association of the Company was amended to reflect the increase in authorised share capital from existing ₹ 3,00,00,000/- (Rupees Three Crore) divided into 30,00,000 (Thirty Lakhs) Equity Shares of Rs. 10/- each (Rupee Ten only) to ₹ 21,00,00,000/- (Rupees Twenty one Crore) divided into 2,10,00,000 (Two Crore Ten Lakhs) Equity Shares of ₹ 10/- each (Rupee Ten only).

#### Major events, milestones, Awards, accreditations and recognitions of our Company

The below table below sets forth some of the major events in the history of our Company:

Calendar Year	Details
2024	Excellence in Solar Energy Solutions by The Times of India
2024	Selected among Top 50 Achievers & Business Leaders from Clean Energy and E-mobility
2023	EPC Company of the Year in Residential - SILVER organized by EQ- Gujarat Annual Solar Award 2023
2023	EPC Company of the Year Gujarat - SILVER" organized by EQ Gujarat Annual Solar Award 2023
2023	EPC Company of the Year Industrial - GOLD" organized by EQ Gujarat Annual Solar Award 2023
2022	EPC Company of the Year for State of Gujarat in Residential Category(Gold Category) organised by EQ - Gujarat Annual Solar Award 2022
2021	EPC Company of the Year for State of Gujarat in Residential Category- GOLD organised by EQ - Gujarat State Annual Solar Award 2021
2021	Industry Leadership Award – 2021 (Industrial Segment) Award by Solar Quarter Magazine
2019	Best Rooftop Solar EPC Company in the State- Industrial Segment Award by Solar Quarter
2019	Emerging Company in Rooftop Solar- 2019" organized by 8th EPC World, New Delhi



**Time/cost overrun**

We have not experienced any time or cost overrun in setting up our projects as on the date of this Draft Red Herring Prospectus.

**Defaults or rescheduling/restructuring of borrowings with financial institutions/ banks**

There are no defaults or rescheduling/restructuring of borrowings availed by our Company from financial institutions or banks or conversion of loans into equity in relation to our Company.

**Significant financial or strategic partnerships**

Our Company does not have any significant financial and strategic partners as on the date of this Draft Red Herring Prospectus.

**Details of launch of key products or services, entry in new geographies or exit from existing markets, capacity/facility creation or location of plants**

For details pertaining to launch of key products or services, entry in new geographies or exit from existing markets, capacity/ facility creation, location of our manufacturing facilities, see “*our Business*” on page 136.

**Details regarding material acquisition or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten (10) years.**

Our Company has not made any material acquisitions or divestments of any business or undertakings, and has not undertaken any mergers, amalgamations or revaluation of assets in the last ten (10) years preceding the date of this Draft Red Herring Prospectus.

**Corporate profile of our Company**

For details in relation to our corporate profile including details of our business, profile, activities, services, market, growth, competition, technology, and managerial competence, see “*Our Business*”, “*Our Management*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Risk Factors*” on pages 136, 168, 231 and 30 respectively.

**Our Holding Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any holding company.

**Our Subsidiary, Associate or Joint ventures of our Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any Subsidiary, Associate or Joint ventures.

**Summary of key agreements****Details of Shareholders Agreements and Other Material Agreements**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsisting shareholders’ agreements and other material agreements.

**Other Confirmation**

None of our Key Managerial Personnel or members of the Senior Management, Director, Promoters, or any other employee have entered into any agreement with the any shareholder or any third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

**Details of guarantees given to third parties by the Promoter.**

Our Promoters Manish Bagadia and Karuna Bagadia have personally guaranteed the repayment of certain overdraft credit facilities availed by the Company from Axis Bank Limited. For further details, please see “Our Promoter and Promoter Group – Material Guarantees” and “Financial Indebtedness– Guarantee” on pages 183 and 229 respectively.

#### **Other Material Agreements**

Except as disclosed in this Draft Red Herring Prospectus, there are no other agreements, arrangements, clauses, covenants which are material and which are required to be disclosed. Further, there are no clauses or covenants which are adverse or pre-judicial to the interest of the minority/public shareholders or the non-disclosure of which may have bearing on the investment decision.

## OUR MANAGEMENT

### Board of Directors

In terms of the Companies Act and our Articles of Association, our Company is authorised to have a minimum of three Directors and a maximum of up to fifteen Directors. As on the date of this Draft Red Herring Prospectus, we have **6 (six)** Directors on our Board, comprising of **3 (three)** Executive Directors and **3 (three)** Non-Executive Directors and Independent Directors. Out of **6 (six)** Directors, we have **1 (one)** women Director on our Board. Our Company is in compliance with the laws prescribed under the SEBI Listing Regulations and the Companies Act in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

Name, Designation, Date of Birth, Address, Occupation, Period of Directorship, Current Term, Nationality & DIN	Age (Years)	Other Directorships
<p><b>Manish Bagadia</b>  <b>Designation:</b> Chairman and Managing Director  <b>Date of Birth:</b> October 13, 1967  <b>Address:</b> B-201 Sankalp Grace, B/h Rajpath Club, near Pandit Deendayal Auditorium, Bodakdev, Ahmedabad City, Ahmedabad, Gujarat, 380054  <b>Occupation:</b> Business  <b>Period of directorship:</b> Since September 05, 2013  <b>Current Term:</b> For a period of three years commencing from November 08, 2024  <b>Nationality:</b> Indian  <b>DIN:</b> 02009864</p>	57	<p><b>Indian Companies</b>  • Cinza Concrete Products Private Limited</p> <p><b>Foreign Companies</b>  Nil</p> <p><b>Limited Liability Partnerships</b>  Nil</p>
<p><b>Karuna Bagadia</b>  <b>Designation:</b> Whole Time Director  <b>Date of Birth:</b> September 23, 1974  <b>Address:</b> B-201 Sankalp Grace, B/h Rajpath Club, near Pandit Deendayal Auditorium, Bodakdev, Ahmedabad City, Ahmedabad, Gujarat, 380059  <b>Occupation:</b> Business  <b>Period of directorship:</b> Since February 22, 2017  <b>Current Term:</b> For a period of three years commencing from November 22, 2024  <b>Nationality:</b> Indian  <b>DIN:</b> 02346868</p>	50	<p><b>Indian Companies</b>  Nil</p> <p><b>Foreign Companies</b>  Nil</p> <p><b>Limited Liability Partnerships</b>  Nil</p>
<p><b>Jigar Patel</b>  <b>Designation:</b> Whole Time Director  <b>Date of Birth:</b> June 11, 1982  <b>Address:</b> G-405, Kabir Enclave, Opposite Homeopathic College, Bopal Ghuma Road, Ghuma, Bopal, Ahmedabad, Gujarat, 380058.  <b>Occupation:</b> Business  <b>Period of directorship:</b> Since May 17, 2024  <b>Current Term:</b> For a period of three years commencing from November 08, 2024  <b>Nationality:</b> Indian  <b>DIN:</b> 10630897</p>	42	<p><b>Indian Companies</b>  Nil</p> <p><b>Foreign Companies</b>  Nil</p> <p><b>Limited Liability Partnerships</b>  Nil</p>
<p><b>Prashant Pratapbhai Agrawal</b>  <b>Designation:</b> Non-Executive Director  <b>Date of Birth:</b> February 23, 1979  <b>Address:</b> B-502, Kaveri Kadamb, Near. Kaveri Sangam, Shilaj, Ahmedabad, Gujarat- 380059.  <b>Occupation:</b> Professional  <b>Period of directorship:</b> Since November 22, 2024</p>	45	<p><b>Indian Companies</b>  Nil</p> <p><b>Foreign Companies</b>  Nil</p> <p><b>Limited Liability Partnerships</b>  Nil</p>

<b>Name, Designation, Date of Birth, Address, Occupation, Period of Directorship, Current Term, Nationality &amp; DIN</b>	<b>Age (Years)</b>	<b>Other Directorships</b>
<b>Current Term:</b> Liable to retire by Rotation <b>Nationality:</b> Indian <b>DIN:</b> 10837275		Nil
<b>Shruti Rajesh Sohane</b> <b>Designation:</b> Non-Executive Independent Director <b>Date of Birth:</b> November 12, 1988 <b>Address:</b> Rajendra Pawar, 2/7 Bhavan Mansion, Bhavani Shankar Road, Dadar West, Shardaashram School, Dadar West, Mumbai, Maharashtra - 400028 <b>Occupation:</b> Service <b>Period of directorship:</b> Since January 16, 2025 <b>Current Term:</b> Five years commencing from January 16, 2025 <b>Nationality:</b> Indian <b>DIN:</b> 10899663	36	<b>Indian Companies</b> Nil <b>Foreign Companies</b> Nil <b>Limited Liability Partnerships</b> Nil
<b>Madhusudan Garg</b> <b>Designation:</b> Non-Executive Independent Director <b>Date of Birth:</b> July 01, 1961 <b>Address:</b> C/22, Akash Tower, judges bungalow road, Bodakdev, Ahmedabad City, Gujarat- 380054 <b>Occupation:</b> Professional <b>Period of directorship:</b> Since October 25, 2024 <b>Current Term:</b> Five years commencing from October 25, 2024 <b>Nationality:</b> Indian <b>DIN:</b> 02300800	63	<b>Indian Companies</b> • Mangalam Ecs Environment Private Limited • Tani Trading Private Limited • Manya Commerce Private Limited <b>Foreign Companies</b> Nil <b>Limited Liability Partnerships</b> Nil

#### **Brief Profile of Directors of our Company:**

**Manish Bagadia** aged 57 years is the Promoter and Managing Director of our Company. He has completed Bachelor of Commerce from University of Rajasthan. He is a fellow member of Institute of Chartered Accountants of India. He has over three decades of experience in the field of manufacturing, infrastructure and power system. He was awarded certificate for “The Best Chief Executive for the year 2002-03” by the Board of Directors of Gujarat Ambuja Exports Limited.” He is responsible for overseeing the strategic growth of the Company, managing project execution, and increasing the order book.

**Karuna Bagadia** aged 50 years is the Promoter and Whole Time Director of our Company. She has completed Bachelor of Commerce from University of Rajasthan. She has about 08 years of experience in business management and development. She has been associated with our Company for 08 years and currently responsible for the administration and oversight of the residential sector within the EPC business.

**Jigar Patel** aged 42 years is the Whole Time Director of our Company. He holds a degree in Bachelor of Engineering (Production Engineering) from University of Pune. He has been associated with our Company since July 13, 2019. He has around 07 years of experience in procurement and vendor management, overseeing purchasing, inventory control, vendor development, contract negotiations. Prior to joining our Company he was associated with Rainbow Papers Limited. He is currently responsible for procurement, logistics, and project coordination for solar power systems, including managing imports, vendor selection, ensuring health and safety standards, discom coordination and paperwork.

**Prashant Pratapbhai Agrawal** aged 45 years is the Non-Executive Director of our Company. He has completed Bachelors of Commerce from University of Gujarat. He is the founder of his proprietorship firm and has around 07 years of experience in designing and implementing IT solutions, with a focus on information security, network infrastructure, and data protection.

**Shruti Rajesh Sohane** aged 36 years is the Non – Executive Independent Director of our Company. She holds a certificate of membership from Institute of Company Secretaries of India, a degree in Bachelors of Commerce (with Business Finance) and Bachelors of Law (LLB) from Nagpur University. She has around 08 years of experience in handling various compliances, corporate laws under the Companies Act, 2013, drafting and reviewing legal documents, filing e-forms, coordinating board/shareholder meetings, and ensuring corporate governance. Prior to joining our company she was associated with Fibmold Packaging Private Limited, Emkay Taps and Cutting Tools Limited, Emkay Tools Limited.

**Madhusudan Garg** aged 63 years is the Non – Executive Independent Director of our Company. He holds a degree in Bachelors of Commerce from Rajasthan University. He is the founder of his proprietorship firm and has around 07 years of experience as business strategist in paper trading industry.

### **Confirmations**

None of our Directors were or are directors of listed company, during the preceding five years of this Draft Red Herring Prospectus whose shares have been or were suspended from being traded on any stock exchanges during his / her tenure as a director of such listed company.

None of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

Further, none of our Directors have been identified as Wilful Defaulters or Fraudulent Borrowers or Fugitive Economic Offender as defined under the SEBI ICDR Regulations.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

There are no conflict of interests between the third party service providers (crucial for operations of the Company) and the Company, Directors and Key Managerial Personnel.

There are no conflict of interest between the lessor of the immovable properties, (crucial for operations of the company) and the Company, Directors and Key Managerial Personnel.

### **Relationship between our Directors**

**Except as mentioned below, none of the Directors are related to each other:**

<b>Name of Director</b>	<b>Relation with</b>	<b>Relationship</b>
Manish Bagadia	Karuna Bagadia	Spouse

### **Arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which our Directors were selected as a Director**

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors has been appointed on the Board.

### **Service contract with Directors**

None of our Directors have entered into service contracts with our Company which provide benefits upon termination of employment.

### **Terms of employment of our Managing Director and Whole Time Director**

#### **1. Manish Bagadia**

He was appointed as the Chairman of Board of Directors on January 16, 2025 and was appointed as the Managing Director of our Company pursuant to the resolution passed by our Shareholders on November 08, 2024, for a period of three years with effect from November 08, 2024 on the following terms:

1. Remuneration: Up to Rs. 60,00,000/- (Rupees Sixty Lakhs Only) per annum from November 08, 2024, including all allowances, perquisites, and benefits that he is entitled to in accordance with the Company's Rules and Regulations in force from time to time.
2. The Managing Director shall be entitled to an annual increment at the rate up to 20%, w.e.f. April 01, 2025, per financial year on a cumulative basis.

- The Company shall reimburse to the Managing Director all the actual expenses incurred wholly, necessarily, and exclusively for and on behalf of the Company and/or incurred in performance of the duties of the Company.

## 2. Karuna Bagadia

She was appointed as the Whole-time Director of our Company pursuant to the resolution passed by our Shareholders on November 22, 2024, for a period of 03 years with effect from November 22, 2024 on the following terms:

- Remuneration:** Up to Rs. 48,00,000/- (Rupees Forty Eight Lakhs Only) per annum from November 22, 2024 including all allowances, perquisites and benefits that he is entitled to in accordance with the Company's Rules and Regulations in force from time to time.
- The Whole-time Director shall be entitled to an annual increment at the rate up to 20%, w.e.f. April 01, 2025 per financial year on cumulative basis.
- The Company shall reimburse to the Whole-time Director all the actual expenses incurred wholly, necessarily and exclusively for and on behalf of the Company and/or incurred in performance of the duties of the Company.

## 3. Jigar Patel

He was appointed as the Whole-time Director of our Company pursuant to the resolution passed by our Shareholders on November 08, 2024, for a period of three years with effect from November 08, 2024 on the following terms:

- Remuneration:** Up to Rs. 7,80,000/- (Rupees Seven Lakh Eighty Thousand Only) per annum from November 08, 2024 including all allowances, perquisites and benefits that he is entitled to in accordance with the Company's Rules and Regulations in force from time to time.
- The Whole-time Director shall be entitled to an annual increment at the rate up to 20%, w.e.f. April 01, 2025 per financial year on cumulative basis.
- The Company shall reimburse to the Whole-time Director all the actual expenses incurred wholly, necessarily and exclusively for and on behalf of the Company and/or incurred in performance of the duties of the Company.

### Sitting fees and commission of our Non-Executive Directors and Independent Directors

As on the date of this Draft Red Herring Prospectus, pursuant to a resolution passed by our Board on January 16, 2024, our Non-Executive Directors (including our Independent Directors) are each entitled to receive a sitting fee of ₹ 2000 for each meeting of our Board and ₹ 1000 for each meeting of the committees constituted by the Board

### Payment or benefits to Directors

The details of payments and benefits made to our Directors by our Company, in the Financial Year 2023-24 are as follows:

#### Executive Directors

S. No.	Name of the Executive Director	Amount (₹ in Lakhs.)
1	Manish Bagadia	46.00
2	Karuna Bagadia	25.50
3.	Jigar Patel	Nil <sup>#</sup>

#### Non-Executive Directors and Independent Directors

S. No.	Name of the Non-Executive Directors & Independent Director	Designation	Amount (₹ in Lakhs.)
1.	Shruti Rajesh Sohane	Non-Executive Independent Director	Nil*
2.	Madhusudan Garg	Non-Executive Independent Director	Nil*
3.	Prashant Pratapbhai Agrawal	Non-Executive Director	Nil**

<sup>#</sup>Appointed wef January 16, 2025

\*Appointed wef October 25, 2024

\*\*Appointed wef November 22, 2024

### Remuneration paid or payable to our Directors from our Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries.

#### **Bonus or profit-sharing plan of the Directors**

None of our Directors are entitled to any bonus or profit-sharing plan of our Company.

#### **Contingent or Deferred Compensation to our Directors**

There is no contingent or deferred compensation payable to our Directors which does not form part of their remuneration

#### **Shareholding of Directors in our Company**

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Except as disclosed below, none of our Directors hold any Equity Shares, as on the date of this Draft Red Herring Prospectus:

<b>Name of Director</b>	<b>No. of Equity Shares held</b>	<b>% of the Pre-Offer paid up share capital</b>
Manish Bagadia	1,08,25,620	69.40
Karuna Bagadia	46,80,000	30.00
Jigar Patel	260	Negligible
Prashant Pratapbhai Agrawal	260	Negligible
<b>Total</b>	<b>1,55,06,140</b>	<b>99.40</b>

#### **Interests of our Directors**

All our Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company. Our Non-Executive Director or Independent Directors may be deemed to be interested to the extent of as sitting fees and commission, if any, payable to them for attending meetings of our Board or Committees thereof as approved by our Board and or shareholders and reimbursement of expenses payable to them, as approved by our Board. For further details, please see the section entitled “*Terms of Appointment of our Managing Director*” and “*Payment or benefit to Directors of our Company*”.

Further, except as disclosed under ‘*Shareholding of Directors in our Company*’ above, none of our Directors hold any Equity Shares or any other form of securities in our Company. Further, our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them in the Company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested, by any person, either to induce him to become, or to qualify him as, as a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company. For details, see “*Restated Financial Information – Annexure VII: Related Party Disclosures*” on page 220.

None of our Directors have any interest in any property acquired or proposed to be acquired of our Company or by our Company.

None of our Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

No loans have been availed by the Directors from our Company. Further, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company, except to the extent of related party transactions already disclosed under “*Restated Financial Information – Annexure VII: Related Party Disclosures*” on page 220.

There is no material existing or anticipated transaction whereby Directors will receive any portion of the proceeds from the Offer.

As on the date of this Draft Red Herring Prospectus, except for Manish Bagadia & Karuna Bagadia who are the Promoters of our Company, none of our other Directors are interested in the promotion of our Company. For further details, see “*Our Promoters and Promoter Group*” on page 182.

#### **Changes in Board of Directors in Last 3 Years**

Except as mentioned below, there have been no changes in our Directors in the last three years:

Name	Date of Change	Reason
Shruti Rajesh Sohane	January 16, 2025	Appointment as Additional Independent Director <sup>^</sup>
Gaurang Balvantlal Shah	January 16, 2025	Resignation as Independent Director
Manish Bagadia	November 08, 2024	Change in Designation as a Managing Director
Karuna Bagadia	November 22, 2024	Change in Designation as a Whole Time Director
Gaurang Balvantlal Shah	October 25, 2024	Appointment as an Additional Independent Director <sup>#</sup>
Madhusudan Garg	October 25, 2024	Appointment as an Additional Independent Director <sup>#</sup>
Jigar Patel	May 17, 2024	Appointment as an Additional Director <sup>*</sup>
Prashant Pratapbhai Agrawal	November 22, 2024	Appointment as an Additional Director <sup>**</sup>

<sup>^</sup> Regularised as an Independent Director pursuant to a resolution passed in the EGM dated February 20, 2025.

<sup>#</sup> Regularised as an Independent Director pursuant to a resolution passed in the EGM dated November 08, 2024.

<sup>\*</sup> Regularised as a Whole time Director pursuant to a resolution passed in the EGM dated November 08, 2024.

<sup>\*\*</sup> Regularised as a Non-Executive Director pursuant to a resolution passed in the EGM dated November 22, 2024.

### Details of Borrowing Powers of Directors

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to Board resolution passed at the Board Meeting dated November 08, 2024 and Special resolution passed at the Extra-Ordinary General Meeting dated November 08, 2024, our Board is authorised to borrow money by way of term loans, fund based, non-fund-based credit facilities, working capital facilities or any other kind of financial assistance, whether secured or unsecured, granted by banks and financial institutions or otherwise, subject to an overall limit of ₹ 100 Crores.

### Corporate Governance

The provisions of the Companies Act, 2013, SEBI LODR Regulations and SEBI ICDR Regulations relating to corporate governance, will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the Stock Exchanges. We are in compliance to the extent applicable with the requirements of the SEBI LODR Regulations, the Companies Act, 2013 and other applicable regulations, in respect of corporate governance in respect of the constitution of the Board and Committees thereof, and formulation and adoption of policies.

As on the date of filing of the Draft Red Herring Prospectus, our Board of Directors consist of 6(six) directors of which 2 (two) are Independent Directors, and we have 1 (one) women director on the Board. The constitution of our Board is in compliance with the Companies Act, 2013 and SEBI LODR Regulations, to the extent applicable.

### Committees of our Board

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. In addition to the Committees detailed below, our Board of Directors may, from time to time constitute other committees for various functions as may be required.

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following committees of our Board:

- (a) Audit Committee
- (b) Nomination and Remuneration Committee
- (c) Stakeholders Responsibility Committee

#### (a) Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), vide Board Resolution dated January 25, 2025 as per the applicable provisions of the Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The current constituted Audit Committee comprises following members:

Name of the Directors	Status in Committee	Nature of Directorship
Madhusudan Garg	Chairperson	Independent Director
Shruti Rajesh Sohane	Member	Independent Director
Manish Bagadia	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:



*Terms of Reference of Audit Committee:*

The role of the Audit Committee shall include the following:

- a) oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor of the Company, and fixation of the audit fee;
- c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - i. matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - ii. changes, if any, in accounting policies and practices and reasons for the same;
  - iii. major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. significant adjustments made in the financial statements arising out of audit findings;
  - v. compliance with listing and other legal requirements relating to financial statements;
  - vi. disclosure of any related party transactions;
  - vii. modified opinion(s) in the draft audit report;
- e) reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- f) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the DRHP/ RHP/ offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- h) formulating a policy on related party transactions, which shall include materiality of related party transactions;
- i) approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- j) scrutiny of inter-corporate loans and investments;
- k) valuation of undertakings or assets of the Company, wherever it is necessary;
- l) evaluation of internal financial controls and risk management systems;
- m) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- n) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

- o) discussion with internal auditors of any significant findings and follow up thereon;
- p) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- q) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- r) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- s) to review the functioning of the whistle blower mechanism;
- t) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- u) identification of list of key performance indicators and related disclosures in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, for the purpose of the Company's proposed initial public offering;
- v) carrying out any other function as is mentioned in the terms of reference of the audit committee or as required as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, or any other applicable law, as and when amended from time to time;
- w) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- x) consider the rationale, cost, benefits and impact of schemes involving merger, demerger, amalgamation etc. of the Company and provide comments to the Company and its shareholders.
- y) Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- z) Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- aa) Laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature and for the period prescribed under Applicable Law;
- bb) Reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given; and
- cc) To review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively.

The Audit Committee shall mandatorily review the following information:

- a) management discussion and analysis of financial condition and results of operations;
- b) management letters / letters of internal control weaknesses issued by the statutory auditors;
- c) internal audit reports relating to internal control weaknesses;

- d) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
- e) statement of deviations:
- i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations; and
- ii. annual statement of funds utilized for purposes other than those stated in the DRHP/RHP/offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.
- f) review the financial statements, in particular, the investments made by any unlisted subsidiary; and
- g) such information as may be prescribed under the Companies Act and SEBI Listing Regulations.”

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

**(b) Stakeholders Relationship Committee**

Our Company has constituted the Stakeholders Relationship Committee as per the applicable provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated January 25, 2025. The constituted Stakeholders Relationship Committee comprises the following:

<b>Name of the Directors</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Madhusudan Garg	Chairperson	Independent Director
Shruti Rajesh Sohane	Member	Independent Director
Manish Bagadia	Member	Managing Director
Karuna Bagadia	Member	Whole time Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

***Terms of Reference of Stakeholders Relationship Committee:***

The powers of the Stakeholders Relationship Committee shall be as follows:

- (a) resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- (b) reviewing of adherence to the service standards adopted by the Company with respect of various services being rendered by the registrar and share transfer agent of our Company and to recommend measures of overall improvement in the quality of investor services;
- (c) review of measures taken for effective exercise of voting rights by shareholders;
- (d) review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- (e) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities and ensure proper and timely attendance and redressal of investor queries and grievances;
- (f) Giving effect to all transfer or transmission of shares and other securities, dematerialisation of shares and rematerialisation of shares, split and issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company, compliance with all requirements related to shares and other securities from time to time;
- (g) Considering and specifically looking into various aspects of interest of shareholders, debenture holders or holders of any other securities;

- (h) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time; and
- (i) carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the Listing Regulations or any other applicable law, as and when amended from time to time."

**(e) Nomination and Remuneration Committee**

Our Company has constituted the Nomination and Remuneration Committee, vide Board Resolution dated January 25, 2025 as per the applicable provisions of the Section 178 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The Nomination and Remuneration Committee comprise the following:

<b>Name of the Directors</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Madhusudan Garg	Chairperson	Independent Director
Shruti Rajesh Sohane	Member	Independent Director
Prashant Pratapbhai Agrawal	Member	Non-executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee.

*Terms of reference of Nomination and Remuneration Committee:*

The role of the Nomination and Remuneration Committee shall be as follows:

- (a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel, senior management personnel and other employees.
- (b) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may
  - (i) use the services of an external agencies, if required;
  - (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - (iii) consider the time commitments of the candidates;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
- (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- (iv) formulation of criteria for evaluation of performance of independent directors and the Board;
- (v) devising a policy on diversity of Board;
- (vi) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- (vii) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (viii) recommend to the board, all remuneration, in whatever form, payable to senior management;
- (ix) Periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;

- (x) Ensuring proper induction program for new directors, key managerial personnel and senior management and reviewing its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act, 2013;
- (xi) Developing a succession plan for the Board and senior management and regularly reviewing the plan;
- (xii) Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority; and
- (xiii) carrying out any other activities as may be delegated by the Board of Directors and functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.”

**(d) Corporate Social Responsibility Committee**

Our Company has constituted the Corporate Social Responsibility Committee as per the applicable provisions of the Section 135 and Schedule VII of the Companies Act, 2013 vide Resolution dated January 25, 2025. The Corporate Social Responsibility Committee comprise the following:

<b>Name of the Directors</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Manish Bagadia	Chairperson	Managing Director
Karuna Bagadia	Member	Whole Time Director
Shruti Rajesh Sohane	Member	Independent Director

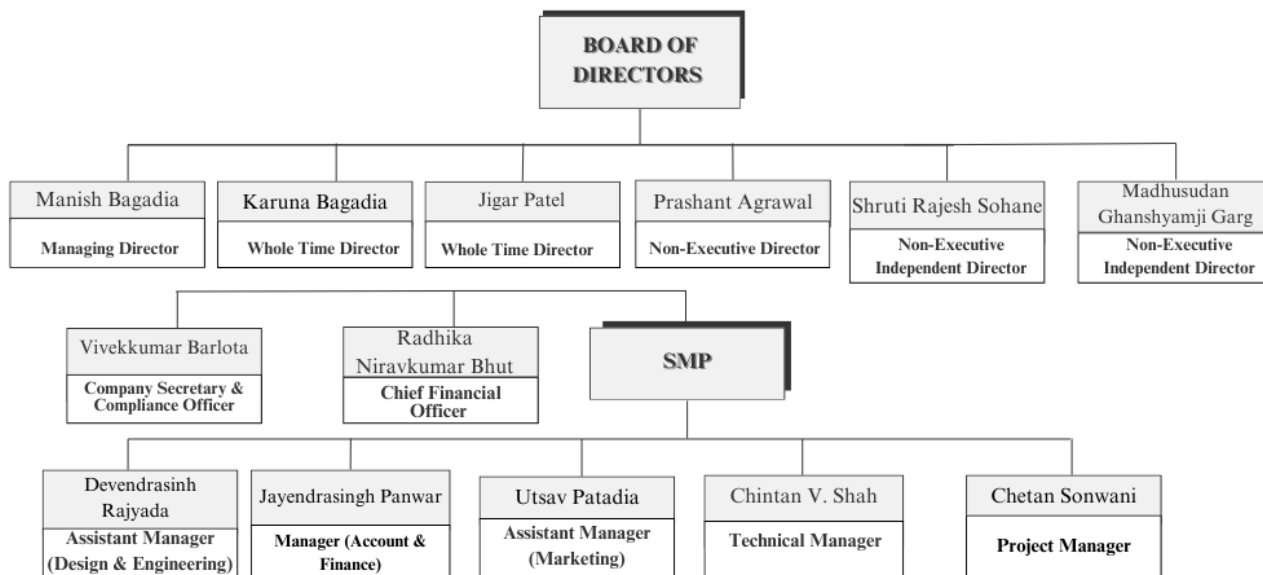
The role of the CSR Committee shall include the following:

- 1) formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Committee as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;
- 2) formulate and recommend an annual action plan in pursuance of its Corporate Social Responsibility Policy which shall list the projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects;
- 3) identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- 4) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- 5) review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- 6) assistance to the Board to ensure that the Company spends towards the corporate social responsibility activities in every Fiscal, such percentage of average net profit/ amount as may be prescribed in the Companies Act, 2013 and/ or rules made thereunder;
- 7) providing explanation to the Board if the Company fails to spend the prescribed amount within the financial year;
- 8) providing updates to the Board at regular intervals of six months on the corporate social responsibility activities;
- 9) To recommend the amount of expenditure to be incurred on the CSR activities, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy;
- 10) monitor the corporate social responsibility policy of the Company and its implementations from time to time; and

- 11) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be decided by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

### Management Organisation Structure

The following chart depicts our Management Organization Structure:



### Key Managerial Personnel and Senior Management

#### Key Managerial Personnel

In addition to Manish Bagadia, our Managing Director, Karuna Bagadia and Jigar Patel, our Whole Time Directors whose details have been provided under the paragraph ‘*Our Management -Brief profile of our Directors*’ on page 172, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus, are as follows:

**Vivekkumar Barlota**, aged 34 years is the Company Secretary and Compliance Officer of our Company. He holds a certificate of membership from Institute of Company Secretaries of India. Further he holds degree in Bachelors of Commerce (Special) from Veer Narmad South Gujarat University. He has been associated with our Company since January 17, 2025 and responsible for secretarial and compliance of our Company. He has around 4 year of experience in secretarial and finance. Prior to joining our Company, he was associated with N G Gadhiya Infrastructure Private Limited. Since he was appointed on January 17, 2025, he was not paid any remuneration for his role as Company Secretary and Compliance Officer in our Company in Financial year 2024.

**Radhika Niravkumar Bhut**, aged 32 years is Chief Financial Officer (CFO) of our Company. She has completed Bachelors of Commerce and Masters of Commerce from University of Gujarat. She has been associated with our Company since March 08, 2022 and currently heads the finance and accounts function in the Company. She has approximately 4 years of experience in overseeing the day-to-day accounting tasks, preparing monthly reports for major stock, profitability, and financial statements, ensuring accuracy and efficiency in all accounting tasks. Prior to joining our Company, she was associated with Nikhil S. Katrodiya & Co. Chartered Accounts. Since she was appointed in October 30, 2024 as CFO, she was not paid any remuneration for her role as CFO in our Company in Financial year 2024.

#### Senior Management Personnel

In addition to the Company Secretary and the Chief Financial Officer of our Company, whose details are provided in “*Our Management – Key Managerial Personnel*” on page 179, the details of our Senior Management, as on the date of this Draft Red Herring Prospectus are as follows:

**Devendrasinh Narendrasinh Rayjada**, aged 25 years is the Assistant Manager (Design and Engineering) of our Company. He holds a degree in Bachelor of Engineering (Electrical Engineering) from Gujarat Technological University. He has been associated with our Company since September 12, 2022 and responsible for the overall project design from planning to the commissioning and preparing BOM of Indian as well as overseas solar projects. He has more than 2 years of experience in Solar Industry. Prior to joining our Company, he was

associated with Equinox Solar Private Limited. He was paid remuneration of ₹ 3.24 Lakhs for his role as Senior Design Engineer in our Company in Financial year 2024.

**Jayendrasingh Panwar**, aged 34 years is Manager (Account and Finance) of our Company. He holds a degree in Post Graduate Diploma in Business Administration from Symbiosis. He also holds degree in Master of Commerce and Bachelor's in commerce from Gujarat University. He has been associated with our Company on September 20, 2024 and responsible for financial accounting and reporting of our Company. He has more than 13 years of experience in Accounts and Administration. Prior to joining our Company, he was associated with Blue Dart Aviation Limited, Trans India Ceramics Private Limited, Vedang Infra Projects LLP, Tales and Stories Denim Company Private Limited. Since he was appointed on September 20, 2024, he was not paid any remuneration for his role as Manager (Account and Finance) in our Company in Financial year 2024.

**Utsav Bharatbhai Patadiya**, aged 30 years is the Assistant Manager (Marketing) of our Company. He holds degree in Master of Business Administration (Finance) from Gujarat Technological University and Bachelor of Commerce (Accounting) from the University of Gujarat. He has been associated with our Company since January 18, 2025 and is responsible for the marketing and sales of the Company. He has more than a year of experience in Sales and Marketing. Prior to joining our Company, he was associated with Ank Solar Energy. Since he was appointed on January 18, 2025, he was not paid any remuneration for his role as Assistant Manager (Marketing) in our Company in Financial year 2024.

**Chintan V Shah**, aged 47 years is the Technical Manager of our Company. He holds degree in Bachelor of Engineering (Electrical Engineering) from Gujarat University. He has been associated with our Company since March 22, 2024 and responsible for the client coordination, land finalization, project parameter verification, and liaises with GETCO and electrical boards for solar project documentation and verification. He has 8 years of experience in Solar Projects and Infrastructure Management. Prior to joining our Company, he was associated with Signotox Towers Private Limited and Indus Towers Limited. Since he was appointed on March 22, 2024, he was paid remuneration of ₹4355 for his role as Technical Manager in our Company in Financial year 2024.

**Chetan Sonwani**, aged 28 years is the Project Manager of our Company. He holds degree in Bachelor of Engineering (Electrical Engineering) from Vikram University, Ujjain. He has been associated with our Company since July 11, 2024 and responsible for overseeing DRP preparation, commissioning checklists, DGPV system review, technical analysis, and schematic drawing review. He has 2 years of experience in the designing, developing and maintaining Electrical systems and components. Prior to joining our Company, he was associated with Qess Corp Limited. Since he was appointed on July 11, 2024, he was not paid any remuneration for his role as Project Manager in our Company in Financial year 2024.

#### **Confirmations**

Except as disclosed under the heading "Relationship between our Directors" herein above, none of the key managerial personnel and Senior Management are related to each other or to our Promoters or to any of our Directors.

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our other Key Managerial Personnel or Senior Management were selected as key managerial personnel or senior management personnel.

#### **Interest of Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management have any interest in our Company, other than to the extent of (i) the remuneration or benefits to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business, and (ii) the Equity Shares held by them, if any, and any dividend payable to them and other benefits arising out of such shareholding.

There is no contingent or deferred compensation accrued for the year payable to the Key Managerial Personnel or Senior Management, even if the compensation is payable at a later date.

Other than as disclosed in this section and as disclosed in "Other Financial Information-Related Party Transactions" on page 220, our Company has not paid any compensation or granted any benefit to any of our Key Managerial Personnel and Senior Management in all capacities in Fiscal 2024.

No loans have been availed by our Key Management Personnel or Senior Management from our Company as on the date of this Draft Red Herring Prospectus.

For further details of the interest of our Executive Directors in our Company, see “*Interests of Directors*” on page 172.

### **Payment or Benefit to Key Managerial Personnel and Senior Management**

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors, Key Managerial Personnel, Senior Management, is entitled to any benefits upon termination of employment under any service contract entered into with our Company.

Except as disclosed in “*Interests of Directors*” on page 172 and stated otherwise in this Draft Red Herring Prospectus and any statutory payments made by our Company, no amount or benefits in kind has been paid or given, in the two years preceding of the date of this Draft Red Herring Prospectus, or is intended to be paid or given to any of our Company’s officers including the Key Managerial Personnel and Senior Management except remuneration and re-imbursements for services rendered as Directors, officers or employees of our Company.

### **Bonus or profit-sharing plans for our Key Managerial Personnel or Senior Management**

Other than as disclosed in “*Bonus or profit-sharing plan of the Directors*”, and the annual variable payments which our Key Managerial Personnel or Senior Management are entitle to, our Key Managerial Personnel or Senior Management are not parties to any bonus or profit-sharing plan of our Company.

### **Shareholding of our Key Managerial Personnel or Senior Management in our Company**

Other than as disclosed in “*Shareholding of Directors in our Company*”, none of our Key Managerial Personnel or Senior Management hold any Equity Shares.

### **Changes in Key Managerial Personnel and Senior Management Personnel in the three immediately preceding years.**

Except as mentioned below, there have been no changes in our Key Managerial Personnel and Senior Management Personnel in the last three years:

<b>Name</b>	<b>Date of appointment / change in designation / cessation</b>	<b>Reason</b>
Vivekkumar Barlota	January 17, 2025	Appointment as Company Secretary and Compliance Officer
Roshni Pokharna	January 16, 2025	Resignation as Company Secretary and Compliance Officer
Roshni Pokharna	October 30, 2024	Appointment as Company Secretary and Compliance Officer
Radhika Niravkumar Bhut	October 30, 2024	Appointment as CFO
Jayendrasingh Panwar	September 20, 2024	Appointment as Manager (Account and Finance)
Chetan Sonwani	July 11, 2024	Appointment as Project Manager
Utsav Patadiya	January 18, 2025	Appointment as Assistant Manager (Marketing)
Devendrasinh Rayjada	June 25, 2024	Change in Designation as Assistant Manager (Design and Engineering)
Chintan V Shah	March 22, 2024	Appointment as Technical Manager
Devendrasinh Rayjada	September 12, 2022	Appointment as Senior Design Engineer

### **Employee stock option schemes**

As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option scheme.




## OUR PROMOTER AND PROMOTER GROUP

### Our Promoters

The promoters of our Company are Manish Bagadia and Karuna Bagadia. As on date of this Draft Red Herring Prospectus, our Promoters in aggregate, holds 1,55,05,620 Equity Shares in our Company, representing 99.40 % of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of shareholding of the Promoter in our Company, see “*Capital Structure – Capital Build Up in respect of shareholding of our Promoters*” on page 82 of this DRHP.

### Details of our Individual Promoters are as follows:

	<p><b>Manish Bagadia</b> is one of our Promoters and Managing Director of our Company. For a complete profile of Manish Bagadia, i.e., his date of birth, age, residential address, educational qualifications, professional experience, his business and financial activities, positions / posts held in the past, other directorships, other ventures and special achievements, please see “<i>Our Management</i>” on page 168.</p> <p>As on date of filing of this Draft Red Herring Prospectus, Manish Bagadia holds 1,08,25,620 Equity Shares representing 69.40 % of the subscribed and paid-up Equity Share capital of our Company.</p> <p>His permanent account number is AAYPB4783F</p> <p>Other than as disclosed in “<i>Promoter Group</i>” and “<i>Our Management</i>” on pages 182 and 168 respectively, Manish Bagadia is not involved in any other venture.</p>
	<p><b>Karuna Bagadia</b> is one of our Promoters and Whole Time Director of our Company. For a complete profile of Karuna Bagadia, i.e., her date of birth, age, residential address, educational qualifications, professional experience, his business and financial activities, positions / posts held in the past, other directorships, other ventures and special achievements, please see “<i>Our Management</i>” on page 168.</p> <p>As on date of filing of this Draft Red Herring Prospectus, Karuna Bagadia holds 46,80,000 Equity Shares representing 30.00 % of the subscribed and paid-up Equity Share capital of our Company</p> <p>Her permanent account number is ACGPB4863Q.</p> <p>Other than as disclosed in “<i>Promoter Group</i>” and “<i>Our Management</i>” on pages 182 and 168 respectively, Karuna Bagadia is not involved in any other venture.</p>

Our Company confirms that the permanent account number, bank account number, passport number, Aadhar number and driving license number of our Promoters shall be submitted to the Stock Exchange at the time of filing of this Draft Red Herring Prospectus.

### Change in control of our Company

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

However, the subscribers to MOA and original Promoters of our Company were Manish Bagadia & Vivek Agrawal. Pursuant to the board resolution dated January 16, 2025 in terms of SEBI ICDR Regulations, our Board has taken on record Manish Bagadia & Karuna Bagadia as the Promoters of the Company. For details on their respective shareholding build up, please refer to Chapter titled “Capital Structure” on page 74 of this Draft Red Herring Prospectus

### **Interest of Promoter in promotion of our Company**

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company (ii) of their respective shareholding directly or indirectly along with that of their relatives in our Company, (iii) their directorship in our Company (wherever applicable), (iv) interest payable on the loans provided to our Company and (v) the dividends payable, if any, and any other distributions in respect of his shareholding in our Company or the shareholding of his relatives in our Company. For further details of our Promoter’s shareholding, see “*Capital Structure*” on page 74 of this DRHP. For further details of interest of our Promoter in our Company, see “*Capital Structure*”, “*Our Management – Interest of Directors*” and “*Restated Financial Statements*” on pages 74, [●] and 188 of this DRHP.

### **Interest of Promoter in property of our Company**

Our Promoter is not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

### **Business Interests**

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which such Promoter is interested as a member, in cash or shares or otherwise by any person either to induce them to become or to qualify them as a Director (as applicable) or otherwise for services rendered by them or by such Promoters or such firm or company in connection with the promotion or formation of our Company.

For details of related party transactions entered into by our Company with our Promoters during the financial year immediately preceding the date of this Draft Red Herring Prospectus, please see “*Other Financial Information – Related Party Transactions*” on page 220.

### **Payment or benefits to our Promoter or our Promoter Group**

There has been no payment of benefits to our Promoters or the Promoter Group during the two years immediately preceding the date of filing of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or any member of the Promoter Group by the Company as on the date of this Draft Red Herring Prospectus except rent, remuneration and interest on Loan received by Promoters and member of Promoter Group as stated in “*Restated Financial Statements*” beginning on 188.

Our Company has not entered into any contract, agreement or arrangements during the two years immediately preceding the date of this Draft Red Herring Prospectus and does not propose to enter into any such contract in which our Promoters or the Promoter Group are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made other than as disclosed in “*History and Certain Corporate Matters—Shareholders’ Agreements and Other Agreements*”, “*Our Management*” and “*Other Financial Information –Related Party Transactions*” on pages 164, 168 and 220 respectively.

### **Companies or firms with which our Promoter has disassociated in the last three years**

Our Promoters has not disassociated himself from any company or firm in the three years immediately preceding the date of this Draft Red herring Prospectus.

### **Material Guarantees**

Other than as disclosed in “*Financial Indebtedness – Guarantee*” on page 229, our Promoter have not given any material guarantees to any third parties with respect to the Equity Shares of our Company, on behalf of the Company.

## Confirmations

Our Promoter and members of our Promoter Group have not been declared wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by Reserve Bank of India.

Our Promoter and members of our Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoter and members of our Promoter Group is not and has never been promoter, director, or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There are no conflict of interests between the third party service providers (crucial for operations of the Company) and the Company, Promoters and Promoter Group.

Except for the business relationship that may exist between the Company, Promoters and Promoter Group and the lessor of the immovable properties, (crucial for operations of the company), there are no conflict of interest between the lessor and the Company, Promoters and Promoter Group.

## Our Promoter Group

In addition to our Promoters, individuals and entities that form part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

### A. Individuals forming part of our Promoter Group

The individuals forming a part of our Promoter Group are as follows:

Relationship with the Promoters	Manish Bagadia	Karuna Bagadia
Father	Late Ramdeen Bagadia	Babu Lal Agrawal
Mother	Late Savitridevi Bagadia	Late Dulhari Devi Agrawal
Sister	Renu Jhunjhunwala Sarita Agarwal	Aruna Girdhargopal Mangal
Brother	Arunkumar Bagadia	Avadh Agarwal Saket Agarwal Kailash Agarwal
Daughter	Anushree Bagadia Rajshree Manish Bagadia	Anushree Bagadia Rajshree Bagadia
Son	Harsh Bagadia	Harsh Bagadia
Spouse	Karuna Bagadia	Manish Bagadia
Spouse's Father	Babu Lal Agrawal	Late Ramdeen Bagadia
Spouse's Mother	Late Dulhari Devi Agrawal	Late Savitridevi Bagadia
Spouse's Sister(s)	Aruna Girdhargopal Mangal	Renu Jhunjhunwala Sarita Agarwal
Spouse's Brother(s)	Avadh Agarwal Saket Agarwal Kailash Agarwal	Arunkumar Bagadia

### B. The entities forming a part of our Promoter Group

S. No.	Entities
1	Manish Bagadia (HUF)
2	Arun Bagadia (HUF)
3	Savitridevi Family Trust
4	Yellowcap Infra Private Limited
5	Impressive Intex Private Limited

<b>S. No.</b>	<b>Entities</b>
6	Easyway Trading Limited
7	Tanmay Metal
8	Nishant Impex
9	B L Industries

## **OUR GROUP COMPANY**

As per the SEBI ICDR Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group Companies which is covered under the applicable accounting standard (AS18) issued by the Institute of Chartered Accountants of India such other companies as considered material by our Board.

Under the SEBI ICDR Regulations, the definition of 'group companies' includes such companies (other than the promoters and subsidiaries) with which the Company related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and such other companies as are considered material by the Board. Pursuant to a Board resolution dated March 10, 2025 our Board formulated a policy with respect to companies which it considered material to be identified as group companies. Our Board has approved that: i) all companies with which the Company has entered into related party transaction as set out in the Restated Financial Statements; or such other companies as considered material by the Board are identified as Group Companies.

Accordingly, as on the date of this Prospectus, our Company has no Group Companies.

## DIVIDEND POLICY

The declaration and payment of dividends on the Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act and rules made thereunder, to the extent applicable to our Company, and the SEBI Listing Regulations and the dividend policy of our Company, which may be reviewed and amended periodically by the Board.

Our Company does not have formal dividend policy. The quantum of dividend, if any, and our ability to pay dividend will depend on a number of factors, including but not limited to the capital expenditure requirements, profit earned during the financial year and profit available for distribution, working capital requirements, business expansion and growth, cost of borrowing, economic environment, capital markets, and other factors considered by our Board. Our Company may also, from time to time, pay interim dividends. We may retain all our future earnings, if any, for use in the operations and expansion of our business.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, please see “*Financial Indebtedness*” on page 229 of this DRHP. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time. For details of risks in relation to our capability to pay dividend, see “*Risk Factors*” beginning on page 30 of the Draft Red Herring Prospectus. Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Our Company has not declared any dividends on our Equity Shares in the last three Financial Years 2024, 2023, 2022 until the date of this Draft Red Herring Prospectus.

**SECTION VII- FINANCIAL INFORMATION**

**RESTATED FINANCIAL STATEMENTS**

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**Independent Auditor’s Examination report on Restated Financial Information of Grace Renewable Energy Limited**

**(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)**

To,

**The Board of Directors**

**Grace Renewable Energy Limited**

43, The Chember. Near Tgb Hotel,  
S G Highway, Bodakdev ,  
Ahmedabad, Gujarat,  
India - 380054.

Dear Sir,

1. We have examined the attached Restated Financial Information of Grace Renewable Energy Limited (the “Company”) comprising the Restated Statement of Assets and Liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 & March 31, 2022, the Restated Statements of Profit and Loss, the Restated Cash Flow Statements for the period/years ended September 30, 2024, March 31, 2024, March 31, 2023 & March 31, 2022, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively referred to as, the “Restated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on March 25, 2025 for the purpose of inclusion in the Draft Prospectus/ Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“IPO”) on SME Platform of BSE Limited restated Summary Statement have been prepared in terms of the requirements of:
  - a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”)
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
  - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Prospectus/ Prospectus to be filed with the SME Platform of BSE Limited of the National Stock Exchange of India Limited, Registrar of Companies, Gujarat in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure IV of the Restated Financial Information. The responsibilities of the Board of Directors of the Company include designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
3. We, have been subjected to the peer review process of ICAI and holds the peer review certificate dated 01/07/2024 valid till 30.06.2027. We confirm that there is no express refusal by the peer review board of ICAI to renew the certificate and the process to renew the peer review certificate has been initiated by us.
4. We have examined such Restated Financial Information taking into consideration:
  - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 18th December 2024 in connection with the proposed IPO of equity shares of Grace Renewable Energy Limited (the “Issuer Company”) on SME Platform of BSE Limited;



- b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
5. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the Company for the period/year ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with Accounting Standards specified under section 133 of the Act read with Companies (Accounting Standards) Rules as amended, and other accounting principles generally accepted in India, which has been approved by the Board of Directors. The financial statements of the Company for the period/ year ended September 30, 2024 March 31, 2024, March 31, 2023 and March 31, 2022 have been audited by M/s Tibrewal Bhagat & Associates (the Statutory Auditors).
6. For the purpose of our examination, we have relied on the Auditor's Report issued by us dated 25<sup>th</sup> March 2025, 3<sup>rd</sup> September 2024, 21<sup>st</sup> August 2023 and 5<sup>th</sup> August 2022 on the financial statement of the Company for the period/year ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 respectively as referred in Paragraph 5 above.
7. There were no qualifications in the Audit Reports issued by us as at and for the period from 01-04-2024 to 30-09-2024, and as at and for the years ended March 31, 2024, March 31, 2023, March 31, 2022, and which would require adjustments in this Restated Financial Information of the Company.
8. Based on our examination and according to the information and explanations given to us, we report that:
- a. The Restated Financial Information or Restated Financial Statement have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
  - b. The Restated Financial Information or Restated Financial Statement do not require any adjustments for the matter(s) giving rise to modifications mentioned in paragraph 7 above.
  - c. The Restated Financial Information or Restated Financial Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
  - d. The Restated Financial Information or Restated Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;
  - e. Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
  - f. Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE IV and ANNEXURE V respectively to this report;
  - g. Adjustments in Restated Financial Information or Restated Summary Financial Statement have been made in accordance with the correct accounting policies;
  - h. There was no change in accounting policies, which needs to be adjusted in the Restated Financial Information or Restated Summary Financial Statement;

- i. There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Information or Restated Summary Financial Statement;
  - j. The Company has paid Rs. Nil Dividend for the period ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.
9. In accordance with the requirements of Part I of Chapter III of the Act, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
- a. The “Restated Statement of Assets and Liabilities” as set out in Annexure I to this report, of the Company as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Consolidated Financial Information as set out in ANNEXURE IV and ANNEXURE V respectively to this Report.
  - b. The “Restated Statement of Profit and Loss” as set out in Annexure II to this report, of the Company for the period/ years ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Consolidated Financial Information as set out in ANNEXURE IV and ANNEXURE V respectively to this Report.
  - c. The “Restated Statement of Cash Flow” as set out in Annexure III to this report, of the Company for the period/ years ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Consolidated Financial Information as set out in ANNEXURE IV and ANNEXURE V respectively to this Report.
10. We have also examined the following financial information ("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:

<b>Annexure No.</b>	<b>Particulars</b>
I	Restated Statement of Assets & Liabilities
II	Restated Statement of Profit & Loss Account
III	Restated Cash Flow Statement
IV	Significant Accounting Policies
V	Notes to Restated Financial Statement
VI	Additional Notes to Restated Financial Statement
VII	Statement of Related Party Transactions
VIII	Statement of Adjustments to Audited Financial Statements
IX	Restated Statement of Capitalization
X	Other Financial Information
XI	Restated Statement of Tax Shelter
XII	Restated Statement of Contingent Liabilities
XIII	Restated Statement of Accounting Ratios

11. The Restated Financial Information do not reflect the effects of events that occurred subsequent to audited financial statements mentioned in paragraph 6 above.
12. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
14. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Prospectus/Prospectus to be filed with the SME Platform of BSE Limited and Registrar of Companies, Gujarat in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.
15. In our opinion, the above financial information contained in Annexure I to Annexure V of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

**For, Tibrewal Bhagat & Associates**

**Chartered Accountants**

FRN No – 128374W

**SD**

(Ankit K Tibrewal)

**Partner**

M.No.125173

**Peer Review Certificate No: 017581**

UDIN - 25125173BMJUNW3723

Place - Ahmedabad

**GRACE RENEWABLE ENERGY LIMITED**  
(formerly known as GRACE RENEWABLE ENERGY PRIVATE LIMITED)

**CIN: U74110GJ2013PLC076707**

**RESTATED STATEMENT OF ASSETS & LIABILITIES**

*(Amount in Rs. Lakhs, unless stated otherwise)*

Particulars	Annexure V Note	As at 30.09.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Equity and liabilities</b>					
<b>Shareholders' funds</b>					
Share capital	2	300.00	300.00	5.00	5.00
Reserves and surplus	3	1,320.29	620.71	341.22	268.15
		<b>1,620.29</b>	<b>920.71</b>	<b>346.22</b>	<b>273.15</b>
<b>Non-current liabilities</b>					
Long-term borrowings	4	216.96	277.52	345.37	282.89
Deferred tax liabilities (net)	5	-	-	-	-
Long-term provisions	6	8.05	7.07	6.73	8.92
		<b>225.00</b>	<b>284.59</b>	<b>352.10</b>	<b>291.81</b>
<b>Current liabilities</b>					
Short-term borrowings	7	-	46.80	64.85	19.96
Trade payables	8				
- total outstanding dues of micro and small enterprises		35.73	24.80	5.05	-
- total outstanding dues other than micro and small enterprises		18.68	7.69	5.13	47.67
Other current liabilities	9	374.89	321.57	119.58	167.09
Short-term provisions	6	218.74	35.62	25.70	33.81
		<b>648.04</b>	<b>436.48</b>	<b>220.31</b>	<b>268.54</b>
<b>Total</b>		<b>2,493.34</b>	<b>1,641.78</b>	<b>918.63</b>	<b>833.49</b>
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	10	43.74	47.53	30.10	13.60
Intangible assets		0.47	0.62	0.61	0.78
Capital work-in-progress		184.72	-	-	-
Non-current investments		-	-	-	-
Deferred tax assets (net)	5	6.63	5.86	5.26	6.10
Long-term loans and advances	11	140.00	90.00	90.00	90.00
Other non-current assets	12	61.57	69.53	140.06	26.11
		<b>437.14</b>	<b>213.55</b>	<b>266.03</b>	<b>136.60</b>
<b>Current assets</b>					
Current Investments	13	-	25.63	-	-
Inventories	14	658.28	357.58	237.53	154.13
Trade receivables	15	493.23	456.70	72.52	117.90
Cash and bank balances	16	395.79	338.36	68.24	124.35
Short-term loans and advances	11	205.00	74.30	4.45	3.26
Other current assets	17	303.90	175.66	269.87	297.26
		<b>2,056.20</b>	<b>1,428.24</b>	<b>652.60</b>	<b>696.89</b>
<b>Total</b>		<b>2,493.34</b>	<b>1,641.78</b>	<b>918.63</b>	<b>833.49</b>

**Note:**

The above statement should be read with the Statement of Notes to the Restated Financial Information in Annexure IV and V

As per our report of even date attached

**For and on behalf of the Board of Directors**

**For Tibrewal Bhagat & Associates**  
Chartered Accountants  
FRN No.128374W

SD  
**MANISH BAGADIA**  
Managing Director  
DIN No.02009864

SD  
**KARUNA BAGADIA**  
Director  
DIN No.02346868

SD  
**Ankit Tibrewal**  
M.No : 125173  
Partner  
UDIN : 25125173BMJUNW3723  
Place: Ahmedabad  
Date: 25-03-2025

SD  
**VIVEKKUMAR BARLOTA**  
Company Secretary

SD  
**RADHIKA NIRAVKUMAR BHUT**  
Chief Financial Officer

**GRACE RENEWABLE ENERGY LIMITED**  
(formerly known as GRACE RENEWABLE ENERGY PRIVATE LIMITED)

CIN: U74110GJ2013PLC076707

**RESTATED STATEMENT OF PROFIT & LOSS**

(Amount in Rs. Lakhs, unless stated otherwise)

Particulars	Annexure V Note	For the period ended 30.09.2024	For the year ended 31.03.2024	For the year ended 31.03.2023	For the year ended 31.03.2022
<b>Revenue</b>					
Revenue from operations	18	5,237.80	7,790.91	3,854.98	4,936.23
Other income	19	38.45	40.81	18.68	11.05
<b>Total Income</b>		<b>5,276.25</b>	<b>7,831.72</b>	<b>3,873.67</b>	<b>4,947.28</b>
<b>Expenses</b>					
Cost of materials consumed	20	1,795.09	4,077.45	2,816.05	3,737.16
Purchase of stock-in-trade	21	2,255.97	2,208.55	327.48	432.50
Changes in Inventories of finished goods, work-in-progress and stock-in-trade	22	(204.70)	(142.47)	11.55	(69.77)
Employee benefits expense	23	151.07	219.78	163.24	157.55
Finance costs	24	10.15	36.90	35.18	25.23
Depreciation and amortisation expense	10	6.87	10.00	7.39	7.53
Other expenses	25	292.59	529.62	413.43	537.44
<b>Total expenses</b>		<b>4,307.04</b>	<b>6,939.83</b>	<b>3,774.33</b>	<b>4,827.63</b>
<b>Profit before exceptional items and tax</b>		<b>969.21</b>	<b>891.89</b>	<b>99.34</b>	<b>119.65</b>
Exceptional Items	26	-	66.69	-	-
<b>Profit before tax</b>		<b>969.21</b>	<b>825.20</b>	<b>99.34</b>	<b>119.65</b>
<b>Tax expense</b>					
Current tax		270.41	251.31	25.42	35.05
Deferred tax (credit)/charge		(0.77)	(0.60)	0.85	(2.04)
Earlier Year Taxes		-	-	-	-
<b>Profit for the period / year</b>		<b>699.57</b>	<b>574.50</b>	<b>73.07</b>	<b>86.63</b>
<b>Earnings per equity share of face value of Rs. 10 each</b>					
(1) Basic (in Rs.)	29	<b>23.32</b>	<b>19.15</b>	<b>2.44</b>	<b>2.89</b>
(2) Diluted (in Rs.)	29	<b>23.32</b>	<b>19.15</b>	<b>2.44</b>	<b>2.89</b>
		(Not Annualised)	(Annualised)	(Annualised)	(Annualised)

**Note:**

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure IV & V

As per our report of even date attached

For and on behalf of the Board of Directors

For Tibrewal Bhagat & Associates  
Chartered Accountants  
FRN No.128374W

SD  
MANISH BAGADIA  
Managing Director  
DIN No.02009864

SD  
KARUNA BAGADIA  
Director  
DIN No.02346868

SD  
Ankit Tibrewal  
M.No : 125173  
Partner  
UDIN : 25125173BMJUNW3723  
Place: Ahmedabad  
Date: 25-03-2025

SD  
VIVEKKUMAR BARLOTA  
Company Secretary

SD  
RADHIKA NIRAVKUMAR BHUT  
Chief Financial Officer

**GRACE RENEWABLE ENERGY LIMITED**  
(formerly known as GRACE RENEWABLE ENERGY PRIVATE LIMITED)

CIN: U74110GJ2013PLC076707

**Restated Statement of Cash Flows**

*(Amount in Rs. Lakhs, unless stated otherwise)*

Particulars	As at 30 September 2024	For the year ended 31 March		
		2024	2023	2022
<b>A. Cash flow from operating activities</b>				
<b>Profit before tax, as restated</b>	969.21	825.20	99.34	119.65
<b>Adjustments for :</b>				
Depreciation	6.87	10.00	7.39	7.53
Finance Costs	10.15	36.90	35.18	25.23
Loss on Sale of Fixed Assets	-	0.31	0.07	-
Provision for Gratuity	0.99	(0.30)	(1.99)	4.21
Interest Income	(20.17)	(30.86)	(18.02)	(5.98)
<b>Operating profit before working capital changes</b>	<b>967.05</b>	<b>841.25</b>	<b>121.97</b>	<b>150.63</b>
<b>Changes in working capital:</b>				
Inventories	(300.70)	(120.05)	(83.41)	(12.08)
Trade & Other Receivables	(36.53)	(384.19)	45.38	(79.13)
Trade & Other Payables	21.92	22.30	(37.48)	(41.12)
Decrease/(Increase) In Other Current Assets	(128.24)	94.21	27.40	125.09
Decrease/(Increase) In Short term loan and advances	(130.70)	(69.85)	(1.18)	211.96
(Decrease)/Increase In Other Short/Long term provision	183.11	10.56	(8.31)	(8.31)
(Decrease)/Increase In Other Current-liabilities	53.32	202.00	(47.52)	(258.92)
<b>Cash generated from / (utilised in) operations</b>	<b>629.23</b>	<b>596.23</b>	<b>16.84</b>	<b>88.13</b>
Less : Income tax paid	(270.41)	(251.31)	(25.42)	(35.05)
<b>Net cash flow generated from/ (utilised in) operating activities (A)</b>	<b>358.82</b>	<b>344.92</b>	<b>(8.58)</b>	<b>53.08</b>
<b>B. Cash flow from investing activities</b>				
Purchase of Property, Plant and Equipment and Intangible	(187.65)	(29.62)	(24.07)	(4.02)
Long term Loan and Advances (Given)/Received Back	(50.00)	-	-	(90.00)
Sale of Fixed Assets	-	1.87	0.28	-
Decrease/(Increase) In Current Investments	25.63	(25.63)	-	-
Interest Income	20.17	30.86	18.02	5.98
Decrease/(Increase) In Other Non Current Assets	7.96	70.53	(113.95)	52.44
<b>Net cash flow utilised in investing activities (B)</b>	<b>(183.89)</b>	<b>48.00</b>	<b>(119.72)</b>	<b>(35.60)</b>
<b>C. Cash flow from financing activities</b>				
Long Term Borrowings (Net)	(60.56)	(67.85)	62.48	64.18
Short Term Borrowings (Net)	(46.80)	(18.05)	44.89	4.87
Finance Costs	(10.15)	(36.90)	(35.18)	(25.23)
<b>Net cash flow generated from/ (utilised in) financing activities (C)</b>	<b>(117.51)</b>	<b>(122.80)</b>	<b>72.19</b>	<b>43.81</b>
<b>Net (decrease)/ increase in cash &amp; cash equivalents (A+B+C)</b>	<b>57.42</b>	<b>270.12</b>	<b>(56.11)</b>	<b>61.29</b>
Cash and cash equivalents at the beginning of the period/ year	338.36	68.24	124.35	63.06
<b>Cash and cash equivalents at the end of the period/ year</b> (Refer Annexure V Note(16))	<b>395.79</b>	<b>338.36</b>	<b>68.24</b>	<b>124.35</b>

**Note:**

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure IV & V.

The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013.

As per our report of even date attached

For and on behalf of the Board of Directors

For Tibrewal Bhagat & Associates  
Chartered Accountants  
FRN No.128374W

SD

Ankit Tibrewal  
M.No : 125173  
Partner  
UDIN : 25125173BMJUNW3723  
Place: Ahmedabad  
Date: 25-03-2025

SD  
MANISH BAGADIA  
Managing Director  
DIN No.02009864

SD  
VIVEKKUMAR BARLOTA  
Company Secretary

SD  
KARUNA BAGADIA  
Director  
DIN No.02346868

SD  
RADHIKA NIRAVKUMAR BHUT  
Chief Financial Officer

**GRACE RENEWABLE ENERGY LIMITED**  
**NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

**Note 1: Statement of Notes to Restated Financial Information**

**A. Corporate Information**

Grace Renewable Energy Limited (*formerly known as Grace Renewable Energy Private Limited*) ("the Company") was incorporated on 05 September 2013 under the provision of the Companies Act, 1956 having its registered office at 43, The Chember. Near Tgb Hotel, S G Highway, Bodakdev, Ahmedabad, Gujarat, India - 380054. The company is engaged of solar EPC solution and sale of residential and commercial solar panel and related products for rooftops.

**B. Material Accounting Policies**

**a) Statement of Compliance and Basis of Preparation**

The Restated Financial Information comprise the Restated Statement of Asset and Liabilities as at 30 September 2024, 31 March 2024, 31 March 2023, and 31 March 2022, Restated Statement of Profit and Loss and Restated Statement of Cash Flows for the period ended 30 September 2024 and years ended 31 March 2024, 31 March 2023 and 31 March 2022 and Material Accounting Policies and Other Explanatory Notes to Restated Financial Information (hereinafter referred to as 'Restated Financial Information').

These Restated Financial Information have been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations, 2018, as amended ("ICDR Regulations") issued by the Securities and Exchange Board of India ('SEBI'), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Red Herring Prospectus ("RHP") and the Prospectus, to be filed by the Company with the Registrar of Companies, Ahmedabad, Gujarat ("ROC"), Securities and Exchange Board of India ("SEBI"), SME platform of BSE Limited in connection with the proposed initial public offering of equity shares of face value of INR 10 each (also refer note 2) of the Company comprising fresh issue of equity shares, prepared by the Company in terms of the requirements of:

- a. Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended; and
- c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note")

The Restated Financial Information of the Company have been prepared to comply in all material respects with the Accounting Standards ("AS"), presentation requirements of Division I of Schedule III to the Companies Act, 2013, as applicable to the Restated Financial Information and other relevant provisions of the Act.

- Audited interim financial statements of the Company as at and for the six months periods ended September 30, 2024 is prepared in accordance with Accounting Standard (AS) and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on January 16, 2025. The Interim Financial Statements have been prepared by the Company for the purpose of preparation of the Restated Financial Information, which will be included in the Red Herring Prospectus in connection with the proposed issue of equity shares of the Company by an offer for fresh issue of equity shares by the Company by way of initial public offer. Accordingly, the Interim AS Financial Statements may not be suitable for any other purpose and this report should not be used, referred to or distributed for any other purpose.

- Audited financial statements of the Company as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with the Accounting Standards (referred to as "AS") and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on July 8, 2024, September 9, 2023, and July 5, 2022 respectively.

**GRACE RENEWABLE ENERGY LIMITED**  
**NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

These Restated Financial Information have been prepared as a going concern on the basis of relevant AS that are effective at the Company's reporting date, September 30, 2024.

These Restated Financial Information are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated

The Restated Financial Information are approved for issue by the Company's Board of Directors on March 25, 2025.

**b) Use of estimates**

The preparation of Restated Financial Statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the Restated Financial Statements and reported amounts of revenues and expenses for the year.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Restated Financial Statements in the period in which changes are made and if material, their effects are disclosed in the notes to the Restated Financial Statements.

**c) Property, plant and equipment**

Property, Plant & Equipment are stated at their original cost less accumulated depreciation/amortization. The Cost includes the purchase cost including import duties and non-refundable taxes and any directly attributable costs of bringing a Property, Plant & Equipment to the Location and Conditions of its intended use. Cost comprises of expenditure incurred in respect of the asset under development and includes any attributable/allowable cost and other incidental expenses.

**c) Intangible assets**

Intangible assets are stated at cost less amortisation less impairment, if any. Cost comprises the purchase price and other directly attributable costs.

**d) Depreciation**

Depreciation is provided on Written Down Value method over the useful life of the assets in accordance with Schedule -II of the Company Act, 2013.

**e) Government Grant**

Grants of capital nature and related to specific Fixed Assets are deducted from gross value of assets. Other grants of capital nature are credited to Capital Reserve. Grants related to revenue are recognized in the statement of profit and loss on a systematic basis to match them with related costs.

**f) Employee benefits**

Employee Benefits comprise short term as well as long term defined benefit as well as defined contribution plans.

Contributions to Provident Fund and Employee State Insurance are defined contributions. The Company's Contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no further obligations beyond the periodic contributions.

Retirement Benefits in form of Gratuity are defined benefit obligations and are provided for on the basis of actuarial valuation using projected unit credit method as at the balance sheet date. Actuarial gain / losses are immediately taken to the Statement of Profit and Loss and are not deferred.

Leave Encashment, though a defined benefit obligation, falls under short-term compensated absences in terms of the policy of the Company and is provided for based on the leave standing to the credit of the employees as at the end of the year.

**g) Foreign currency transactions**

Transactions in foreign currency are accounted for at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities related to foreign currency transaction remaining unsettled at the end of the year are translated at year end exchange rates. Gains/Losses arising out of fluctuation in the exchange rates are recognized in statement of Profit and Loss in the period in which they arise.



**GRACE RENEWABLE ENERGY LIMITED**  
**NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

**h) Inventories**

Inventory of the Company has been valued as follows:

- |      |                |  |
|------|----------------|--|
| (i)  | Raw Material   | At Lower of Cost or Net Realizable value |
| (ii) | Stock-in-trade | At Lower of Cost or Net Realizable value |

**i) Revenue recognition**

- i) The Revenue is recognized to the extent that it is probable that economic benefit will flow to the company and the revenue can be reliably measured. Sales Revenue is recognized at the time of dispatch of goods to customers and are exclusive of GST. Revenue from contracts with the customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.
- ii) Dividend income is recognised when the right to receive the dividend is established.
- iii) Interest income is recognised on time proportion basis.
- iv) Export entitlements under duty drawback scheme is recognized in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made.

**j) Investments**

Investment is treated as Non-Current assets & stated at cost. Provision for diminution in the value of long-term investment is made only if such a decline is other than temporary nature in the opinion of the management.

**k) Borrowing costs**

Borrowing Cost attributable to the acquisition of a qualifying asset, as defined in AS-16 on Borrowing Cost are capitalized as part of Cost of acquisition. Other borrowing costs are expensed as incurred.

**l) Taxes on income**

Current tax is determined on the basis of the amount of tax payable on taxable income for the year. Deferred tax is calculated at current statutory income tax rate and is recognized on timing differences between taxable income & accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**m) Earning per Share**

Basic earnings per share is calculated by dividing the net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**n) Impairment of assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

**o) Provisions and contingent liabilities**

- (a) Provision involving substantial degree of estimation in measurements is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
- (b) Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.
- (c) A Contingent Asset is not recognized in the Accounts.

**GRACE RENEWABLE ENERGY LIMITED**  
**NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

**p) Segment Reporting**

The Company is engaged in the business solar EPC solution and sale of residential and commercial solar panel and related products for rooftops and related activities. The Director reviews the financial information of the Company as a whole for decision-making and accordingly the Company has a single reportable segment. Accordingly, the figures appearing in these Restated Financial Statements relate to the Company's single Business Segment.

**q) Prior Period Items:**

Prior Period and Extraordinary items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed in Restated Financial Statements.

**GRACE RENEWABLE ENERGY LIMITED**  
**NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

(Amount in Rs. Lakhs, unless stated otherwise)

**Note 2: Restated Statement of Share capital**

Particulars	As at 30.09.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Authorised share capital</b>				
30,00,000 (P.Y 50,000 ) Equity shares of Rs. 10/- each	300.00	300.00	5.00	5.00
	<b>300.00</b>	<b>300.00</b>	<b>5.00</b>	<b>5.00</b>
<b>Issued, subscribed and fully paid up</b>				
30,00,000 (P.Y 50,000 ) Equity shares of Rs. 10/- each	300.00	300.00	5.00	5.00
	<b>300.00</b>	<b>300.00</b>	<b>5.00</b>	<b>5.00</b>

**a) Reconciliation of equity share capital**

Particulars	As at 30.09.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Balance at the beginning of the year</b>				
- Number of shares	30,00,000	50,000	50,000	50,000
- Amount in ₹	300.00	5.00	5.00	5.00
<b>Add: Bonus Shares issued during the period/year</b>				
- Number of shares	-	29,50,000	-	-
- Amount in ₹	-	295.00	-	-
<b>Balance at the end of the period/year</b>				
- Number of shares	30,00,000	30,00,000	50,000	50,000
- Amount in ₹	<b>300.00</b>	<b>300.00</b>	<b>5.00</b>	<b>5.00</b>

**b) Terms/Rights attached to Equity Shares**

The company has one class of equity shares having a par value of Rs.10/- per share. Each Equity shareholder is eligible for one vote per share held and having same rights as to dividend. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders.

**c) Shareholders holding more than 5% of the shares of the Company**

Particulars	As at 30.09.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Equity shares of ₹ 10 each</b>				
<b>Manish Bagadia</b>				
- Number of shares	20,81,850	18,00,000	30,000	30,000
- Percentage holding (%)	69.40%	60.00%	60.00%	60.00%
<b>Karuna Bagadia</b>				
- Number of shares	9,00,000	9,00,000	15,000	15,000
- Percentage holding (%)	30.00%	30.00%	30.00%	30.00%
<b>Rajshree Bagadia</b>				
- Number of shares	-	2,58,000	4,300	4,300
- Percentage holding (%)	0.00%	8.60%	8.60%	8.60%

**d) Detail of Shareholding Pattern of the Promoters of the Company: -**

Name of Promoter	As at 30.09.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Manish Bagadia</b>				
- Number of shares	20,81,850	18,00,000	30,000	30,000
- Percentage holding (%)	69.40%	60.00%	60.00%	60.00%
- Change during theyear/period (%)	9.40%	0.00%	0.00%	0.00%
<b>Karuna Bagadia</b>				
- Number of shares	9,00,000	9,00,000	15,000	15,000
- Percentage holding (%)	30.00%	30.00%	30.00%	30.00%
- Change during theyear/period (%)	0.00%	0.00%	0.00%	0.00%

**e) Changes To Share Capital**

1 The shareholders of the Company approved the issue of Bonus Shares vide its resolution dated 21 March, 2024 passed at EOGM and the Bonus Share are issued in the ratio of 59 (Fifty Nine) Bonus equity share of Rs.10 each fully paid-up for every 1 (one) existing equity share of Rs.10 each fully paidup (in the ratio of 50:1). Post allotment of Bonus shares, the equity capital of the Company stands at 30,00,000 Equity shares of Rs. 10 each.

2 The Company has increased the authorised share capital from existing 50000 equity shares of Rs. 10/- each to 30,00,000 equity shares of Rs. 10/- each, which was approved by the Board of Directors in their meeting and shareholders in their Extra-Ordinary General Meeting held on March 21, 2024

**GRACE RENEWABLE ENERGY LIMITED**  
**NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

*(Amount in Rs. Lakhs, unless stated otherwise)*

**Note 3: Restated Statement of Reserves and surplus**

Particulars	As at 30.09.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>A. Securities premium account</b>				
Balance at the beginning of the period / year	-	-	-	-
Add : On shares issued	-	-	-	-
Less : Issue of Bonus Shares	-	-	-	-
<b>Balance at the end of the period/year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>B. Surplus in the Restated Summary Statement of Profit and Loss</b>				
Balance at the beginning of the period/year	620.71	341.22	268.15	185.48
Add : Transferred from the Restated Summary Statement of Profit and Loss	699.57	574.50	73.07	86.63
Less : Utilisation for the Bonus share issued	-	295.00	-	-
Less: Earlier year Gratuity	-	-	-	5.29
Less: Prior Period Items	-	-	-	0.14
Less: Deferred Tax Opening Adjustment	-	-	-	(1.46)
Less: Dividend paid on equity	-	-	-	-
Less: Tax on proposed dividend	-	-	-	-
<b>Balance at the end of the period/year</b>	<b>1,320.29</b>	<b>620.71</b>	<b>341.22</b>	<b>268.15</b>
<b>TOTAL (A+B)</b>	<b>1,320.29</b>	<b>620.71</b>	<b>341.22</b>	<b>268.15</b>

Particulars	1 April 2024 to 30 September 2024	As at 31 March		
		2024	2023	2022
(i) De-recognition of proposed dividend including dividend distribution tax	-	-	-	-
(ii) Proposed dividend including dividend distribution tax pertaining to previous financial year accounted post shareholders' approval	-	-	-	-

**GRACE RENEWABLE ENERGY LIMITED**  
**NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

nount in Rs. Lakhs, unless stated otherwi

**Note 4: Restated Statement of Long- term borrowings**

Particulars	As at 30.09.2024		As at 31 March					
	Current Maturities	Non Current	2024		2023		2022	
			Current Maturities	Non Current	Current Maturities	Non Current	Current Maturities	Non Current
<b>Unsecured Loan (Refer Note -4A)</b>								
From Directors	-	45.05	-	35.74	-	68.21	-	1.13
From Related Parties	-	171.90	-	241.78	-	277.17	-	281.76
From Body Corporates	-	-	-	-	-	-	-	-
<b>TOTAL</b>	-	216.96	-	277.52	-	345.37	-	282.89

GRACE RENEWABLE ENERGY LIMITED										
NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS										
Note 4A										
(Amount in Rs. Lakhs, unless stated)										
SL. No.	Name of Lender	Nature of Facility	No. of Installments	Nature of Security	As at 30.09.2024			As at 31.03.2024		
					Sanction Amount	Rate of Interest	Balance Outstanding	Sanction Amount	Rate of Interest	Balance Outstanding
<b>Unsecured Loan</b>										
1	Arun Bagadia Huf (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	-	N.A.	9%	7.68
2	Arun Bagadia (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	-	N.A.	9%	4.17
3	Harsh Bagadia(Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	48.86	N.A.	9%	96.20
4	Harsh Trust (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	-	N.A.	9%	-
5	Karuna Bagadia (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	33.90	N.A.	9%	13.91
6	Manish Bagadia HUF (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	77.58	N.A.	9%	115.35
7	Manish Bagadia (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	11.16	N.A.	9%	21.83
8	Mitosh Bagadia (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	-	N.A.	9%	-
9	Rajshree Manish Bagadia (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	45.46	N.A.	9%	-
10	Savitri Devi Family Trust (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	-	N.A.	9%	13.13
11	Sunita Bagadia (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	-	N.A.	9%	5.25
<b>TOTAL</b>							<b>216.96</b>			<b>277.52</b>

SL. No.	Name of Lender	Nature of Facility	No. of Installments	Nature of Security	As at 31.03.2023			As at 31.03.2022		
					Sanction Amount	Rate of Interest	Balance Outstanding	Sanction Amount	Rate of Interest	Balance Outstanding
<b>Unsecured Loan</b>										
1	Arun Bagadia Huf (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	12.88	N.A.	9%	18.94
2	Arun Bagadia (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	21.44	N.A.	9%	53.34
3	Harsh Bagadia(Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	69.41	N.A.	9%	61.31
4	Harsh Trust (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	-	N.A.	9%	0.76
5	Karuna Bagadia (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	0.35	N.A.	9%	0.80
6	Manish Bagadia HUF (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	122.30	N.A.	9%	84.59
7	Manish Bagadia (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	67.85	N.A.	9%	0.33
8	Mitosh Bagadia (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	-	N.A.	9%	0.81
9	Rajshree Manish Bagadia (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	26.61	N.A.	9%	23.18
10	Savitri Devi Family Trust (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	19.67	N.A.	9%	16.38
11	Sunita Bagadia (Loan)	Unsecured Loan	Repayable on Demand	No security given	N.A.	9%	4.85	N.A.	9%	22.47
<b>TOTAL</b>							<b>345.37</b>			<b>282.89</b>

Note 7A										
(Amount in Rs. Lakhs, unless stated)										
SL. No.	Bank Name	Purpose	No. of Installments	Nature of Security	As at 30.09.2024			As at 31.03.2024		
					Sanction Amount	Rate of Interest	Balance Outstanding	Sanction Amount	Rate of Interest	Balance Outstanding
<b>Loans from Bank</b>										
1	Axis Bank Ltd	Working Capital	Repayable on Demand	Secured by Current Assets, Movable Fixed Assets and Residential Flat of Karuna Bagadia	289.00	Repo Rate + 3.50%	-	289.00	Repo Rate + 3.75%	46.80
<b>TOTAL</b>					<b>289.00</b>	<b>-</b>	<b>-</b>	<b>289.00</b>	<b>-</b>	<b>46.80</b>

SL. No.	Bank Name	Purpose	No. of Installments	Nature of Security	As at 31.03.2023			As at 31.03.2022		
					Sanction Amount	Rate of Interest	Balance Outstanding	Sanction Amount	Rate of Interest	Balance Outstanding
<b>Loans from Bank</b>										
1	Axis Bank Ltd	Working Capital	Repayable on Demand	Secured by Current Assets, Movable Fixed Assets and Residential Flat of Karuna Bagadia	250.00	Repo Rate + 3.75%	64.85	250.00	Repo Rate + 3.75%	19.96
<b>TOTAL</b>					<b>250.00</b>	<b>-</b>	<b>64.85</b>	<b>250.00</b>	<b>-</b>	<b>19.96</b>

Facilities From Axis Bank: The Bank Facilities Of Rs. 4.89 Crores Sanctioned by Axis Bank Effectively Consist Of Overdraft of Rs 2.89 Crore (With LC Sub Limit Of Rs. 2.89 Crores), Separate Bank Guarantee limit of Rs. 1.25 crore and LC Backed Bill Discounting limit of Rs. 0.75 crore which are secured by charge on the current assets And movable fixed assets of the Company, exclusive charge on certain fixed deposits of the Company and residential flat of Director (Karuna Bagadia). The facilities are further secured by the personal guarantee of the Manish Bagadia and Karuna Bagadia i.e. directors of the Company. The applicable rate of Interest For Overdraft Facilities Is Repo Rate 6.5% + Spread Of 3.5% Effective Interest Rate Is 10.00%. Since The 30.09.2024 Period End Balance In The Overdraft Account Was A Debit Amount, The Same Has Been Presented Under The Head Of 'Balances Lying With Bank In Current Accounts.Facilities

From Indusind Bank: The Bank Facilities Of Rs. 55 Lakhs Sanctioned by Indusind Bank Effectively Consist Of Overdraft of Rs 100 Lakhs and Separate Bank Guarantee limit of Rs. 110Lakhs which are to be provided against fixed deposit (as cash margin). The applicable rate of Interest For Overdraft Facilities Is Floating rate of fixed deposit + 0.50% at monthly rest. Since The 30.09.2024 Period End Balance In The Overdraft Account Was A Debit Amount, The Same Has Been Presented Under The Head Of 'Balances Lying With Bank In Current Accounts.

**GRACE RENEWABLE ENERGY LIMITED**  
**NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

**Note 5: Deferred tax (Assets)/Liabilities (Net)**

(Amount in Rs. Lakhs, unless stated otherwise)

Particulars	As at 30 September 2024	As at 31 March		
		2024	2023	2022
<b>Deferred tax</b>				
Related to Fixed Assets	(4.35)	(3.86)	(3.31)	(3.46)
Related to Gratuity Provisions	(2.28)	(2.00)	(1.95)	(2.64)
<b>Deferred tax (assets) / liabilities</b>	<b>(6.63)</b>	<b>(5.86)</b>	<b>(5.26)</b>	<b>(6.10)</b>

**Note 6: Restated Statement of Provisions**

Particulars	As at 30 September 2024		As at 31 March						
			2024		2023		2022		
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	
<b>Provision for employee benefits</b>									
Provision for gratuity (refer note (a))	8.05	0.15	7.07	0.13	6.73	0.77	8.92	0.58	
<b>Others</b>									
Provision for warranties	-	12.46	-	16.62	-	24.92	-	33.23	
Provision for tax (net of advance tax)	-	206.13	-	18.87	-	-	-	-	
	<b>8.05</b>	<b>218.74</b>	<b>7.07</b>	<b>35.62</b>	<b>6.73</b>	<b>25.70</b>	<b>8.92</b>	<b>33.81</b>	<b>41.54</b>

**Note:****(a) Gratuity**

The Company provides for gratuity benefit under a defined benefit retirement scheme (the "Gratuity Scheme") as laid out by the Payment of Gratuity Act, 1972 of India covering eligible employees. The Gratuity Scheme provides for a lump-sum payment to employees who have completed at least five years of service with the Company, based on salary and tenure of employment. Liabilities with regard to the Gratuity Scheme are determined by actuarial valuation carried out using the Projected Unit Credit Method by an independent actuary. The Gratuity Scheme is a non-funded scheme and the Company intends to discharge this liability through its internal resources.

**Note 7: Restated Statement of Short- term borrowings**

Particulars	As at 30 September 2024	As at 31 March		
		2024	2023	2022
Working Capital Loan from Axis Bank Ltd (Secured)	-	46.80	64.85	19.96
<i>Refer Note : 7A for details of Short term borrowings</i>				
	-	<b>46.80</b>	<b>64.85</b>	<b>19.96</b>

**GRACE RENEWABLE ENERGY LIMITED**  
**NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

(Amount in Rs. Lakhs, unless stated otherwise)

**Note 8: Restated Statement of Trade payables**

Particulars	As at 30 September 2024	As at 31 March		
		2024	2023	2022
Dues of micro and small enterprises (refer note below)	35.73	24.80	5.05	8.76
Dues other than micro and small enterprises	18.68	7.69	5.13	38.91
	<b>54.41</b>	<b>32.49</b>	<b>10.19</b>	<b>47.67</b>

**Trade Payable Ageing as on 30.09.2024**

Particulars	Outstanding for following periods from the due date of payment			
	Less than 1 Year	1-2 Years	2-3 Years	Total
(i) MSME	35.73	-	-	35.73
(ii) Others	18.68	-	-	18.68
(iii) Disputed Dues-MSME	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-

**Trade Payable Ageing as on 31.03.2024**

Particulars	Outstanding for following periods from the due date of payment			
	Less than 1 Year	1-2 Years	2-3 Years	Total
(i) MSME	24.80	-	-	24.80
(ii) Others	7.69	-	-	7.69
(iii) Disputed Dues-MSME	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-

**Trade Payable Ageing as on 31.03.2023**

Particulars	Outstanding for following periods from the due date of payment			
	Less than 1 Year	1-2 Years	2-3 Years	Total
(i) MSME	5.05	-	-	5.05
(ii) Others	5.03	0.11	-	5.13
(iii) Disputed Dues-MSME	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-

**Trade Payable Ageing as on 31.03.2022**

Particulars	Outstanding for following periods from the due date of payment			
	Less than 1 Year	1-2 Years	2-3 Years	Total
(i) MSME	8.72	-	0.04	8.76
(ii) Others	38.12	0.79	-	38.91
(iii) Disputed Dues-MSME	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-

**Note 9: Restated Statement of Other current liabilities**

Particulars	As at 30 September 2024	As at 31 March		
		2024	2023	2022
Advance from Customers	228.10	218.11	55.79	86.71
Statutory Dues	50.72	13.51	5.90	6.49
Employee Dues Payable:				
- Directors	3.20	-	2.65	2.65
- Other Staff	19.18	0.32	10.61	12.43
Expenses Payable	73.69	89.64	44.63	58.81
	<b>374.89</b>	<b>321.57</b>	<b>119.58</b>	<b>167.09</b>



**GRACE RENEWABLE ENERGY LIMITED**

**Note - 10**

**Property, Plant & Equipment & Intangible Assets**

*(Amount in Rs. Lakhs, unless stated)*

As at 30-09-2024										
PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK		
	As at 01-04-2024	Addition / Adjustments during the period	Deduction / Adjustments during the period	As at 30-09-2024	As at 01-04-2024	Provided during the period	Deduction / Adjustments during the period	As at 30-09-2024	As at 30-09-2024	As at 31-03-2024
<b>A. TANGIBLE ASSETS</b>										
Land	-	-	-	-	-		-	-	-	-
Building	17.52	-	-	17.52	2.61	0.71	-	3.31	14.20	14.91
Plant & Machinery	-	-	-	-	-		-	-	-	-
Vehicle	49.10	-	-	49.10	23.99	3.90	-	27.89	21.21	25.11
Furniture & Fixture and Office Equipment	14.84	1.35	-	16.18	9.62	1.31	-	10.93	5.25	5.21
Computer	12.90	1.58		14.49	10.60	0.81	-	11.41	3.07	2.31
<b>TOTAL - A</b>	<b>94.35</b>	<b>2.93</b>	<b>-</b>	<b>97.29</b>	<b>46.82</b>	<b>6.72</b>	<b>-</b>	<b>53.54</b>	<b>43.74</b>	<b>47.53</b>
<b>B. INTANGIBLE ASSETS</b>										
Software	4.56	-	-	4.56	3.95	0.15	-	4.09	0.47	0.62
<b>TOTAL - B</b>	<b>4.56</b>	<b>-</b>	<b>-</b>	<b>4.56</b>	<b>3.95</b>	<b>0.15</b>	<b>-</b>	<b>4.09</b>	<b>0.47</b>	<b>0.62</b>
<b>TOTAL (A+B)</b>	<b>98.92</b>	<b>2.93</b>	<b>-</b>	<b>101.85</b>	<b>50.76</b>	<b>6.87</b>	<b>-</b>	<b>57.63</b>	<b>44.21</b>	<b>48.15</b>

*(Amount in Rs. Lakhs, unless stated)*

As at 31-03-2024										
PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK		
	As at 01-04-2023	Addition / Adjustments during the year	Deduction / Adjustments during the year	As at 31-03-2024	As at 01-04-2023	Provided during the year	Deduction / Adjustments during the year	As at 31-03-2024	As at 31-03-2024	As at 31-03-2023
<b>TANGIBLE ASSETS</b>										
Land	-	-	-	-	-		-	-	-	-
Building	17.52	-	-	17.52	1.04	1.57	-	2.61	14.91	16.47
Plant & Machinery	-	-	-	-	-		-	-	-	-
Vehicle	27.10	21.99	-	49.10	20.72	3.28	-	23.99	25.11	6.39
Furniture & Fixture and Office Equipment	14.13	2.89	2.18	14.84	8.53	2.97	1.87	9.62	5.21	5.60
Computer	10.40	2.51	-	12.90	8.76	1.84	-	10.60	2.31	1.63
<b>TOTAL - A</b>	<b>69.14</b>	<b>27.39</b>	<b>2.18</b>	<b>94.35</b>	<b>39.04</b>	<b>9.64</b>	<b>1.87</b>	<b>46.82</b>	<b>47.53</b>	<b>30.10</b>
<b>B. INTANGIBLE ASSETS</b>										
Software	4.20	0.36	-	4.56	3.59	0.36	-	3.95	0.62	0.61
<b>TOTAL - B</b>	<b>4.20</b>	<b>0.36</b>	<b>-</b>	<b>4.56</b>	<b>3.59</b>	<b>0.36</b>	<b>-</b>	<b>3.95</b>	<b>0.62</b>	<b>0.61</b>
<b>TOTAL (A+B)</b>	<b>73.34</b>	<b>27.75</b>	<b>2.18</b>	<b>98.92</b>	<b>42.63</b>	<b>10.00</b>	<b>1.87</b>	<b>50.76</b>	<b>48.15</b>	<b>30.71</b>

(Amount in Rs. Lakhs, unless stated)

As at 31-03-2023										
PARTICULARS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	As at 01-04-2022	Addition / Adjustments during the year	Deduction / Adjustments during the year	As at 31-03-2023	As at 01-04-2022	Provided during the year	Deduction / Adjustments during the year	As at 31-03-2023	As at 31-03-2023	As at 31-03-2022
<b>TANGIBLE ASSETS</b>										
Land	-	-	-	-	-	-	-	-	-	-
Building	-	17.52	-	17.52	-	1.04	-	1.04	16.47	-
Plant & Machinery	-	-	-	-	-	-	-	-	-	-
Vehicle	26.28	0.83	-	27.10	18.00	2.71	-	20.72	6.39	8.28
Furniture & Fixture and Office Equipment	10.71	3.76	0.35	14.13	7.02	1.84	0.33	8.53	5.60	3.69
Computer	9.11	1.29	-	10.40	7.47	1.29	-	8.76	1.63	1.64
Electric Installation & Fittings	-	-	-	-	-	-	-	-	-	-
<b>TOTAL - A</b>	<b>46.10</b>	<b>23.39</b>	<b>0.35</b>	<b>69.14</b>	<b>32.49</b>	<b>6.88</b>	<b>0.33</b>	<b>39.04</b>	<b>30.10</b>	<b>13.60</b>
<b>B. INTANGIBLE ASSETS</b>										
Software	3.86	0.35	-	4.20	3.08	0.51	-	3.59	0.61	0.78
<b>TOTAL - B</b>	<b>3.86</b>	<b>0.35</b>	<b>-</b>	<b>4.20</b>	<b>3.08</b>	<b>0.51</b>	<b>-</b>	<b>3.59</b>	<b>0.61</b>	<b>0.78</b>
<b>TOTAL (A+B)</b>	<b>49.95</b>	<b>23.74</b>	<b>0.35</b>	<b>73.34</b>	<b>35.57</b>	<b>7.39</b>	<b>0.33</b>	<b>42.63</b>	<b>30.71</b>	<b>14.38</b>

(Amount in Rs. Lakhs, unless stated)

As at 31-03-2022										
PARTICULARS	GROSS BLOCK				DEPRECIATION BLOCK			NET BLOCK		
	As at 01-04-2021	Addition / Adjustments during the year	Deduction / Adjustments during the year	As at 31-03-2022	As at 01-04-2021	Provided during the year	Deduction / Adjustments during the year	As at 31-03-2022	As at 31-03-2022	As at 31-03-2021
<b>TANGIBLE ASSETS</b>										
Land	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-
Plant & Machinery	-	-	-	-	-	-	-	-	-	-
Vehicle	26.28	-	-	26.28	14.24	3.76	-	18.00	8.28	12.03
Furniture & Fixture and Office Equipment	8.42	2.29	-	10.71	5.23	1.79	-	7.02	3.69	3.20
Computer	8.18	0.93	-	9.11	6.38	1.09	-	7.47	1.64	1.80
Electric Installation & Fittings	-	-	-	-	-	-	-	-	-	-
<b>TOTAL - A</b>	<b>42.88</b>	<b>3.22</b>	<b>-</b>	<b>46.10</b>	<b>25.85</b>	<b>6.65</b>	<b>-</b>	<b>32.49</b>	<b>13.60</b>	<b>17.03</b>
<b>B. INTANGIBLE ASSETS</b>										
Software	3.05	0.81	-	3.86	2.19	0.89	-	3.08	0.78	0.86
<b>TOTAL - B</b>	<b>3.05</b>	<b>0.81</b>	<b>-</b>	<b>3.86</b>	<b>2.19</b>	<b>0.89</b>	<b>-</b>	<b>3.08</b>	<b>0.78</b>	<b>0.86</b>
<b>TOTAL (A+B)</b>	<b>45.93</b>	<b>4.02</b>	<b>-</b>	<b>49.95</b>	<b>28.04</b>	<b>7.53</b>	<b>-</b>	<b>35.57</b>	<b>14.38</b>	<b>17.89</b>

**Note - 10A**

**Capital Work in progress (CWIP)**

(Amount in Rs. Lakhs, unless stated)

**Ageing for the period ended September 30,2024**

Particulars	Amount in CWIP for the period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Project in Progress	184.72	-	-	-	184.72
	<b>184.72</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>184.72</b>

Note : There are no projects where activity has been suspended or completion is overdue or exceeded its cost compared with its initial plan.

**GRACE RENEWABLE ENERGY LIMITED**  
**NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

**Note 11: Restated Statement of Loans and advances***(Amount in Rs. Lakhs, unless stated otherwise)*

Particulars	As at		As at 31 March					
	30 September 2024		2024		2023		2022	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
<b>Unsecured, considered good (unless otherwise stated) (Recoverable in Cash or Kind or Value to be received)</b>								
Capital Advance	-	8.26	-	-	-	-	-	-
Advance to Suppliers	-	196.74	-	74.05	-	4.26	-	3.20
Advance to Staff	-	-	-	0.25	-	0.18	-	0.06
Advances to Corporates	140.00	-	90.00	-	90.00	-	90.00	-
	<b>140.00</b>	<b>205.00</b>	<b>90.00</b>	<b>74.30</b>	<b>90.00</b>	<b>4.45</b>	<b>90.00</b>	<b>3.26</b>

**Note 12: Restated Statement of Other non current assets**

Particulars	As at 30 September 2024	As at 31 March		
		2024	2023	2022
<b>Unsecured considered good</b>				
Security Deposit	4.05	9.25	9.25	8.50
Fixed Deposit against BG (Maturity more than 12 months)	57.52	60.28	130.80	17.61
	<b>61.57</b>	<b>69.53</b>	<b>140.06</b>	<b>26.11</b>

**GRACE RENEWABLE ENERGY LIMITED**  
**NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

**Note 13: Restated Statement of Current investments***(Amount in Rs. Lakhs, unless stated otherwise)*

Particulars	As at 30 September 2024	As at 31 March		
		2024	2023	2022
<b>Investment in Bonds - Quoted</b>				
ICICI Bond	-	25.63	-	-
	-	<b>25.63</b>	-	-

**Note 14: Restated Statement of Inventories***(Amount in Rs. Lakhs, unless stated otherwise)*

Particulars	As at 30 September 2024	As at 31 March		
		2024	2023	2022
<b>(As taken, valued and certified by Management)</b>				
Raw Material	252.68	156.68	179.10	84.14
Stock-in-Trade	405.60	200.90	58.43	69.99
Inventories are stated at Cost or Net Reliasable value whichever is lower.				
	<b>658.28</b>	<b>357.58</b>	<b>237.53</b>	<b>154.13</b>

**Note 15: Restated Statement of Trade receivables**

Particulars	As at 30 September 2024	As at 31 March		
		2024	2023	2022
<b>(Unsecured and Considered Good)</b>				
Trade Receivables	493.23	456.70	72.52	117.90
	<b>493.23</b>	<b>456.70</b>	<b>72.52</b>	<b>117.90</b>

**Trade Receivables Ageing as on 30.09.2024**

Particulars	Outstanding for following periods from the due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables — considered good	481.50	5.77	5.97	-	-	493.23
(ii) Undisputed Trade receivables — considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables — considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables — considered doubtful	-	-	-	-	-	-

**Trade Receivables Ageing as on 31.03.2024**

Particulars	Outstanding for following periods from the due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables — considered good	443.95	0.02	12.74	-	-	456.70
(ii) Undisputed Trade receivables — considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables — considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables — considered doubtful	-	-	-	-	-	-

**Trade Receivables Ageing as on 31.03.2023**

Outstanding for following periods from the due date of payment						
--	--	--	--	--	--	--

<b>Particulars</b>	<b>Less than 6 Months</b>	<b>6 Months - 1 Year</b>	<b>1-2 Years</b>	<b>2-3 Years</b>	<b>More than 3 Years</b>	<b>Total</b>
(i) Undisputed Trade receivables — considered good	65.18	6.96	0.38	-	-	72.52
(ii) Undisputed Trade receivables — considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables — considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables — considered doubtful	-	-	-	-	-	-

**Trade Receivables Ageing as on 31.03.2022**

Particulars	Outstanding for following periods from the due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables — considered good	115.54	1.82	0.23	0.30	-	117.90
(ii) Undisputed Trade receivables — considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables — considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables — considered doubtful	-	-	-	-	-	-

**Note 16: Restated Statement of Cash and bank balances**

Particulars	As at 30 September 2024	As at 31 March		
		2024	2023	2022
<b>Cash and cash equivalents</b>				
Balances with banks				
- in current accounts	250.92	202.62	2.24	6.46
- in fixed deposits (maturity upto 3 months)	10.03	52.11	-	46.40
Cash in hand (as Certified by Management)	1.72	0.62	0.75	2.05
	<b>262.67</b>	<b>255.35</b>	<b>3.00</b>	<b>54.91</b>
<b>Other Bank Balances</b>				
Fixed Deposit with Banks (Maturity more than 3 months and less than 12 months)	0.20	10.03	-	-
Fixed Deposit with Banks (Maturity less than 12 months) -held as margin money or security against borrowings etc.	132.92	72.98	65.24	69.44
	<b>133.12</b>	<b>83.01</b>	<b>65.24</b>	<b>69.44</b>
	<b>395.79</b>	<b>338.36</b>	<b>68.24</b>	<b>124.35</b>

**Note 17: Restated Statement of Other current assets**

Particulars	As at 30 September 2024	As at 31 March		
		2024	2023	2022
<b>Unsecured considered good</b>				
Security Deposit	-	-	0.48	0.89
Prepaid Expenses	2.60	1.76	2.23	1.71
Advance Income Tax ( Including Tax deducted at source)	-	-	11.57	1.56
Balance with Government Authorities	0.40	5.91	0.80	14.93
Unbilled Revenue	228.74	-	-	-
Subsidy Receivable	4.10	109.79	240.25	164.38
Performance Bank Guarantee	68.05	58.19	14.54	113.79
	<b>303.90</b>	<b>175.66</b>	<b>269.87</b>	<b>297.26</b>

**GRACE RENEWABLE ENERGY LIMITED**  
**NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

(Amount in Rs. Lakhs, unless stated otherwise)

**Note 18: Restated Statement of Revenue from operations**

Particulars	1 April 2024 to 30 September 2024	For the year ended 31 March		
		2024	2023	2022
<b>Revenue from operations</b>				
Export Sales	409.25	1,843.85	-	166.47
Domestic Sales	4,828.55	5,947.06	3,854.98	4,769.76
	<b>5,237.80</b>	<b>7,790.91</b>	<b>3,854.98</b>	<b>4,936.23</b>

**Note 18A: Bifurcation of Revenue Main Product Wise**

Particulars	1 April 2024 to 30 September 2024	For the year ended 31 March		
		2024	2023	2022
<b>Export Sales</b>				
- Revenue From Turnkey Solutions				
Commercial, Industrial & Ground Mounted Projects	180.51	1843.85	0.00	166.47
- Unbilled Revenue From Turnkey Solutions				
Commercial, Industrial & Ground Mounted Projects	228.74	0	0	0
	<b>409.25</b>	<b>1,843.85</b>	<b>-</b>	<b>166.47</b>
<b>Domestic Sales</b>				
- Revenue From Turnkey Solutions	<b>2,408.82</b>	<b>3,563.71</b>	<b>3,144.65</b>	<b>4,237.61</b>
Residential Rooftop Projects	920.80	1,923.58	1,618.33	2,643.91
Commercial, Industrial & Ground Mounted Projects	1,453.75	1,605.76	1,511.45	1,575.28
Solar Operation, Maintenance and other Services	34.28	34.37	14.87	18.42
- Revenue From Sales of Product	<b>2,419.73</b>	<b>2,383.35</b>	<b>710.33</b>	<b>532.15</b>
Solar Modules	2,245.22	2,377.97	710.33	532.15
Solar Inverter	174.51	5.38		
<b>Total</b>	<b>5,237.80</b>	<b>7,790.91</b>	<b>3,854.98</b>	<b>4,936.23</b>

Note: The above revenue included the Unbilled Revenue accrued upto the reporting period which is shown in Note no. 17

**Note 19: Restated Statement of Other income**

Particulars	1 April 2024 to 30 September 2024	For the year ended 31 March		
		2024	2023	2022
Interest from Bank Deposits	5.94	19.40	7.21	4.03
Interest from Bonds	8.05	0.63	-	-
Interest Income on Loans	6.17	10.83	10.81	1.95
Interest Income from Income-tax Refund	-	0.46	-	0.69
Discount, Rate Difference & Written Off Balances	0.18	0.12	0.64	0.72
Duty Drawback	9.14	5.39	-	1.80
Foreign Exchange Gain/Loss	8.96	3.98	-	1.83
Other Income	-	-	0.02	0.02
	<b>38.45</b>	<b>40.81</b>	<b>18.68</b>	<b>11.05</b>

**Note:**

- (a) All the items of other income are related to business activities. Further, out of all the items of other income only interest income from bank deposits, loans and gain on foreign currency translations and transactions are recurring and the remaining are non-recurring in nature.
- (b) The classification of 'Other income' as recurring or non-recurring and related or non-related to business activity is based on the current operations and business activities of the Company, as determined by the management.

**Note 20: Restated Cost of Material Consumed**

Particulars	1 April 2024 to 30 September 2024	For the year ended 31 March		
		2024	2023	2022



**GRACE RENEWABLE ENERGY LIMITED**

Opening Stock	156.68	179.10	84.14	141.83
Add : Purchases (Net)	1,891.08	4,055.03	2,911.01	3,679.47
Less : Closing Stock	252.68	156.68	179.10	84.14
<b>Total</b>	<b>1,795.09</b>	<b>4,077.45</b>	<b>2,816.05</b>	<b>3,737.16</b>

**Note 21: Restated Statement of Purchases of Stock in Trade**

Particulars	1 April 2024 to 30 September 2024	For the year ended 31 March		
		2024	2023	2022
Purchases of stock in trade	2,255.97	2,208.55	327.48	432.50
<b>Total</b>	<b>2,255.97</b>	<b>2,208.55</b>	<b>327.48</b>	<b>432.50</b>

**Note 22: Restated Statement of Changes of Inventories of Finished Goods,WIP and Stock-in-Trade**

Particulars	1 April 2024 to 30 September 2024	For the year ended 31 March		
		2024	2023	2022
Closing Stock of Stock-in Trade	405.60	200.90	58.43	69.99
	<b>405.60</b>	<b>200.90</b>	<b>58.43</b>	<b>69.99</b>
Opening Stock of Stock-in Trade	200.90	58.43	69.99	0.21
	<b>200.90</b>	<b>58.43</b>	<b>69.99</b>	<b>0.21</b>
<b>(Increase) / Decrease in Stock</b>	<b>(204.70)</b>	<b>(142.47)</b>	<b>11.55</b>	<b>(69.77)</b>

**Note 23: Restated Statement of Employee benefits expense**

Particulars	1 April 2024 to 30 September 2024	For the year ended 31 March		
		2024	2023	2022
Salaries, Wages, Bonus & Allowances	89.28	146.66	126.68	115.37
Directors Remuneration	57.90	71.50	36.00	36.00
Contribution to Provident & Other Funds	0.36	0.79	0.55	0.74
Gratuity Expenses	0.99	(0.30)	(1.99)	4.21
Staff Welfare Expenses	2.55	1.13	2.00	1.23
	<b>151.07</b>	<b>219.78</b>	<b>163.24</b>	<b>157.55</b>

**Defined contribution plan:** Refer Note 27

**Note 24: Restated Statement of Finance costs**

Particulars	1 April 2024 to 30 September 2024	For the year ended 31 March		
		2024	2023	2022
Interest on Car Loan	-	-	-	0.56
Interest on Cash Credit and Overdraft	-	0.40	0.43	0.62
Interest on Unsecured Loan	9.13	22.92	26.00	22.05
Interest on Income tax	-	7.46	-	0.08
Interest on TDS, GST, Profession Tax, TCS	0.12	0.14	0.01	0.05
Bank Charges and Other Borrowing Costs	0.90	5.97	8.74	1.88
	<b>10.15</b>	<b>36.90</b>	<b>35.18</b>	<b>25.23</b>

**Note 10: Restated Statement of Depreciation and amortisation expense**

Particulars	1 April 2024 to 30 September 2024	For the year ended 31 March		
		2024	2023	2022
Depreciation and amortisation expense	6.87	10.00	7.39	7.53
	<b>6.87</b>	<b>10.00</b>	<b>7.39</b>	<b>7.53</b>

**GRACE RENEWABLE ENERGY LIMITED**  
**NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

**Note 25: Restated Statement of Other expenses***(Amount in Rs. Lakhs, unless stated otherwise)*

Particulars	1 April 2024 to 30 September 2024	For the year ended 31 March		
		2024	2023	2022
<b>Direct Expenses</b>				
Custom Duty	35.65	32.35	-	32.06
Installation & Commissioning Service Expenses	82.45	129.49	163.27	176.69
Freight Inward	5.82	5.86	5.05	15.52
Godown Rent & Other Expense	2.24	3.95	5.16	6.65
Net Meter Charges	1.76	2.72	2.77	2.55
Solar Operation, Maintenance and Panel Cleaning Service	7.14	11.73	16.69	12.78
<b>(A)</b>	<b>135.05</b>	<b>186.09</b>	<b>192.94</b>	<b>246.25</b>
<b>Administrative &amp; Other Expenses</b>				
Transportation	14.10	19.49	13.17	26.18
Loading and Unloading Expenses	1.62	4.31	2.97	1.34
Administration Expenses	5.91	7.30	8.04	6.86
Agency Charges	4.59	7.94	-	-
Advertisement and Marketing Expenses	8.76	40.71	11.97	13.52
Commission and Brokerage	77.36	169.59	84.25	165.90
Rent Expense	10.62	31.64	30.73	30.03
Petrol & Fuel Expenses	7.21	11.40	11.70	11.49
Printing and Stationery	1.63	1.72	1.27	3.29
Postage and Courier Expenses	0.20	0.20	0.26	0.34
Telephone & Internet Expenses	1.33	1.62	1.95	1.56
Insurance Expense	1.94	2.35	2.86	1.24
Stamping and other Expenses	1.94	0.87	1.15	1.88
Legal & Professional Charges	1.05	10.93	34.52	4.86
Travelling Expense	10.64	10.21	6.92	7.07
Audit Fees	-	1.00	0.85	0.75
Electricity Expense	<b>1.34</b>	2.19	2.41	2.53
Municipal Tax	0.77	1.53	1.27	1.28
Shortfall in Subsidy Receivable	0.64	4.84	1.99	6.34
Other Misc Expenses	5.04	5.36	0.76	3.70
Loss on Sale of Fixed Assets	-	0.31	0.07	-
Donation	-	6.23	0.11	-
Repairs & Maintenance				
to Buildings	0.09	0.14	0.19	0.10
to Others	0.77	1.64	1.08	0.93
<b>(B)</b>	<b>157.54</b>	<b>343.53</b>	<b>220.49</b>	<b>291.19</b>
<b>Total (A+B)</b>	<b>292.59</b>	<b>529.62</b>	<b>413.43</b>	<b>537.44</b>

**Note: Auditor's remuneration (excluding tax)**

Particulars	1 April 2024 to 30 September 2024	For the year ended 31 March		
		2024	2023	2022
<b>As auditor</b>				
Statutory audit	-	0.50	0.43	0.38
Tax audit	-	0.50	0.43	0.38
Other Services	-	-	-	-
		<b>1.00</b>	<b>0.85</b>	<b>0.75</b>

**Note 26: Restated Statement Exceptional Items***(Amount in Rs. Lakhs, unless stated otherwise)*

Particulars	1 April 2024 to 30 September 2024	For the year ended 31 March		
		2024	2023	2022
Encashment of BG on Project Cancellation	-	66.69	-	-
<b>Total</b>	-	<b>66.69</b>	-	-

**GRACE RENEWABLE ENERGY LIMITED**  
**ADDITIONAL NOTES TO RESTATED FINANCIAL STATEMENT**

**NOTE 27: Disclosure of liability of gratuity and compensated absences****A Defined benefit plan – gratuity:**

In accordance with Accounting Standard - 15 (Revised 2005), actuarial valuation was obtained from the actuary in respect of the aforesaid defined benefit plans using projected unit credit method.

**i) Membership data**

Particulars	As at September 30, 2024			As at March 31, 2024		
	Gratuity (unfunded)	Leave (unfunded)	encashment	Gratuity (unfunded)	Leave (unfunded)	encashment
Number of employees	48	NA	NA	38	NA	NA
Total monthly salary	10,19,450	NA	NA	7,19,940	NA	NA
Average past service (in years)	1.71	NA	NA	1.87	NA	NA
Average age (in Years)	31.46	NA	NA	29.92	NA	NA
Average outstanding service of employees (in	28.54	NA	NA	30.08	NA	NA

Particulars	As at March 31, 2023			As at March 31, 2022		
	Gratuity (unfunded)	Leave (unfunded)	encashment	Gratuity (unfunded)	Leave (unfunded)	encashment
Number of employees	41	NA	NA	42	NA	NA
Qualifying monthly salary	8,44,010	NA	NA	8,25,320	NA	NA
Average past service (in years)	1.68	NA	NA	1.86	NA	NA
Average age (in Years)	31.46	NA	NA	29.83	NA	NA
Average outstanding service of employees (in	28.54	NA	NA	30.17	NA	NA

**ii) Actuarial Assumptions:**

Particulars	As at September 30, 2024			As at March 31, 2024		
	Gratuity (unfunded)	Leave (unfunded)	encashment	Gratuity (unfunded)	Leave (unfunded)	encashment
Discount rate (per annum)	6.85%	NA	NA	7.10%	NA	NA
Salary growth rate (per annum)	7.00%	NA	NA	7.00%	NA	NA
Retirement Rate	60	NA	NA	60	NA	NA
Mortality Rates (per annum) age in year	Indian Assured Lives Mortality (2012-14) Ult.	NA	NA	Indian Assured Lives Mortality (2012-14) Ult.	NA	NA

Particulars	As at March 31, 2023			As at March 31, 2022		
	Gratuity (unfunded)	Leave (unfunded)	encashment	Gratuity (unfunded)	Leave (unfunded)	encashment
Discount rate (per annum)	7.40%	NA	NA	6.80%	NA	NA
Salary growth rate (per annum)	7.00%	NA	NA	7.00%	NA	NA
Retirement Rate	60	NA	NA	60	NA	NA
Mortality Rates (per annum) age in year	Indian Assured Lives Mortality (2012-14) Ult.	NA	NA	Indian Assured Lives Mortality (2012-14) Ult.	NA	NA

**Note:**

The estimates of future salary increase, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**iii) Statement showing changes in present value of obligations during the year:**

Particulars	As at September 30, 2024			As at March 31, 2024		
	Gratuity (unfunded)	Leave (unfunded)	encashment	Gratuity (unfunded)	Leave (unfunded)	encashment
Present value of obligation as at the beginning of year	7.21	NA	NA	7.50	NA	NA
Interest cost	0.25	NA	NA	0.53	NA	NA
Past service cost	-	NA	NA	-	NA	NA
Current service cost	1.80	NA	NA	2.98	NA	NA
Benefit Paid	-	NA	NA	-	NA	NA
Actuarial (gain)/loss on obligations	(1.06)	NA	NA	(3.82)	NA	NA
Present value of obligation at the end of the year	8.20	NA	NA	7.21	NA	NA

Particulars	As at March 31, 2023			As at March 31, 2022		
	Gratuity (unfunded)	Leave (unfunded)	encashment	Gratuity (unfunded)	Leave (unfunded)	encashment
Present value of obligation as at the beginning of year	9.49	NA	NA	5.29	NA	NA
Interest cost	0.70	NA	NA	0.36	NA	NA
Past service cost	-	NA	NA	-	NA	NA
Current service cost	3.45	NA	NA	3.81	NA	NA
Benefit Paid	-	NA	NA	-	NA	NA
Actuarial (gain)/loss on obligations	(6.14)	NA	NA	0.04	NA	NA
Present value of obligation at the end of the year	7.50	NA	NA	9.49	NA	NA

**iv) Actuarial gain/loss recognized for the year:**

Particulars	As at September 30, 2024			As at March 31, 2024		
	Gratuity (unfunded)	Leave (unfunded)	encashment	Gratuity (unfunded)	Leave (unfunded)	encashment
Actuarial (gain)/loss for the period -recognized	(1.06)	NA	NA	(3.82)	NA	NA
Actuarial (gain)/loss for the period -unrecognized	-	NA	NA	-	NA	NA

Particulars	As at March 31, 2023			As at March 31, 2022		
	Gratuity (unfunded)	Leave (unfunded)	encashment	Gratuity (unfunded)	Leave (unfunded)	encashment
Actuarial (gain)/loss for the period -recognized	(6.14)	NA	NA	0.04	NA	NA
Actuarial (gain)/loss for the period -unrecognized	-	NA	NA	-	NA	NA

**v) Amount to be recognized in balance sheet:**

Particulars	As at September 30, 2024			As at March 31, 2024		
	Gratuity (unfunded)	Leave (unfunded)	encashment	Gratuity (unfunded)	Leave (unfunded)	encashment
Present value of obligation	8.20	NA	NA	7.21	NA	NA
Funded status	-	NA	NA	-	NA	NA
Net Liability recognized in balance sheet	8.20	NA	NA	7.21	NA	NA
Long term provision	8.05	NA	NA	7.07	NA	NA
Short term provision	0.15	NA	NA	0.13	NA	NA

Particulars	As at March 31, 2023			As at March 31, 2022		
	Gratuity (unfunded)	Leave (unfunded)	encashment	Gratuity (unfunded)	Leave (unfunded)	encashment
Present value of obligation	7.50	-	NA	9.49	-	NA
Funded status	-	-	NA	-	-	NA
Net Liability recognized in balance sheet	7.50	-	NA	9.49	-	NA
Long term provision	6.73	-	NA	8.92	-	NA
Short term provision	0.77	-	NA	0.58	-	NA

vi) Expenses recognized in the statement of profit and loss:

Particulars	As at September 30, 2024			As at March 31, 2024		
	Gratuity (unfunded)	Leave (unfunded)	encashment	Leave (unfunded)	encashment	Gratuity (unfunded)
Current service cost	1.80	-	NA	2.98	-	NA
Total employer expense	-	-	NA	-	-	NA
Present value of obligation as at the end of the year	-	-	NA	-	-	NA
fair value of planned asset as at the end of the year	-	-	NA	-	-	NA
Past service cost	-	-	NA	-	-	NA
Interest cost	0.25	-	NA	0.53	-	NA
Expected return on planned assets	-	-	NA	-	-	NA
Curtailment/settlement Cost	-	-	NA	-	-	NA
Net actuarial (gain)/loss recognized	(1.06)	-	NA	(3.82)	-	NA
Expenses recognized in the statement of profit and loss	0.99	-	NA	(0.30)	-	NA

Particulars	As at March 31, 2023			As at March 31, 2022		
	Gratuity (unfunded)	Leave (unfunded)	encashment	Gratuity (unfunded)	Leave (unfunded)	encashment
Current service cost	3.45	-	NA	3.81	-	NA
Total employer expense	-	-	NA	-	-	NA
Present value of obligation as at the end of the year	-	-	NA	-	-	NA
fair value of planned asset as at the end of the year	-	-	NA	-	-	NA
Past service cost	-	-	NA	-	-	NA
Interest cost	0.70	-	NA	0.36	-	NA
Expected return on planned assets	-	-	NA	-	-	NA
Curtailment/settlement Cost	-	-	NA	-	-	NA
Net actuarial (gain)/loss recognized	(6.14)	-	NA	0.04	-	NA
Expenses recognized in the statement of profit and loss	(1.99)	-	NA	4.21	-	NA

NOTE 28- DEFERRED TAX

Particulars	₹ in lakhs				
	1st April 24 - 30th September 24	2023-2024	2022-2023	2021-22	
WDV as per Income Tax Act, 1961	59.86	62.02	43.43	26.83	
WDV as per Companies Act, 2013	44.21	48.15	30.71	14.38	
<b>Differential Net Timing Difference</b>	<b>[A]</b>	<b>(15.65)</b>	<b>(13.87)</b>	<b>(12.72)</b>	<b>(12.45)</b>
Unabsorbed Losses	[B]	-	-	-	-
Gratuity Provision	[C]	8.20	7.21	7.50	9.49
Substantively Enacted Tax Rate	[D]	27.82%	27.82%	26.00%	27.82%
<b>Deferred Taxes Debited/ (Credited) to the Statement of Profit &amp; Loss</b>		<b>(0.77)</b>	<b>(0.60)</b>	<b>0.85</b>	<b>(2.04)</b>
Opening Net Deferred Tax Liability/ (Deferred Tax Assets)		<b>(5.86)</b>	<b>(5.26)</b>	<b>(6.10)</b>	<b>(4.06)</b>
<b>Closing Liability [A-B-C] x D</b>		<b>(6.63)</b>	<b>(5.86)</b>	<b>(5.26)</b>	<b>(6.10)</b>

NOTE 29 Basic And Diluted Earnings Per Share

Particulars	Rs. In Lakhs	₹ in lakhs			
		1st April 24 - 30th September 24	2023-2024	2022-2023	2021-22
Profit after Tax		699.57	574.50	73.07	86.63
Present Number of equity shares of Rs. 10/- each	Nos.	30,00,000	30,00,000	50,000	50,000
Weighted average number of Equity shares (Adjusted for Bonus Shares)	Nos.	30,00,000	30,00,000	30,00,000	30,00,000
Basic earnings per share	Rupees	23.32	19.15	2.44	2.89
Diluted Earning per Share (Refer Note 28A)	Rupees	23.32	19.15	2.44	2.89

29 (A) Reconciliation of Weighted Average Number of Shares for Diluted EPS

Particulars		₹ in lakhs			
		1st April 24 - 30th September 24	2023-2024	2022-2023	2021-22
Equity Shares outstanding Pre Bonus Allotment	Nos.	30,00,000	50,000	50,000	50,000
Bonus Equity Shares to be issued	Nos.	-	29,50,000	29,50,000	29,50,000
Equity Shares outstanding Post Bonus Allotment	Nos.	30,00,000	30,00,000	30,00,000	30,00,000
Weighted Average no. of shares outstanding	Nos.	30,00,000	30,00,000	30,00,000	30,00,000

Note: The Board of Directors of the Company has approved the issue of 29,50,000 Bonus Equity Shares to its existing shareholders in the ratio of 59:1 (i.e. 59 new Bonus Equity Share of face value of Rs. 10/- each on existing 1 Equity Share of face value of Rs. 10/- each) in its meeting held on March 21, 2024 and the same was approved by the Shareholders of the Company on March 21, 2024. Accordingly, 29,50,000 Bonus Equity Shares were issued and allotted on March 21, 2024 and Diluted Earnings Per Share has been adjusted against for the current and previous periods and presented in accordance with AS 20, "Earnings Per Share".

NOTE 30 Value of Import on CIF Basis					(₹ in lakhs)					
Particulars	1st April 24 - 30th September 24	2023-2024	2022-2023	2021-22						
Purchases Stock in Trade	183.51	576.34	-	-						
					(₹ in lakhs)					
NOTE 31 Earning and Expenditure in Foreign currency										
Particulars	1st April 24 - 30th September 24	2023-2024	2022-2023	2021-22						
<b>Earning in Foreign Currency</b>										
Sales	180.51	1,843.85	-	-						
<b>Expenditure in Foreign Currency</b>										
Expenses	2.62	3.35	1.23	-						
					(₹ in lakhs)					
NOTE 32 Contingent Liabilities										
[i] Contingent Liabilities not provided for in the books of accounts					(₹ in lakhs)					
Particulars	1st April 24 - 30th September 24	2023-2024	2022-2023	2021-22						
Bank Guarantee	163.56	20.00	7.00	101.85						
Income Tax Demand	-	-	-	-						
<b>Total</b>	<b>163.56</b>	<b>20.00</b>	<b>7.00</b>	<b>101.85</b>						
					(₹ in lakhs)					
NOTE 33 Disclosure of all vendors regarding their status under Micro, Small and Medium Enterprises.										
Disclosure of Trade Payables under current liabilities is based on the information available with company regarding the status of the supplier as defined under the "Micro, Small and Medium Enterprises Development Act, 2006".										
<b>NOTE 34</b> Party's Balance with respect to the Trade Receivables, Trade & Other Payables, Loans & advances are subject to confirmation/reconciliation. In the opinion of management, the same are receivable/ payable as stated in the books of accounts. Hence, no effect on the profitability due to the same for the respective period and year under review.										
<b>NOTE 35 Additional Regulatory Information:</b>										
1 The Company does not own any immovable property whose title deeds are not registered in the name of the Company.										
2 During the year/period ended, the Company has not revalued its PPE and accordingly the disclosures in respect of these matters are not applicable to it.										
<b>3 Loans or advances (repayable on demand or without specifying any terms or period of repayment) to specified persons:</b>										
The Company has not granted loans/advances in the nature of loans repayable on demand or without specifying any terms or period of repayment.										
There are no intangible assets and accordingly disclosure is not applicable.										
<b>4 Benami Property:</b>										
The Company does not have any benami property. Further there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transaction Act, 1988 and rules made there under.										
<b>5</b> The Company has borrowings from various bankers against security of current assets. The quarterly returns or statements of current assets filed by the company with the banks are mostly in agreement with the books of accounts. Discrepancies, if any, are not material.										
<b>6 Wilful Defaulter:</b>										
The Company has not been declared as a wilful defaulter nor has received any show cause notice from any bank or financial institutions or government or any government authority										
<b>7 Relationship with Struck off Companies:</b>										
The Company does not have transactions with any struck off company.										
<b>8</b> No satisfaction or charge is pending for registration with registrar of companies.										
<b>9</b> The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 and does not hold any investments which are beyond the restrictions mentioned herein.										
<b>10</b> The Company has not filed any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013 with any Competent Authority.										
<b>11</b> The Company has not traded or invested in Crypto Currency.										
<b>12 Undisclosed income:</b>										
The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period/year ended September 30, 2024, March 31, 2024, March 31, 2023 and March 2022 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)										
<b>13 Ratio Analysis and its elements:</b>										
The Financial Ratios has been disclosed by the Company in <i>Annexure XIII</i>										
<b>14 Utilisation of Borrowed Fund &amp; Share Premium:</b>										
The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.										
The Company has not advanced or lent or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.										
<b>NOTE 36</b> Figures are rounded off to the nearest Rupee in Lakhs, unless otherwise stated.										
<b>NOTE 37</b> Previous year's figure have been regrouped/rearranged whenever necessary to confirm to the current year's presentation.										
<b>The accompanying notes are an integral part of the Financial Statements</b>										
As per our report of even date attached										
<b>For and on behalf of the Board of Directors</b>										
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <b>For Tibrewal Bhagat &amp; Associates</b>  Chartered Accountants  FRN No.128374W   SD  Ankit Tibrewal  M.No : 125173  Partner  UDIN : 25125173BMJUNW3723  Place: Ahmedabad  Date:25-03-2025 </td> <td style="width: 33%; vertical-align: top; text-align: center;"> SD  <b>MANISH BAGADIA</b>  Mangning Director  DIN No.02009864 </td> <td style="width: 33%; vertical-align: top; text-align: center;"> SD  <b>KARUNA BAGADIA</b>  Director  DIN No.02346868 </td> </tr> <tr> <td style="vertical-align: top;"> SD  <b>VIVEKKUMAR BARLOTA</b>  Company Secretary </td> <td colspan="2" style="vertical-align: top; text-align: center;"> SD  <b>RADHIKA NIRAVKUMAR BHUT</b>  Chief Financial Officer </td> </tr> </table>					<b>For Tibrewal Bhagat &amp; Associates</b> Chartered Accountants FRN No.128374W  SD Ankit Tibrewal M.No : 125173 Partner UDIN : 25125173BMJUNW3723 Place: Ahmedabad Date:25-03-2025	SD <b>MANISH BAGADIA</b> Mangning Director DIN No.02009864	SD <b>KARUNA BAGADIA</b> Director DIN No.02346868	SD <b>VIVEKKUMAR BARLOTA</b> Company Secretary	SD <b>RADHIKA NIRAVKUMAR BHUT</b> Chief Financial Officer	
<b>For Tibrewal Bhagat &amp; Associates</b> Chartered Accountants FRN No.128374W  SD Ankit Tibrewal M.No : 125173 Partner UDIN : 25125173BMJUNW3723 Place: Ahmedabad Date:25-03-2025	SD <b>MANISH BAGADIA</b> Mangning Director DIN No.02009864	SD <b>KARUNA BAGADIA</b> Director DIN No.02346868								
SD <b>VIVEKKUMAR BARLOTA</b> Company Secretary	SD <b>RADHIKA NIRAVKUMAR BHUT</b> Chief Financial Officer									

## STATEMENT OF RELATED PARTY TRANSACTIONS

**A. List of Related parties**

<b>Sl. No.</b>	<b>Name</b>	<b>Relation</b>
<b>Key Mangerial Personnel (KMP)</b>		
1	Manish Bagadia	Director
2	Karuna Bagadia	Director
3	Jigar Patel	Director w.e.f 17.05.2024
4	Radhika Bhut	Chief Financial Officer w.e.f 30.10.2024
5	Roshni Pokharna	Company Secretary w.e.f 17.01.2025

<b>Relative of Key Mangerial Personnel</b>		
1	Arunkumar Bagadia	Relative of KMP
2	Harsh Bagadia	Relative of KMP
3	Mitosh Bagadia	Relative of KMP
4	Rajshree Bagadia	Relative of KMP
5	Sunita Bagadia	Relative of KMP

<b>Entities where KMP and their relative have Significant Influence</b>		
1	Manish Bagadia HUF	Director is Karta
2	Arunkumar Bagadia HUF	Significant Influence of Relative of Director
3	Savitri Devi Family Trust	Significant Influence of Relative of Director
4	Harsh Trust	Significant Influence of Relative of Director

**Associate/ Subsidiary Companies**

(₹ in lakhs)

**B. Transactions with Related Parties during the year**

<b>Nature of Transactions</b>	<b>For the period ended 30.09.2024</b>	<b>For the year ended 31.03.2024</b>	<b>For the year ended 31.03.2023</b>	<b>For the year ended 31.03.2022</b>
<b>Director/Managerial Remuneration</b>				
Manish Bagadia	30.00	46.00	18.00	18.00
Karuna Bagadia	24.00	25.50	18.00	18.00
Jigar Patel	3.90	-	-	-
<b>Reimbursement of Expenses</b>				
Manish Bagadia	7.59	36.49	15.34	9.88
Karuna Bagadia	-	12.77	3.28	-
<b>Advance Paid for Expenses</b>				
Manish Bagadia	0.20	-	-	-
Karuna Bagadia	0.13	-	-	-
<b>Unsecured Loans Taken</b>				
Manish Bagadia	10.00	20.00	66.00	24.00
Karuna Bagadia	19.00	13.00	16.00	17.00
Manish Bagadia HUF	9.00	25.00	50.90	76.90
Harsh Trust	-	-	-	-
Harsh Bagadia	-	20.00	3.00	57.78
Rajshree Bagadia	45.00	-	1.50	21.63
Arunkumar Bagadia	-	-	4.80	4.00
Sunita Bagadia	-	-	0.90	0.50
Mitosh Bagadia	-	-	-	-
Arunkumar Bagadia HUF	-	-	0.90	-
Savitri Devi Family trust	-	1.70	1.88	2.90
<b>Unsecured Loans Repaid</b>				
Manish Bagadia	21.00	67.00	-	32.00
Karuna Bagadia	-	-	17.00	16.57
Manish Bagadia HUF	50.00	40.00	20.00	40.00
Harsh Trust	-	-	0.76	53.01
Harsh Bagadia	50.00	-	-	-
Rajshree Bagadia	-	27.03	-	14.00
Arunkumar Bagadia	4.23	18.40	40.00	2.00
Sunita Bagadia	5.32	-	20.00	-
Mitosh Bagadia	-	-	0.84	-
Arunkumar Bagadia HUF	7.68	6.00	8.20	2.80
Savitri Devi Family trust	13.61	9.75	-	-

<b>Interest Paid</b>				
Manish Bagadia HUF	3.59	8.94	7.57	5.76
Harsh Trust	-	-	-	0.84
Harsh Bagadia	2.89	7.55	5.67	3.92
Rajshree Bagadia	0.51	0.47	2.15	1.59
Arunkumar Bagadia	0.06	1.25	3.67	4.33
Sunita Bagadia	0.08	0.44	1.65	1.84
Mitosh Bagadia	-	-	0.04	0.07
Arunkumar Bagadia HUF	-	0.89	1.38	1.69
Savitri Devi Family trust	0.54	1.67	1.57	1.19
<b>Rent Paid</b>				
Manish Bagadia	5.10	15.60	15.60	15.60
Karuna Bagadia	2.96	6.60	6.60	6.60
<b>C. Outstanding Balances</b>				
Nature of Transactions	As at 30.09.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Remuneration Payable/(Advance Remuneration)</b>				
Manish Bagadia	-	-	1.30	1.30
Karuna Bagadia	3.20	-	1.35	1.35
Jigar Patel	0.65	-	-	-
Radhika Bhut	-	-	-	-
VIVEKKUMAR BARLOTA	-	-	-	-
<b>Reimbursement of Expenses Payable /(Advance for Expenses)</b>				
Manish Bagadia	(0.20)	3.40	(0.16)	0.06
Karuna Bagadia	(0.13)	-	-	-
<b>Unsecured Loans Payable</b>				
Manish Bagadia	11.16	21.83	67.85	0.33
Karuna Bagadia	33.90	13.91	0.35	0.80
Manish Bagadia HUF	77.58	115.35	122.30	84.59
Harsh Trust	-	-	-	0.76
Harsh Bagadia	48.86	96.20	69.41	61.31
Rajshree Bagadia	45.46	-	26.61	23.18
Arunkumar Bagadia	-	4.17	21.44	53.34
Sunita Bagadia	-	5.25	4.85	22.47
Mitosh Bagadia	-	-	-	0.81
Arunkumar Bagadia HUF	-	7.68	12.88	18.94
Savitri Devi Family trust	-	13.13	19.67	16.38
<b>Rent Payable</b>				
Manish Bagadia	-	-	1.17	1.17
Karuna Bagadia	0.30	-	0.50	0.50



## RESTATED STATEMENT OF ADJUSTMENTS TO AUDITED FINANCIAL STATEMENTS

**(i) Material Regrouping :**

Appropriate adjustments have been made in the Restated Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

**(ii) Reconciliation of Restated Profit:**

The reconciliation of Profit after tax as per audited financial statements and the Profit after tax as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit / loss of the company.

Particulars	For the period ended 30th September'24	For the year ended 31st March'24	For the year ended 31st March'23	For the year ended 31st March'22
<b>Profit after tax as per audited/ re-audited financial statements</b>	684.85	600.52	71.57	89.37
<b>(i) Adjustments on account of change in accounting policies:</b>	-	-	-	-
<b>(ii) Other material adjustments:</b>				
Employee benefit expenses - Gratuity	7.21	0.30	1.99	(4.21)
Depreciation and amortization expense	-	-	-	-
Finance cost	7.11	(7.46)	-	(0.08)
Income tax adjustments related to earlier years	-	-	-	-
Deferred tax adjustment	0.28	(0.57)	(0.29)	1.41
Prior Period Items	-	0.23	-	0.14
Provision for Income tax	0.14	(18.51)	(0.20)	(0.00)
Exceptional Items	-	-	-	-
<b>(iii) Audit Qualifications:</b>	-	-	-	-
<b>Restated profit after tax</b>	<b>699.57</b>	<b>574.50</b>	<b>73.07</b>	<b>86.63</b>

**(a) Difference on Account of Change in Deferred Tax**

Since the provision for gratuity figures has been restated the deferred tax also got changed. Moreover, Deferred Tax Computations for previous years were wrongly computed. Hence, the same has been rectified.

**(iii) Reconciliation of Restated Shareholders Funds:**

The reconciliation of Shareholder's funds as per audited financial statements and Shareholder's funds as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on Shareholder's funds of the company.

Particulars	For the period ended 30th September'24	For the year ended 31st March'24	For the year ended 31st March'23	For the year ended 31st March'22
<b>Shareholder's funds as per Audited/ Re-audited financial statements (a)</b>	1,636.78	951.94	351.42	279.85
<b>Adjustments for:</b>				
<b>Opening Balance of Adjustments</b>	<b>(31.23)</b>	<b>(5.20)</b>	<b>(6.70)</b>	-
Deferred tax adjustment	-	-	-	1.46
Gratuity Opening Adjustment	-	-	-	(5.29)
Prior Period Adjustment	-	-	-	0.14
Add/Less : Change in Profit / (loss)	14.73	(26.02)	1.50	(2.74)
<b>Closing Balance of Adjustments (b)</b>	<b>(16.50)</b>	<b>(31.23)</b>	<b>(5.20)</b>	<b>(6.70)</b>
<b>Restated Shareholder's funds (a+b)</b>	<b>1,620.29</b>	<b>920.71</b>	<b>346.22</b>	<b>273.15</b>

## STATEMENT OF CAPITALISATION

(₹ in lakhs)

PARTICULARS	Pre-Offer 30.09.2024	Post-Offer 30.09.2024
<b>Debt</b>		
- Short Term Debt	-	-
- Long Term Debt	216.96	-
<b>Total Debt</b>	<b>216.96</b>	-
<b>Shareholders' Fund (Equity)</b>		
- Share Capital	300.00	-
- Reserves & Surplus	1,320.29	-
<b>Total Shareholders' Fund (Equity)</b>	<b>1,620.29</b>	-
<b>Total Debt / Equity (In Ratio)</b>	0.13	-

**Notes:-**

1. Short Term Debts represent which are expected to be paid/payable within 12 months and include installments of Term Loans repayable within 12 months.
2. Long Term Debts represent debts other than Short Term Debts as defined above but include installments of Term Loans repayable within 12 months grouped under short term debt.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30/09/2024
4. The post issue capitalization will be determined only after the completion of the allotment of Equity Shares.

## OTHER FINANCIAL INFORMATION

(₹ in lakhs)

Particulars	As at 30.09.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Face Value per Share (Amt. in Rs.)	10	10	10	10
(i) Earnings/ (losses) Per Share (Amt. in Rs.)				
- Basic and Diluted Earnings/ (losses) Per Share [a/b]	23.32	19.15	2.44	2.89
(ii) Return on Net Worth (in %) [a/d]	43.18%	62.40%	21.11%	31.72%
(iii) Net Assets Value per Share (in Rs.)				
- Restated Net Assets Value per Share (Amt. in Rs.) [d/c]	54.01	30.69	692.43	546.30
- Restated Net Assets value per Share (Adjusted for Bonus Shares ) (Amt. in Rs.)	54.01	30.69	11.54	9.10
(a) Net profit available for appropriation (as restated)	699.57	574.50	73.07	86.63
(b) Weighted average numbers of equity shares for calculating Basic and diluted EPS. (Adjusted for Bonus Shares)	30,00,000	30,00,000	30,00,000	30,00,000
(c) No. of equity shares outstanding at the end of the year.	30,00,000	30,00,000	50,000	50,000
(c1) No. of equity shares outstanding at the end of the year. (Adjusted for Bonus Shares)	30,00,000	30,00,000	30,00,000	30,00,000
(d) Net Worth as at the end of the period/year (as restated)	1,620.29	920.71	346.22	273.15

Ratios for the period 1st April, 2024 to 30th September, 2024 are not annualized

**Notes:-**

1. The ratios have been Computed as per the following formulas

(i) Basic Earnings per Share

$$\frac{\text{Net Profit available for appropriation (as restated)}}{\text{Weighted average number of equity shares outstanding at the end of the year / period}}$$

(ii) Return on Net Worth (%)

$$\frac{\text{Net Profit available for appropriation (as restated)}}{\text{Restated Net Worth of Equity Share Holders}}$$

(iii) Net Asset Value (NAV) per Equity Share

$$\frac{\text{Net Worth as at the end of the period/year}}{\text{Number of equity shares outstanding at the end of the year / period}}$$

2. Net Worth means the aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account.

3. Net Profit as restated, as appearing in the Statement of Profit and Losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the Restated Financial Information of the Company.

4. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earning per Share", issued by the Institute of Chartered Accountants of India.

5. Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.

## RESTATED STATEMENT OF TAX SHELTER

(₹ in lakhs)

Particulars	As at 30.09.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Restated Profit before tax as per books (A)</b>	<b>969.21</b>	<b>891.89</b>	<b>99.34</b>	<b>119.65</b>
Tax Rates (%) (B)	27.82%	27.82%	26.00%	27.82%
<b>Tax expense at nominal rate [C = (A*B)]</b>	<b>269.63</b>	<b>248.12</b>	<b>25.83</b>	<b>33.29</b>
<b>Adjustments :</b>				
<b>Permanent Differences</b>				
Deduction allowed under Income Tax Act	-	-	-	-
Exempt Income	-	-	-	-
Allowance of Expenses under the Act Section 35	-	-	-	-
Disallowance of Income under the Act	-	-	-	-
Disallowance of Expenses under the Income Tax Act	-	14.04	0.18	0.08
<b>Total Permanent Differences (D)</b>	<b>-</b>	<b>14.04</b>	<b>0.18</b>	<b>0.08</b>
<b>Timing Differences (E)</b>				
Difference between Depreciation as per Income tax,1961 and Companies Act 2013	1.78	0.84	0.26	2.06
Unabsorbed Depreciation as per Income Tax Act	-	-	-	-
Provision for Gratuity disallowed	0.99	(0.30)	(1.99)	4.21
Actual Gratuity paid during the year	-	-	-	-
Expense disallowed u/s 43B	-	-	-	-
<b>Total Timing Differences (E)</b>	<b>2.77</b>	<b>0.54</b>	<b>1.73</b>	<b>6.27</b>
<b>Deduction under Chapter VI-A (F)</b>		(3.12)	-	-
<b>Net Adjustments (G) = (D+E+F)</b>	<b>2.77</b>	<b>11.46</b>	<b>-1.56</b>	<b>6.35</b>
<b>Brought Forward loss (a)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Brought Forward loss (Utilisation) (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Adjustment after loss loss utilisation (c) = (G)-(b)</b>	<b>2.77</b>	<b>11.46</b>	<b>-1.56</b>	<b>6.35</b>
<b>Tax Impact of Adjustments (H) = (G)*(B)</b>	<b>0.77</b>	<b>3.19</b>	<b>0.40</b>	<b>1.77</b>
<b>Tax expenses (Normal Tax Liability) (I = H+C) (derived)</b>	<b>270.41</b>	<b>251.31</b>	<b>25.42</b>	<b>35.05</b>
<u>Minimum Alternate Tax (MAT)</u>				
<b>Income as per MAT</b>	969.21	891.89	99.34	119.65
Less : Business Loss (Opening)	-	-	-	-
Net Income as per MAT	969.21	891.89	99.34	119.65
<b>Tax as per MAT</b>	<b>161.78</b>	<b>148.87</b>	<b>15.50</b>	<b>19.97</b>
Tax Expenses as per Restated data = MAT or Normal Provision of Income Tax w.e. is higher	<b>270.41</b>	<b>251.31</b>	<b>25.42</b>	<b>35.05</b>
<b>Tax Paid as per "MAT"or "Normal" Provision</b>	<b>Normal</b>	<b>Normal</b>	<b>Normal</b>	<b>Normal</b>
<b>Tax provision as per taken in restated profit and loss</b>	<b>270.41</b>	<b>251.31</b>	<b>25.42</b>	<b>35.05</b>

## RESTATED STATEMENT OF CONTINGENT LIABILITIES

(₹ in lakhs)

Particulars	As at 30.09.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Claims against the company not acknowledged as Debts - Bank Guarantee	163.56	20.00	7.00	101.85
Income Tax Demand	NIL	NIL	NIL	NIL
TDS Demand	NIL	NIL	NIL	NIL
Sales Tax Demand	NIL	NIL	NIL	NIL
Commitments (to the extent not provided for)	NIL	NIL	NIL	NIL
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL	NIL	NIL
Other commitments	NIL	NIL	NIL	NIL
<b>Total</b>	<b>163.56</b>	<b>20.00</b>	<b>7.00</b>	<b>101.85</b>

RESTATED STATEMENT OF ACCOUNTING RATIOS					Annexure XIII
					(₹ in lakhs)
Particulars	As at 30.09.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022	
Current Assets	2,056.20	1,428.24	652.60	696.89	
Current Liabilities	648.04	436.48	220.31	268.54	
<b>Current Ratio</b>	<b>3.17</b>	<b>3.27</b>	<b>2.96</b>	<b>2.60</b>	
<b>Change</b>	-	<b>10%</b>	<b>14%</b>	-	
Debt	216.96	324.32	410.22	302.85	
Equity	1,620.29	920.71	346.22	273.15	
<b>Debt - Equity Ratio</b>	<b>0.13</b>	<b>0.35</b>	<b>1.18</b>	<b>1.11</b>	
<b>Change</b>	-	<b>-70%</b>	<b>7%</b>	-	
Earnings available for debt service	986.23	938.79	141.91	152.41	
Debt Service	227.11	361.22	445.40	328.09	
<b>Debt - Service Coverage Ratio</b>	<b>4.34</b>	<b>2.60</b>	<b>0.32</b>	<b>0.46</b>	
<b>Change</b>	<b>0%</b>	<b>716%</b>	<b>-31%</b>	-	
Net Profit after Tax	699.57	574.50	73.07	86.63	
Average Shareholder's Equity	1,270.50	633.46	309.68	231.74	
<b>Return on Equity Ratio</b>	<b>0.55</b>	<b>0.91</b>	<b>0.24</b>	<b>0.37</b>	
<b>Change</b>	-	<b>284%</b>	<b>-37%</b>	-	
Revenue	5,237.80	7,790.91	3,854.98	4,936.23	
Average Inventory	507.93	297.56	195.83	148.08	
<b>Inventory Turnover Ratio</b>	<b>10.31</b>	<b>26.18</b>	<b>19.69</b>	<b>33.33</b>	
<b>Change</b>	-	<b>33%</b>	<b>-41%</b>	-	
Net Credit Sales	5,237.80	7,790.91	3,854.98	4,936.23	
Average Trade Receivables	474.97	297.56	95.21	78.33	
<b>Trade Receivables Turnover Ratio</b>	<b>11.03</b>	<b>26.18</b>	<b>40.49</b>	<b>63.02</b>	
<b>Change</b>	-	<b>-35%</b>	<b>-36%</b>	-	
Net Credit Purchase	2,255.97	2,208.55	327.48	432.50	
Average Trade Payables	43.45	21.34	28.93	68.23	
<b>Trade Payables Turnover Ratio</b>	<b>51.92</b>	<b>103.50</b>	<b>11.32</b>	<b>6.34</b>	
<b>Change</b>	-	<b>814%</b>	<b>79%</b>	-	
Net Sales	5,237.80	7,790.91	3,854.98	4,936.23	
Current Assets	2,056.20	1,428.24	652.60	696.89	
Current Liabilities	648.04	436.48	220.31	268.54	
Average Working Capital	1,199.96	712.02	430.32	369.18	
<b>Net Capital Turnover Ratio</b>	<b>4.36</b>	<b>10.94</b>	<b>8.96</b>	<b>13.37</b>	
<b>Change</b>	-	<b>22%</b>	<b>-33%</b>	-	
Net Profit	699.57	574.50	73.07	86.63	
Net Sales	5,237.80	7,790.91	3,854.98	4,936.23	
<b>Net Profit Ratio</b>	<b>0.13</b>	<b>0.07</b>	<b>0.02</b>	<b>0.02</b>	
<b>Change</b>	-	<b>289%</b>	<b>8%</b>	-	
Earning before interest and taxes	979.36	928.79	134.52	144.88	
Capital Employed	1,845.30	1,205.30	698.32	564.96	
<b>Return on Capital Employed</b>	<b>0.53</b>	<b>0.77</b>	<b>0.19</b>	<b>0.26</b>	
<b>Change</b>	-	<b>300%</b>	<b>-25%</b>	-	
Net Return on Investment	N/A	NA	N/A	N/A	
Cost of Investment	-	-	-	-	
<b>Return on Investment</b>	-	-	-	-	

**Management explanation in cases where difference in ratio is more than 25% over previous year :**

<b>Particular</b>	<b>Reason (23-24/22-23)</b>	<b>Reason (22-23/21-22)</b>
(i) Current Ratio	NA	Ratio has increased due to increase in debt for managing fund for increase in operating activity
(ii) Debt - Equity Ratio	NA	Ratio has increased due to increase in debt for managing fund for increase in operating activity
(iii) Debt - Service Coverage Ratio	Ratio has increased due to increase in earning before interest, tax, depreciation and amortization	Ratio has decreased due to decrease in earning before interest, tax, depreciation and amortization
(iv) Return on Equity Ratio	Ratio has increased due to increase in Operating profit during the year	Ratio has decreased due to decrease in Operating profit during the year
(v) Inventory Turnover Ratio	Ratio has increased due to increase in Revenue of the Company	Ratio has decreased due to increase in Inventory of the Company
(vi) Trade Receivable Turnover Ratio	NA	Ratio has increased due to increase in Credit Purchases
(vii) Trade Payable Turnover Ratio	NA	Ratio has increased due to increase in Credit Purchases
(viii) Net Capital Turnover Ratio	NA	Ratio has decreased due to increase in Average Working Capital
(ix) Net Profit Ratio	Ratio has increased due to increase in Operating profit during the year	NA
(x) Return on Capital Employed Ratio	Ratio has increased due to increase in Operating profit during the year	NA

**Note:** As the figures were not comparable between the stub period and F.Y.23-24 no management comment has been provided.

## FINANCIAL INDEBTEDNESS

Our Company has availed borrowings in the ordinary course of our business. Set forth below is a brief summary of our aggregate outstanding borrowings as on January 31, 2025:

Category of borrowing	Sanctioned Amount (₹ in lakhs)	Outstanding amount (₹ in Lakhs) as on January 31, 2025	Rate of Interest	Tenure	Repayment Term	Collateral / Asset Charged	Principal Terms and Conditions
<b>Secured</b>							
<b>Axis Bank Limited</b>							
Working Capital Overdraft	289.00	Nil	Repo Rate + 3.50 %	12 Months	Repayable on Demand	Secured by Current Assets, Movable Fixed Assets and Residential Flat of Karuna Bagadia	Facilities taken from Axis Bank of Overdraft with LC as a sub limit with security of Current Assets, Movable Fixed Assets, Certain amount of FDRs And Residential Flat of Karuna Bagadia. It is further secured by personal guarantee of Directors of the company Manish Bagadia and Karuna Bagadia.
Bank Guarantee and LCBN	200.00	56.73	Repo Rate + 3.50 %	12 Months	Repayable on Demand	Secured by Current Assets, Movable Fixed Assets and Residential Flat of Karuna Bagadia	Facilities taken from Axis Bank of Bank Guarantee with FLCB as a sub limit with security of Current Assets, Movable Fixed Assets, Certain amount of FDRs and Residential Flat of Karuna Bagadia. It is further secured by personal guarantee of Directors of the company Manish Bagadia and Karuna Bagadia.



Category of borrowing	Sanctioned Amount (₹ in lakhs)	Outstanding amount (₹ in Lakhs) as on January 31, 2025	Rate of Interest	Tenure	Repayment Term	Collateral / Asset Charged	Principal Terms and Conditions
<b>Indusind Bank Limited</b>							
Working Capital Overdraft	3.00	3.00	Floating Rate of FDR + 1.00 %	12 Months	Repayable on Demand	Secured by Lien on FDR / Cash Deposit of Rs. 3.33 Lakhs	Facilities taken from Indusind Bank Limited is secured by Lien on FDR / Cash Deposit of Rs. 3.33 Lakhs which comes to 111.12 % of sanctioned amount
Working Capital Bank Guarantee Limits	52.00	29.66	NA	12 Months	Repayable on Demand	Secured by 100 % FDR/ cash Deposit as margin	Facilities taken from Indusind Bank Limited is secured by Lien on FDR / Cash Deposit of Rs. 52.00 Lakhs which comes to 100 % of sanctioned amount
<b>Total (A)</b>	<b>544.00</b>	<b>89.39</b>	-	-	-	-	--

#### UNSECURED BORROWINGS

Sr No.	Name of Lender	Purpose	Terms of Repayment	Outstanding balance as on 30 <sup>th</sup> September, 2024	Outstanding balance as on March 31, 2024
1.	From Directors	Business Purpose	Repayment of Loan	45.05	35.74
2.	From Related Parties	Business Purpose	Repayment of Loan	171.90	241.78
3.	From Bodies Corporates	Business Purpose	Repayment of Loan	-	-
<b>Total(B)</b>				<b>216.96</b>	<b>277.52</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion and analysis of our financial condition and results of operations for the financial years ended on 2024, 2023 and 2022 is based on, and should be read in conjunction with, our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, included in the chapter titled "Restated Financial Statements" beginning on page 188 of this Draft Red Herring Prospectus. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note.*

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in this Draft Red Herring Prospectus. You should also read the section titled "Risk Factors" beginning on 30 of this Draft Red Herring Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Grace Renewable Energy Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Statements" for the period ended September 30, 2024 and for financial year ended on 2024, 2023 and 2022 included in this Draft Red Herring Prospectus beginning on page 188 of this Draft Red Herring Prospectus.*

*Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward Looking Statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

### **BUSINESS OVERVIEW**

We specialise in providing solar Energy Solutions to residential, commercial and industrial. Our Company offers low carbon energy solutions by installing on-site solar projects such as rooftop and ground-mounted systems, as well as off-site solar farm. In addition, we also deal in sale and supply of battery energy storage solution under the brand name "Grace" manufactured by third party. Our comprehensive range of value-added services include installation, after-sales service, operation and maintenance ("O&M") services. Our O&M services are tailored to meet the unique needs of each solar power plant, ensuring reliable and efficient operations. Our portfolio includes residential installations, commercial and industrial installations, along with battery energy storage solutions ("BESS") ("Energy Solutions"). From the period April 01, 2021 to September 30, 2024, we have successfully executed and commissioned 36,450 KW solar projects at over 3,359 sites having presence in the 8 states across India and 2 countries. These projects comprise 3,180 residential sites with a capacity installed about 14,746 KW, 179 commercial and industrial sites with a capacity installed about 21,704 KW. We are also channel partner of solar panel of reputed Indian Company and distributor of Invertor of reputed Chinese Company.

Our EPC (Engineering, Procurement and Commissioning) contracts are on turnkey basis, encompassing a comprehensive range of services. Our scope of services includes assessing the plant site/layout and its feasibility, selecting the plant configuration, conducting financial and technical evaluation of technology options, assessing technology risks and grid connectivity, detailed engineering, and defining contract structure. Additionally, we manage the complete supply chain from India, including the design and engineering functions and engage supplies and third-party subcontractors, and procure raw materials for our operations locally or internationally. We also provide O&M services to our clients, which include testing and cleaning of solar panels, repair and replacement of damaged components and conducting inspection of solar systems.

For more details, please refer chapter titled "Our Business" beginning on page 136 of this Draft Red Herring Prospectus.

### **SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2024**

In the opinion of the Board of Directors of our Company, since the date of the stub period in this Draft Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months. However, following material events have occurred after the last audited period:

1. Pursuant to a resolution passed by our Board and our Shareholders on October 15, 2024 and November 08 2024, our Company has increased the authorized share capital from existing ₹ 3,00,00,000/- (Rupees Three Crore) divided into 30,00,000 (Thirty Lakh) Equity Shares of Rs. 10/- each (Rupee Ten only) to ₹ 21,00,00,000/- (Rupees Twenty One Crore) divided into ₹ 2,10,00,000 (Rupees Two Crore Ten lakh) Equity Shares of ₹ 10/- each (Rupee Ten only).
2. Pursuant to a resolution passed by our Board on January 16, 2025 and our Shareholders on January 20, 2025 our Company has issued bonus shares in the ratio of 42:10 i.e.; for every 10 shares held, 42 bonus equity shares has been issued.

## **FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subject to various risks and uncertainties, including those discussed in the section titled “Risk Factors” on page 30 beginning of this Draft Red Herring Prospectus.

Our Company’s future results of operations could be affected potentially by the following factors

### **Our ability to expand our order book**

Our Company’s order book as of a particular date comprises the estimated revenues from the total contract value of all the projects awarded to the company. As on September 30, 2024, our Order Book was ₹ 7640.95 Lakhs for EPC projects with a cumulative capacity of 25325 KW. Our Order Book has grown from ₹ 852.11 Lakhs as on Fiscal ended 2022 to ₹2615.78 Lakhs as on Fiscal ended 2024, at a CAGR of 75.21%.. The order book of the company is only in relation to Commercial & Industrial (“C&I”), Resident and Ground-mounted Projects. The manner in which we calculate and present our Company’s order book information may vary from the manner in which such information is calculated and presented by other companies, including our competitors. Though, the order book information included in this Draft Red Herring Prospectus is certified, it does not necessarily indicate our future earnings. Our order book should not be considered in isolation or as a substitute for performance measures. Our order book and the new projects that we have will have an effect on the revenues we will earn in the future. In addition, our project implementation schedule may vary due to various factors that may be beyond our control, including, among others, the availability of raw materials, timely delivery and execution of the order. These depend on various factors such as the value of the project, the timeline for completion and payments to be made as per the agreed timelines. For further details refer section “Risk Factors” beginning on page 30.

Expanding our renewable energy portfolio requires adapting to changing regulations, securing suitable land, and exploring effective financing solutions. Frequent changes in government incentives, complex approval processes, and evolving compliance requirements create unpredictability in project planning. Securing necessary permits for land use, environmental clearances, and grid connections often leads to delays, increasing the complexity of project execution. Land acquisition and site development present additional difficulties. Identifying suitable land is becoming increasingly difficult due to legal disputes, environmental concerns, and resistance from local communities. Even when land is available, prolonged negotiations and regulatory approvals can delay project timelines. Financing constraints also pose significant challenges. Renewable energy projects require substantial upfront investment, and access to long-term financing can be constrained by fluctuating interest rates, limited government subsidies, and high capital expenditure requirements for infrastructure development. Market competition intensifies bidding, reducing profit margins, while grid limitations necessitate additional investments in infrastructure and storage solutions. Technological advancements demand continuous upgrades, adding to capital expenditure, and supply chain dependencies expose projects to geopolitical risks and cost fluctuations. Despite these obstacles, India's renewable energy sector is poised for substantial growth, with installed capacity projected to reach 170 GW by March 2025. (Source: [www.ibef.org](http://www.ibef.org)) To navigate this, we focus on strategically planning, innovating, and regularizing engagement to ensure sustainable expansion and operational quality.

### **Impact of evolving policies and regulations on our operations**

Our business operations and revenue streams are intricately linked to the prevailing governmental policies and regulatory frameworks governing the renewable energy sector. Shifts in these policies, especially those

concerning subsidies and incentives, can profoundly influence our financial strategies, capital investments, revenue generation, and the expansion or modification of our current and planned capacities. Such changes also affect our competitive positioning within the industry. Moreover, broader policy decisions impacting India's economic landscape can reshape our operational methodologies and future plans. While we believe that the Government will continue to focus on providing variety of schemes and incentives for the growth of renewable energy sector in India, in the event there are adverse changes in such policies or regulations, our results of operations may be impacted.

### Government Schemes and Incentives

The development and profitability of renewable energy projects in the locations in which we operate are dependent on policy and regulatory frameworks that support such developments. These incentives help catalyse private sector investments in renewable energy. Such incentives are generally in the form of exemptions on payment of taxes such as e.g. custom duty provided by the central government and exemptions on payment of entry tax, VAT, stamp duty on registration of land for renewable power projects, registration charge, electricity duty on energy used for auxiliary consumption, change of land use provided by state governments which may vary from state to state, and other incentives to end users, distributors and system integrators of solar or wind energy products. The incentives are aimed at reducing the development costs of renewable projects or providing favorable contract prices for such renewable energy. Our operations benefit from these government incentives, and any adverse change or termination of these incentives could have an adverse effect on our business, financial condition, results of operations and cash flows.

### Competition

The industry, in which we are operating, is highly and increasingly competitive and our results of operations and financial condition are sensitive to, and may be materially adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins or lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

### SIGNIFICANT ACCOUNTING POLICIES

For significant accounting policies please refer Significant Accounting Policies, beginning under “Restated Financial Statements” on page 188 of this Draft Red Herring Prospectus.

The scale of our operations and the vast distribution network along with our customers’ confidence have had a significant impact on our revenues and profitability. Set out below are a few key performance indicators

(₹ in Lakhs)

Particulars	For the period ended September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations	5,237.80	7,790.91	3,854.98	4,936.23
Revenue CAGR <sup>(1)</sup>			25.63%	
Revenue growth <sup>(2)</sup>	-	102.10%	(21.90) %	-
EBITDA <sup>(3)</sup>	946.88	825.32	114.49	139.48
EBITDA Margin (%) <sup>(4)</sup>	18.08%	10.59%	2.97%	2.83%
PAT <sup>(5)</sup>	699.57	574.50	73.07	86.63
PAT Margin (%) <sup>(6)</sup>	13.36%	7.37%	1.90%	1.76%
Net Worth <sup>(7)</sup>	1620.29	920.71	346.22	273.15
Debt To Equity Ratio <sup>(8)</sup>	0.13	0.35	1.18	1.11
RONW (%) <sup>(9)</sup>	43.18%	62.40%	21.11%	31.72%
EPS (Basic & Diluted) <sup>(10)</sup>	4.48	3.68	0.47	0.56
Return on Capital Employed (RoCE) % <sup>(11)</sup>	53.07%	77.06%	19.26%	25.64%

### Explanation of KPIS:

- (1) Revenue CAGR is calculated by dividing the Revenue from operation for the FY 2024 by the Revenue from operation for the FY 2022, raising it to the power of one divided by the number of compounding periods i.e. 2 years, and subtracting by one
- (2) Revenue Growth is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period
- (3) 'EBITDA' is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income
- (4) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.
- (5) PAT is calculated as Profit after interest, exceptional items, tax & depreciation
- (6) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
- (7) Net Worth is calculated by subtracting a company's Total Liabilities from its Total Assets
- (8) Debt Equity Ratio is calculated as Total debt divided by total shareholders' Equity
- (9) Return on Net worth is calculated as companies PAT divided by the company Total Shareholders' Equity (Net worth)
- (10) Earnings Per Share (Basic) is calculated as PAT divided by the Weighted average no. of Shares
- (11) Return on *Capital Employed* is calculated as *companies EBIT* divided by *the company Average Capital Employed*

## **COMPONENTS OF INCOME AND EXPENDITURE**

### **Total Revenue**

Our total revenue is divided into revenue from operations and other income.

Revenue from operations consists of Export Sales and Domestic Sales. Export Sales consists of revenue from Turnkey Solutions and Unbilled Revenue from Turnkey Solutions. Domestic sales consists of revenue from Turnkey Solutions and revenue from Sales of Products.

Other income consists of Interest from Bank Deposits, Interest from Bonds, Interest Income on Loans, Interest Income from Income Tax Refund, Discount Rate Difference and Written off Balance, Duty Drawback, Foreign exchange gain/loss and other income.

### **Total Expenses**

Our total expenses comprise of Cost of Materials Consumed, Purchase of Stock In Trade, Changes in Inventories of Finished Goods, Work-in Progress and Stock in Trade, Employee Benefit Expenses, Finance Costs, Depreciation and Amortisation Expenses, Other Expenses.

#### Cost of materials consumed

Costs of material consumed includes purchases during the year and less closing stock at the end of the financial year / period.

#### Purchases of stock in trade

It includes purchases of stock in trade.

#### Changes in inventories of finished goods, WIP and stock-in trade

It includes net increase / decrease in stock in trade.

#### Employee Benefit Expenses

It includes Salaries, Wages, Bonus & Allowances, Directors Remuneration, Contribution to Provident & Other Funds, Gratuity Expenses and Staff Welfare Expenses.

#### Finance costs

Finance costs include Interest on Car Loan, Interest on Cash Credit and Overdraft, Interest on Unsecured Loan, Interest on Income Tax, Interest on TDS, GST, Profession Tax, TCS, Bank Charges and Other Borrowing Costs.

### Depreciation and Amortization Expenses

It includes Depreciation and other expenses.

### Other Expenses

Other expenses include Direct Expenses and Administrative and other expenses.

Direct Expenses include Custom Duty, Installation & Commissioning Service Expenses, Freight Inward, Godown Rent & Other Expense, Net Meter Charges, Solar Operation, Maintenance and Panel Cleaning Service.

Administrative and other expenses include Transportation, Loading and Unloading Expenses, Administration Expenses, Agency Charges, Advertisement and Marketing Expenses, Commission and Brokerage, Rent Expense, Petrol & Fuel Expenses, Printing and Stationery, Postage and Courier Expenses, Telephone & Internet Expenses, Insurance Expense, Stamping and other Expenses, Legal & Professional Charges, Travelling expenses, Audit fees, Electricity Expenses, Municipal Tax, Shortfall in Subsidy Receivable, Other Misc. Expenses, Loss on Sale of Fixed Assets, Donation, Repairs & Maintenance to building and to others.

### **Result of Stub Period**

<b>Particulars</b>	<b>As on September 30, 2024</b>	<b>% of Total Revenue</b>
<b>Revenue</b>		
Revenue from Operations	5237.80	99.27
Other Income	38.45	0.73
<b>Total Income</b>	<b>5276.25</b>	<b>100.00</b>
<b>Expenses</b>		
Cost of materials consumed	1795.09	34.02
Purchase of stock-in-trade	2255.97	42.76
Changes in Inventories of Finished Goods	(204.70)	(3.88)
Employee benefits expense	151.07	2.86
Finance Costs	10.15	0.19
Depreciation and other expenses	6.87	0.13
Other expenses	292.59	5.55
<b>Total expenses</b>	<b>4307.04</b>	<b>81.63</b>
Profit before exceptional items and tax	-	-
Exceptional items	-	-
<b>Profit before tax</b>	<b>969.21</b>	<b>18.37</b>
<b>Tax expense</b>		
Current tax	270.41	5.13
Deferred tax (credit)/charge	(0.77)	(0.01)
Earlier Year Taxes	-	-
<b>Profit for the period / year</b>	<b>699.57</b>	<b>13.26</b>

### **Financial Performance**

#### Total Income:

Our Company's Total Income for period ended on September 30, 2024 was ₹ 5276.25 Lakhs which consist of Revenue from Operations of ₹ 5237.80 Lakhs and Other Income of ₹ 38.45 Lakhs.

#### Total Expenses:

The total expenditure for the period ended on September 30, 2024 was ₹ 4307.04 Lakhs which is 81.63 % of the total revenue for the said period. The major expenditure which is part of the total expenditure is Purchase of Stock

in Trade which is 42.76% of the total income and Cost of Material Consumed is ₹ 1795.09 Lakhs which is 34.02% of the total income.

Profit after tax:

The profit after Tax for the period ended on September 30, 2024 was ₹ 699.57 lakhs representing 13.26 % of the total revenue.

**RESULTS OF OPERATIONS**

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements of our Company for the financial years ended on 2024, 2023 and 2022:

(₹ in Lakhs)						
Particulars	For the year ended on March 31, 2024	% of Total Revenue	For the year ended on March 31, 2023	% of Total Revenue	For the year ended on March 31, 2022	% of Total Revenue
<b>Revenue</b>						
Revenue from Operations	7790.91	99.48	3854.98	99.52	4936.23	99.77
Other Income	40.81	0.52	18.68	0.48	11.05	0.22
<b>Total Income</b>	<b>7831.72</b>	<b>100.00</b>	<b>3873.67</b>	<b>100.00</b>	<b>4,947.76</b>	<b>100.00</b>
<b>Expenses</b>						
Cost of materials consumed	4077.45	52.06	2816.05	72.70	3737.16	75.53
Purchase of stock-in-trade	2208.55	28.20	327.48	8.45	432.50	8.74
Changes in Inventories of Finished Goods	(142.47)	(1.82)	11.55	0.30	(69.77)	(1.41)
Employee benefits expense	219.78	2.81	163.24	4.21	157.55	3.18
Finance Costs	36.90	0.47	35.18	0.91	25.23	0.51
Depreciation and other expenses	10.00	0.13	7.39	0.19	7.53	0.15
Other expenses	529.62	6.76	413.43	10.67	537.44	10.86
<b>Total expenses</b>	<b>6,939.83</b>	<b>88.61</b>	<b>3774.33</b>	<b>97.44</b>	<b>4827.63</b>	<b>97.57</b>
<b>Profit before exceptional items and tax</b>	<b>891.89</b>	<b>11.39</b>	<b>99.34</b>	<b>2.56</b>	<b>119.65</b>	<b>2.42</b>
Exceptional Items	66.69	0.85	-	-	-	-
<b>Profit Before Tax</b>	<b>825.20</b>	<b>10.54</b>	<b>99.34</b>	<b>2.56</b>	<b>119.65</b>	<b>2.42</b>
<b>Tax expense</b>						
Current tax	251.31	3.21	25.42	0.66	35.05	0.71
Deferred tax (credit)/charge	(0.60)	(0.01)	(0.85)	(0.02)	(2.04)	(0.04)
Earlier Year Taxes	-	-	-	-	-	-
<b>Profit for the period / year</b>	<b>574.50</b>	<b>7.34</b>	<b>73.07</b>	<b>1.89</b>	<b>86.63</b>	<b>1.75</b>

**COMPARISON OF FINANCIAL YEAR ENDED 2024 TO FINANCIAL YEAR ENDED 2023**

**Income**

Total Income:

Our total income was increased by 102.18% from ₹ 3873.67 Lakhs in FY 2023 to ₹ 7831.72 Lakhs in FY 2024 due to the factors described below:

Revenue from Operations:

Revenue from operations comprises of revenue from i) Residential rooftop projects; ii) Commercial and Industrial (“C&I”) roof top and Ground Mounted projects; iii) Revenue from Sales of products which are Inverters, and Solar Panels and iv) O&M service.

Our Revenue from Operations increased by 102.10 % in the year FY 2024 as compared to FY 2023. The amount increased from ₹ 3854.98 Lakhs in FY 2023 to ₹ 7790.91 Lakhs in FY 2024. This was because remarkable growth was driven by the company’s strategic expansion into the global market, successfully executing an export order worth ₹18 crore. Additionally, the company has broadened its trading operations and there is significant increase in sale from Solar Panels by 234.70% and introduction of sale of Inverters.

Please find below the product wise revenue bifurcation:

Particulars	Fiscal 2024		Fiscal 2023	
	Amount (in ₹ lakhs)	As a % of revenue from operation	Amount (in ₹ lakhs)	As a % of revenue from operation
Solar EPC Contracts	5,373.19	68.97	3,129.78	81.19
<i>Commercial</i>	3,449.61	44.28	1,511.45	39.21
<i>Residential</i>	1,923.58	24.69	1,618.33	41.98
Sale of Solar Panels	2377.97	30.52	710.33	18.43
Sale of Inverters	5.38	0.07	-	-
O&M	9.33	0.12	11.09	0.29
Other services	25.04	0.32	3.78	0.10
<b>Total</b>	<b>7,790.91</b>	<b>100.00</b>	<b>3,854.98</b>	<b>100.00</b>

#### Other Income

Other income increased by 118.47% from ₹ 18.68 Lakhs in FY 2023 to ₹ 40.81 Lakhs in FY 2024 because there was increase in the company's interest income.

#### **Expenditure**

##### Total Expenses:

Our total expenses increased by 83.87 % to ₹ 6939.83 Lakhs for the FY 2024 from ₹ 3774.33 Lakhs for the FY 2023 due to the factors described below:

##### Costs of Material Consumed

Costs of Material consumed was increased by 44.79 % from 4077.45 Lakhs in FY 2024 to ₹ 2816.05 Lakhs for the FY 2023. This increase was a result of higher sales, leading to a proportional rise in material costs. However, the company has effectively managed to keep costs in check.

##### Purchases of Stock In trade

Our Purchases of stock in Trade increased by 574.41 % from ₹ 327.48 lakhs in FY 2023 to 2208.55 lakhs to FY 2024. This significant rise was primarily driven by higher sales and ongoing projects at the year-end.

##### Changes in Inventories of Finished Goods

The changes in Inventories of Finished Goods increased by 1333.51% from ₹ 11.55 Lakhs in FY 2023 to ₹ 142.47 Lakhs in FY2024. This significant rise was primarily due to high value of closing stock driven by ongoing projects at the year-end."

##### Employee benefits expenses

The Employee and Benefits expenses was increased by 34.64 % from ₹ 163.24 in FY 2023 to ₹ 219.78 Lakhs in FY 2024. This increase was primarily due to the expansion of the workforce and higher salaries paid to employees

##### Finance Costs



Finance Costs increased by 4.89% from ₹ 35.18 Lakhs in FY 2023 to ₹ 36.9 Lakhs in FY 2024. This was due to Income tax expense accrued in 2022 was booked in 2024 amounted ₹7.46 Lakh. 1.

#### Depreciation and Amortisation expense

Depreciation and Amortization expenses increased by 35.32% from ₹7.39 lakhs in FY 2023 to 10.00 lakhs in FY 2024. This was mainly due to acquisition of new assets.

#### Other expenses

Other expenses increased by 28.10% from ₹ 413.43 Lakhs in FY 2023 to ₹ 529.62 Lakhs in FY 2024. This was mainly on account of (i) increase in Commission expense due to increase in Sale and (ii) increase in custom duty expenses due to increase in import.

#### Profit before Exceptional items and Tax

Our profit before Exceptional items and tax increased by ₹ 797.82 % from ₹ 99.34 Lakhs for the FY 2023 to ₹ 891.89 Lakhs for the FY 2024. This remarkable growth was driven by the company's expansion in both overseas and local markets. Additionally, higher margins in the export business contributed to improved profitability.

#### Exceptional Items

Our expenditure from Exceptional Items in FY 2024 was 66.69 Lakhs which was Nil in FY 2023. This was mainly due to withdrawal from contract owing to non-profitability and operational difficulties.

#### Profit before Tax

Our profit before tax increased by ₹ 730.68 % from ₹ 99.34 Lakhs for the FY 2023 to ₹ 825.20 Lakhs for the FY 2024. This was mainly due to increase in revenue from turnkey solutions.

#### Current Tax Expenses

Our Current tax expense increased by 888.63 % from ₹ 25.42 Lakhs in FY 2023 to ₹ 251.31 Lakhs in the FY 2024. This was mainly due to higher profit before tax resulted in a higher tax liability.

#### Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by 686.23% from ₹ 73.07 Lakhs in FY 2023 to ₹ 574.5 Lakhs in FY 2024. This was due to increase in sales from EPC contracts and sales from solar products which is evident from installing EPC contract of 8285.04 KW in Fiscal 2024 as compare to 4914.61 KW in Fiscal 2023. .

### **COMPARISON OF FINANCIAL YEAR ENDED 2023 TO FINANCIAL YEAR ENDED 2022**

#### **Income**

##### Total Income:

Our total income was decreased by 21.71 % from ₹ 4947.76 Lakhs in FY 2022 to ₹ 3873.67 Lakhs in FY 2023 due to the factors described below:

##### Revenue from Operations:

Revenue from operations comprises of revenue from i) Residential rooftop projects; ii) Commercial and Industrial ("C&I") roof top and Ground Mounted projects; iii) Revenue from Sales of products which are Inverters, and Solar Panels and iv) O&M service.

Our Revenue from Operations decreased by 21.90 % in the year FY 2023 as compared to FY 2022. The amount decreased from ₹ 4936.23 Lakhs in FY 2022 to ₹ 3854.98 Lakhs in FY 2023. This was due to a substantial decline

in residential projects following changes in the government subsidy system and absence of export sales which was ₹166.57 Lakhs in Fiscal 2022.

Particulars	Fiscal 2023		Fiscal 2022	
	Amount (in ₹ lakhs)	As a % of revenue from operation	Amount (in ₹ lakhs)	As a % of revenue from operations
Solar EPC Contracts	3,129.78	81.19	4,385.66	88.85
<i>Commercial</i>	1,511.45	39.21	1,741.75	35.29
<i>Residential</i>	1,618.33	41.98	2,643.91	53.56
Sale of Solar Panels	710.33	18.43	532.15	10.78
Sale of Inverters	-	-	-	-
O&M	11.09	0.29	9.33	0.19
Other services	3.78	0.10	9.09	0.18
<b>Total</b>	<b>3,854.98</b>	<b>100.00</b>	<b>4,936.23</b>	<b>100.00</b>

#### Other Income

Other income increased by 69.05% from ₹ 11.05 Lakhs in FY 2022 to ₹ 18.68 Lakhs in FY 2023 because there was increase in disbursement of unsecured loan leading to increase in Interest income

#### **Expenditure**

##### Total Expenses:

Our total expenses decreased by 21.82 % to ₹ 3774.33 Lakhs for the FY 2023 from ₹ 4827.63 Lakhs for the FY 2022 due to the factors described below:

##### Costs of Materials Consumed

Costs of Materials consumed was decreased by 24.65 % from 3737.16 Lakhs in FY 2022 to ₹ 2816.05 Lakhs for the FY 2023. This was because there was decrease in purchases of raw material due to decrease in revenue from operations.

##### Purchases of Stock In trade

The purchase of stock-in-trade declined during the period due to a significant reduction in demand for residential projects and the absence of export sales. Residential sales decreased from ₹2,643.91 lakhs in FY 2021-22 to ₹1,511.45 lakhs in FY 2022-23. Additionally, export sales, which were ₹166.47 lakhs in FY 2021-22, dropped to ₹0 in FY 2022-23. This decline in sales directly impacted procurement levels.

##### Changes in Inventories of Finished Goods

The changes in Inventories of Finished Goods decreased by 116.55 % from ₹ 69.77 Lakhs in FY 2022 to ₹11.55 Lakhs in FY2023. This was mainly due to low value of closing stock.

##### Employee benefits expenses

The Employee and Benefits expenses was increased by 3.61 % from ₹ 157.55 in FY 2022 to ₹ 163.24 Lakhs in FY 2023. This was primarily due to on boarding of the new employee and increase in remuneration of existing employees.

##### Finance Costs

Finance Costs increased by 39.44 % from ₹ 25.23 Lakhs in FY 2022 to ₹ 35.18 Lakhs in FY 2024. This was due to increase in bank charges.

##### Depreciation and Amortisation expense

Depreciation and Amortization expenses decreased by 1.86 % from ₹ 7.53 Lakhs in FY 2022 to 7.39 Lakhs in FY 2023. This was because there were no addition of Fixed Assets in the FY 2023.

#### Other expenses

Other expenses decreased by 23.04 % from 537.44 Lakhs in FY 2022 to 413.43 Lakhs in FY 2023. This was mainly due to decrease in (i) Installation and Commissioning service Expenses by ₹ 13.42 Lakhs. (ii) There was no custom duty expense in FY 2023 (iii) Significant decrease in commission and brokerage by ₹ 81.65 Lakhs and (iv) Shortfall in subsidy receivable by ₹ 4.35 Lakhs

#### Profit before Tax

Our Profit Before Tax decreased by ₹ 16.97 % from ₹ 119.65 Lakhs for the FY 2022 to ₹ 99.34 Lakhs for the FY 2023. This was mainly due to decrease in sales from sales of EPC contracts.

#### Current Tax Expenses

Our Current tax expense decreased by 27.48 % from ₹ 35.05 Lakhs in FY 2022 to ₹ 25.42 Lakhs in the FY 2023. This was mainly due to decrease in profit before tax.

#### Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax decreased by 15.65% from ₹ 86.63 Lakhs in FY 2022 to ₹ 73.07 Lakhs in FY 2023. This was due to decrease in This decline in PAT is largely attributed to a reduction in revenue from operations.

### **CASH FLOWS**

The table below is our cash flows for period ended September 30, 2024 and for the financial years ended on 2024, 2023 and 2022:

Particulars	As on September, 30 2024	For the financial year ended on March 31, (₹ in Lakhs)		
		2024	2023	2022
Net cash (used)/from operating activities	358.82	344.92	(8.58)	53.08
Net cash (used)/from investing activities	(183.89)	48.00	(119.72)	(35.60)
Net cash (used)/from financing activities	(117.51)	(122.80)	72.19	43.81

#### ***Cash Flows from Operating Activities***

##### For the period ended on September 30, 2024

Our net cash generated from operating activities was ₹ 358.82 Lakhs for the period ended September 30, 2024. Our operating profit before working capital changes was ₹ 967.05 Lakhs for the period ended September 30, 2024 which was primarily adjusted against Depreciation of ₹ 6.87 Lakhs, Finance Costs of ₹ 10.15, Provision for Gratuity of ₹ 0.99 Lakhs and Interest Income of 20.17 lakhs.

The main adjustments to operating profit before working capital changes included adjustments for increase in (i) inventories by ₹ 300.70 Lakh, (ii) Trade and other receivables by ₹ 36.53 Lakhs and (iii) Trade and other Payables by 21.92 lakhs (iv) Increase in other current assets ₹ 128.24 Lakhs, (v) Increase in short term loan and advances by ₹ 130.70 Lakhs, (vi) Increase in Short Term/Long term provision by ₹ 183.11 and (vii) Increase in Other Current Liabilities by ₹ 53.32 Lakhs. Tax paid for September 30, 2024 was 270.41 lakhs.

##### For the year ended on March 31, 2024

Our net cash generated from operating activities was ₹ 344.92 Lakhs for the period ended March 31, 2024. Our operating profit before working capital changes was ₹ 841.25 Lakhs for the period ended March 31, 2024 which was primarily adjusted against Depreciation of ₹ 10.00 lakhs, Finance costs of ₹ 36.90 lakhs , Loss on sale of

Fixed Assets ₹ 0.31 lakhs Provision For Gratuity of ₹0.30 lakhs and interest income of 30.86 lakhs.

The main adjustments to operating profit before working capital changes included adjustments for increase in (i) inventories by ₹ 120.05 Lakh, (ii) Trade and other receivables by ₹ 384.19 Lakhs and (iii) Trade and other Payables by 22.30 lakhs (iv) Decrease in other current assets ₹ 94.21 Lakhs, (v) Increase in short term loan and advances by ₹ 69.85 Lakhs, (vi) Increase in Short Term/Long term provision by ₹ 10.56 lakhs and (vii) Increase in Other Current Liabilities by ₹ 202.00 Lakhs. Tax paid for March 31, 2024 was 251.31 lakhs.

For the year ended on March 31, 2023

Our net cash utilised from operating activities was ₹ 8.58 Lakhs for the period ended March 21, 2023. Our operating profit before working capital changes was ₹ 121.97 Lakhs for the period ended March 21 2023 which was primarily adjusted against Depreciation of ₹ 7.39 lakhs, Finance costs of ₹ 35.18 lakhs ,loss on sale of Fixed Assets ₹ 0.07 lakhs, Provision For Gratuity of ₹1.99 lakhs and interest income of ₹ 18.02 lakhs.

The main adjustments to operating profit before working capital changes included adjustments for increase in (i) inventories by ₹ 83.41 Lakh, (ii) Decrease in Trade and other receivables by ₹ 45.38 Lakhs and (iii) Increase in Trade and other Payables by ₹ 37.48 lakhs (iv) Decrease in other current assets ₹ 27.40 Lakhs, (v) Increase in short term loan and advances by ₹ 1.18 Lakhs, (vi) Decrease in Short Term/Long term provision by ₹ 8.31 lakhs and (vii) Decrease in Other Current Liabilities by ₹ 47.52 Lakhs. Tax paid for March 31,2023 was 25.42 lakhs.

For the year ended on March 31, 2022

Our net cash generated from operating activities was ₹ 53.08 Lakhs for the period ended March 21, 2022. Our operating profit before working capital changes was ₹ 150.63 Lakhs for the period ended March 21 2022 which was primarily adjusted against Depreciation of ₹ 7.53 lakhs, Finance costs of ₹ 25.23 lakhs, Provision for Gratuity of ₹4.21 lakhs and Interest Income of 5.98 lakhs.

The main adjustments to operating profit before working capital changes included adjustments for increase in (i) inventories by ₹ 12.08 Lakhs, (ii) Increase in Trade and other receivables by ₹ 79.13 Lakhs and (iii) Decrease in Trade and other Payables by ₹ 41.12 Lakhs (iv) Decrease in other current assets ₹ 125.09 Lakhs, (v) Decrease in short term loan and advances by ₹ 211.96 Lakhs, (vi) Decrease in Short Term/Long term provision by ₹ 8.31 lakhs and (vii) Decrease in Other Current Liabilities by ₹ 258.92 Lakhs .Tax paid for March 31,2022 was ₹35.05 lakhs.

**Cash Flows from Investing Activities**

For the period ended September 30, 2024

Net cash flow used from investing activities for the period ended September 30, 2024 was ₹ 183.89 Lakhs. This was primarily on account of Purchase of Property, Plant and Equipment's, Intangible Asset of ₹ 187.65 Lakhs, given Long term Loan and advances of ₹ 50.00, Increase in Current investments 25.63 lakhs, Interest income of ₹ 20.17 Lakhs and Decrease in Other Non-Current Assets of ₹ 7.96.

For the year ended on March 31, 2024

Net cash flow generated from investing activities for the period ended March 31, 2024 was ₹ 48.00 Lakhs. This was primarily on account of Purchase of Property, Plant and Equipment's, Intangible Asset of ₹ 29.62 Lakhs, Sale of Fixed Assets of ₹ 1.87 Lakhs, Increase in Current investments of 25.63 lakhs, Interest income of ₹ 30.86 lakhs and decrease in Other Non-current Assets of ₹ 70.53 Lakhs.

For the year ended on March 31, 2023

Net cash flow used from investing activities for the period ended March 31, 2023 was ₹ 119.72 Lakhs. This was primarily on account of Purchase of Property, Plant and Equipment's, Intangible Asset of ₹ 24.07 lakhs, Sale of Fixed Assets ₹ 0.28 lakhs, Interest income of ₹ 18.02 lakhs and increase in Other Non-current Assets of ₹ 113.95 lakhs

For the year ended on March 31, 2022

Net cash flow used from investing activities for the period ended March 31, 2022 was ₹ 35.60 Lakhs. This was primarily on account of Purchase of Property, Plant and Equipment's, Intangible Asset of ₹ 4.02 Lakhs, given Long Term Loans and Advances ₹ 90.00 Lakhs, Interest income of ₹ 5.98 lakhs and decrease in Other Non-current assets of ₹ 52.44 Lakhs.

**Cash Flows from Financing Activities**

For the period ended September 30, 2024

Net cash flow utilized in from financing activities for the period ended September 30, 2024 was ₹ (117.51) Lakhs. This was primarily on account of repayment of Long term Borrowings ₹ 60.56 lakhs and Short term Borrowings ₹ 46.80 lakhs and paid Finance Costs of ₹ 10.15 lakhs.

For the year ended March 31, 2024

Net cash flow utilized in from financing activities for the period ended March 31, 2024 was ₹ (122.80) Lakhs. This was primarily on account of repayment of Long term Borrowings ₹ 67.85 lakhs and Short term Borrowings ₹ 18.05 lakhs and paid Finance Costs of ₹ 36.90 lakhs.

For the year ended March 31, 2023

Net cash flow generated from financing activities for the period ended March 31, 2023 was ₹ 72.19 Lakhs. This was primarily on account of receipt of Long term Borrowings ₹ 62.48 lakhs and Short term Borrowings ₹ 44.89 lakhs and paid Finance Costs of ₹ 35.18 lakhs.

For the year ended March 31, 2022

Net cash flow generated from financing activities for the year ended March 31, 2022 was ₹ 43.81 Lakhs. This was primarily on account of receipt of Long Term Borrowings of ₹ 64.18 lakhs and Short Term Borrowings ₹ 4.87 lakhs, paid Finance Costs of ₹ (25.23) lakhs.

**RELATED PARTY TRANSACTIONS**

Related party transactions with certain of our promoter, directors and their entities and relatives primarily relate to remuneration, salary, commission and issue of Equity Shares. For further details of related parties kindly refer chapter titled "Restated Financial Statements" beginning on page 188 of this Draft Red Herring Prospectus.

**OFF-BALANCE SHEET ITEMS**

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

**QUALIFICATIONS OF THE STATUTORY AUDITORS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS**

The Restated Financial Statements do not contain any qualifications which have not been given effect in the restated financial statements.

**QUALITATIVE DISCLOSURE ABOUT MARKET RISK**

**Financial Market Risks**

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

**Interest Rate Risk**

Our financial results are subject to changes in interest rates, which may affect our debt service obligations in

future and our access to funds.

### ***Effect of Inflation***

We are affected by inflation as it has an impact on the salary, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

### ***Credit Risk***

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

## **OTHER MATTERS**

### **Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues or repayment of debentures or repayment of deposits or repayment of loans from any bank or financial institution**

Except as disclosed in chapter titled “*Restated Financial Statements*” beginning on page 188 of this Draft Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

### **Material Frauds**

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

### **Unusual or infrequent events or transactions**

Except as described in this Draft Red Herring Prospectus, during the period/ years under review there have been no transactions or events, which in our best judgment, would be considered “unusual” or “infrequent”.

### **Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect our income from continuing operations identified above in ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations - Significant factors affecting our financial condition and results of operations*’ and the uncertainties described in ‘*Risk Factors*’ on pages 30 and 231 respectively.

### **Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the section titled “*Risk Factors*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on page 30 and 231 of this Draft Red Herring Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

### **Future relationship between Costs and Income**

Other than as described in the section titled “*Risk Factors*” beginning on page 30 of this Draft Red Herring Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

### **The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new products or services or increased prices**

Changes in revenue in the last three financial years are as explained in the part “Financial Year 2023-24 compared with financial year 2022-23 and Financial Year 2022-23 compared with Financial Year 2021-22” above.

### Total turnover of industry segments

Our Company is engaged into business of carriers of transport by land. Relevant industry data, as available, has been included in the chapter titled “Industry Overview” beginning on page 119 of this Draft Red Herring Prospectus.

### Significant dependence on a single or few Suppliers or Customers

Significant proportion of our purchases have historically been derived from a limited number of suppliers. The % of Contribution of our supplier’s vis a vis the total purchases for the period ended September 30, 2024, for the financial year ended March 31, 2024, 2023 and 2022 are as follows:

Particulars	For the period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ lakhs)	As a % of Purchases	Amount (in ₹ lakhs)	As a % of Purchases	Amount (in ₹ lakhs)	As a % of Purchases	Amount (in ₹ lakhs)	As a % of Purchases
Top Supplier	1,894.68	45.68	2,470.84	39.45	944.45	29.16	1,750.43	42.57
Top 5 Supplier	3,410.79	82.24	4,678.57	74.69	2324.02	71.76	2,572.73	62.57
Top 10 Supplier	3,690.90	88.99	5,409.26	86.36	2638.58	81.48	3,090.89	75.17

Significant proportion of our total revenue have historically been derived from a limited number of Customers. The % of Contribution of our Customers vis a vis the revenue from operations for the period ended September 30, 2024, for the financial year ended March 31, 2024, 2023 and 2022 are as follows:

Period	Revenue from Largest Customer (₹ in Lakhs)	% Contribution of largest customer to revenue from operations	Revenue from Top 5 Customers (₹ in Lakhs)	% Contribution of top 5 to revenue from operations	Revenue from Top 10 Customers (₹ in Lakhs)	% Contribution of top 10 to revenue from operations
For the period ended September 30, 2024	407.88	8.14	1356.80	27.09	1864.60	37.22
Fiscal 2024	1843.85	23.67	2844.69	36.51	3581.97	45.98
Fiscal 2023	532.95	13.82	1384.32	35.91	1621.98	42.07
Fiscal 2022	400.00	8.10	1121.45	22.72	1596.11	32.33

### Status of any publicly announced new products or business segments

Please refer to the chapter titled “Our Business” beginning on page 136 of this Draft Red Herring Prospectus for new products or business segments.

### The extent to which the business is seasonal

During the festive season, there is a notable increase in sales of sarees, and salwar suits. This rise in demand is attributed to consumer purchases for special occasions and cultural events.

### Competitive Conditions

Competitive conditions are as described under the Chapters titled “Industry Overview” and “Our Business” beginning on pages 119 and 136 respectively of this Draft Red Herring Prospectus.

## SECTION VIII- LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; or (d) Material Litigation (as defined below); involving our Company, its Directors, the Promoters, KMP and SMP and the Group Companies ("Relevant Parties"). Further, there are no disciplinary actions (including penalties) imposed by SEBI or the Stock Exchanges against our Promoters in the last five (5) FYs, including any outstanding action.*

*For the purpose of material litigation in (d) above, our Board in its meeting held on March 10, 2025 has considered and adopted the following policy on materiality for identification of material outstanding litigation involving the Relevant Parties ("Materiality Policy"). In accordance with the Materiality Policy, all outstanding litigation, including any litigation involving the Relevant Parties, other than criminal proceedings and actions by regulatory authorities and statutory authorities, will be considered material if: (i) the omission of an event or information, whose value or the expected impact in terms of value exceeds the limits as prescribed under the SEBI Listing Regulations (as amended from time to time) i.e., a. two percent of turnover, as per the last audited consolidated financial statements of the Company; or b. two percent of net worth, except in case of the arithmetic value of the networth is negative, as per the last audited financial statements of the Company; or c. five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company. Accordingly, any transaction exceeding the lower of i, ii or iii herein mentioned i.e. Rs.12.24 lakhs, will be considered for the herein mentioned purpose.; or (ii) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in individual litigation does not exceed the amount determined as per clause (a) herein mentioned, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (i) herein mentioned; and (iii) any such litigation which does not meet the criteria set out in (a) herein mentioned and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.*

*It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties, unless otherwise decided by our Board, are not evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum.*

*Except as stated in this Section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated March 10, 2025. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding 10% of trade payables as per the Restated Financial Statements of our Company disclosed in this Draft Red Herring Prospectus, would be considered as material creditors. The trade payables of our Company as on September 30, 2024 were Rs.54.41 Lakhs. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved, shall be uploaded and disclosed on the website of the Company as required under the SEBI ICDR Regulations.*

*For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder, as amended, as has been relied upon by the Statutory Auditors.*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.*

*All terms defined in a particular litigation disclosure pertains to that litigation only.*

#### **I. Litigation involving our Company.**

Nil

#### **A. Litigation filed against our Company.**

##### **1. Criminal proceedings**



Nil

**2. Outstanding actions by regulatory and statutory authorities**

Nil

**3. Material civil proceedings**

Nil

**B. Litigation filed by our Company.**

**1. Criminal proceedings**

Nil

**2. Material civil proceedings**

Nil

**C. Tax proceedings**

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in Rs. lakhs)^
Direct Tax	3*	0.17
Indirect Tax	6#	256.39
<b>Total</b>	<b>9</b>	<b>256.56</b>

^ Rounded off to closest decimal

\*Includes outstanding demand bearing no. 2015201537076554392C for the assessment year 2015 amounting to ₹ 1,940

#Includes Notice for recovery of Arrear Demand bearing no. ITBA/COM/F/17/2019-20/1019058220(1) for Financial year 2007-2008/2008-2009/2009-2010/2011-2012/2012-2013/2013-2014/2014-2015/2015-2016/2016-2017/2017-2018/2018-2019, amounting to ₹7,417

\* Includes TDS Traces demand amounting to ₹7,750 for financial year 2018-19.

#Includes GST Intimation of liability under section 73(5) of the act, bearing Reference no. ZD2401220016642 for Tax Period 2016 – 2020, amounting to ₹ 75,32,681. Our Company has replied to the said intimation.

#Includes GST Intimation for discrepancies in the return after scrutiny under section, bearing Reference no. ZD240721021305Y, for annual year 2019-2020, amounting to ₹ 57,04,210. Our Company has replied to the said intimation.

#Includes GST Intimation of liability under section 73(5) of the act, bearing Reference no. ZD240624056561H for Tax Period 2020-2021, amounting to ₹80,67,667.

#Includes GST Intimation of liability under section 74(5) of the act, bearing Reference no. ZD2406240566269 for tax Period 2020-2021, amounting to ₹20,816. Our Company has replied to the said intimation.

#Includes GST Show Cause notice bearing Reference no. ZD2407240239385, for Financial year 2020-2021, amounting to ₹30,702. Our Company has replied to the said intimation.

#Includes GST Show Cause notice under section 73(1) of the act, for Tax Period 2017-2018, amounting to ₹42,82,856

**II. Litigation involving our Directors (other than Promoters)**

**A. Litigation filed against our Directors (other than Promoters)**

**1. Criminal proceedings**

Nil

**2. Outstanding actions by regulatory and statutory authorities**

Nil

**3. Material civil proceedings**

Nil

**B. Litigation filed by our Directors (other than Promoters)**

**1. Criminal proceedings**

Nil

**2. Material civil proceedings**

Nil

*C. Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable ( <i>in Rs. lakhs</i> )
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**III. Litigation involving our Promoters**

*A. Litigation filed against our Promoters*

**1. Criminal proceedings**

Nil

**2. Outstanding actions by regulatory and statutory authorities**

Nil

**3. Material civil proceedings**

Nil

*B. Litigation filed by our Promoters*

**1. Criminal proceedings**

Nil

**2. Material civil proceedings**

Nil

*C. Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable ( <i>in Rs. lakhs</i> )
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**IV. Litigation involving our Key Managerial Personnel and Senior Managerial Personnel (Other than Directors and Promoters)**

**A. Litigation filed against our Key Managerial Personnel and Senior Managerial Personnel (Other than Directors and Promoters)**

**1. Criminal proceedings**

Nil

**2. Outstanding actions by regulatory and statutory authorities**

Nil

**B. Litigation filed by our Key Managerial Personnel and Senior Managerial Personnel (Other than Directors and Promoters)**

**1. Criminal proceedings**

Nil

**C. Tax proceedings**

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in Rs. lakhs)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**Outstanding dues to creditors**

Our Board, in its meeting held on March 10, 2025 has considered and adopted the Materiality Policy. In terms of the Materiality Policy, creditors of our Company, to whom an amount exceeding ₹ 5.44 Lakhs as on the date of the latest period in the Restated Financial Statements was outstanding, were considered material creditors.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as on September 30, 2024 by our Company, are set out below:

Type of creditors	Number of creditors	Amount involved (in Rs. lakhs)
Micro, Small and Medium Enterprises	17	35.73
Other creditors	12	18.68
<b>Total</b>	<b>29</b>	<b>54.41</b>

As of September 30, 2024, the Company owed a total sum of ₹ 35.03 Lakhs to a total number of 3 material creditors for further details please refer to the chapter titled "Restated Financial Statements" beginning on page 188 of this Draft Red Herring Prospectus.

The details pertaining to net outstanding dues towards our material creditors as on September 30, 2025 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at <https://gracere Renew.com/>. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus.

**Material Developments**

Other than as stated in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after period ended September 30, 2024" on beginning on page 231, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking this Issue and carrying on our present business activities. In view of these key approvals, our Company can undertake this Issue and its business activities. In addition, certain of our key approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such key approvals, as necessary. Unless otherwise stated herein and in the section “**Risk Factors**” beginning on page 30, these material approvals are valid as of the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal framework within which we operate, see “**Key Regulations and Policies in India**” on page 154.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its present business activities. Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities. Our Company is in the process to submit necessary application(s) with all regulatory authorities for change of its name in the approvals, licenses, registrations and permits issued to our Company.

### I. Material approvals obtained in relation to the Issue

- a. The Board of Directors has, pursuant to a resolution passed at its meeting held on January 16, 2025, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
- b. The shareholders of the Company have, pursuant to a resolution passed in the shareholders meeting held on January 20, 2025, authorized the Issue under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
- c. The Company has obtained the in-principle listing approval from SME Platform of BSE Limited, dated [●].

### II. Material approvals obtained by our Company in relation to our business and operations

Our Company has obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

#### A. Incorporation details of our Company

- a. Our Company was originally incorporated as a private limited company in the name of ‘Winwin Building Materials Private Limited’ vide Certificate of Incorporation dated September 05, 2013, issued by the Registrar of Companies.
- b. Fresh Incorporation certificate dated February 22, 2017, was issued pursuant to change in name of our Company from ‘Winwin Building Materials Private Limited’ to ‘Grace Renewable Energy Private Limited’, by the Registrar of Companies.
- c. Fresh Certificate of Incorporation dated September 03, 2024 issued to our Company by the RoC, pursuant to the conversion of our Company from private limited to public limited and the ensuing change in the name of our Company from ‘Grace Renewable Energy Private Limited’ to ‘Grace Renewable Energy Limited’.

#### B. Tax related approvals obtained by our Company

Sr. No.	Nature of Registration/License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	AABCW4299B	Income Tax Department	September 05, 2013	Valid till cancelled

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
2.	Tax Deduction Account Number (TAN)	AHMW00392A	Income Tax Department	January 06, 2025	Valid till cancelled
3.	GST Registration Certificate	24AABCW4299B1ZE	Goods and Services Tax Department	July 01, 2017	Valid till cancelled
4.	Enrolment Certificate – Professional Tax - 43, The Chambers, Nr. TGB, SG Highway, Ahmedabad, Gujarat	PEC010676001901	Amdavad Municipal Corporation, Professional Tax Department	December 05, 2024	Valid till cancelled
5.	Enrolment Certificate – Professional Tax - 404, 405 and 406 Swastik Square, SG highway, Ahmedabad, Gujarat	PEC010674092196	Amdavad Municipal Corporation, Professional Tax Department	January 04, 2025	Valid till cancelled
6.	Registration Certificate – Professional Tax	PRC010676000407	Amdavad Municipal Corporation, Professional Tax Department	December 05, 2024	Valid till cancelled

**C. Regulatory & Labour / employment related approvals obtained by our Company:**

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of registration – Employee's Provident Fund Code	GJAHD2220126000	Employees' Provident Fund Organisation, Ministry of Labour and Employment	October 22, 2020	Valid till cancelled
2.	Certificate of registration – ESIC*	37001462350000602	Employees' State Insurance Corporation	April 08, 2023	Valid till cancelled
3.	UDYAM Registration Certificate	UDYAM-GJ-01-0025504	Ministry of Micro, Small and Medium Enterprises, Government of India	November 07, 2020	Valid till cancelled
4.	Shops & Establishment Certificate- 43, The Chambers, Nr. TGB, SG Highway, Ahmedabad, Gujarat	PII/GRDW/10000/0269624	Amdavad Municipal Corporation, Shops and Establishment	March 23, 2021	Valid till cancelled

Sr. No.	Nature of Registration/License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
5.	Electrical Contractors License	G/AHD/C-6879	Energy and Petrochemicals Department, Gujarat State	August 07, 2023	August 06, 2028
6.	Certificate of Competency	G/GS-E-002974-BEE-2018	Energy & Petrochemicals Department, Gujarat State	November 28, 2018	Valid till cancelled
7.	Importer-Exporter Code Registration	0813017360	Ministry of Commerce and Industry	November 05, 2013	Valid till cancelled
8.	Certificate of ISO 9001: 2015 for Quality Management Systems	RSBV-2408-7714	Royal Stancert B.V.	August 07, 2024	August 06, 2027
9.	Legal Entity Identifier (LEI)	98450070L374DB1H8668	LEI Register India Private Limited	December 27, 2024	December 26, 2025

*\*Our Company has obtained ESIC Registration, however, our Company is in the process of making application change in name pursuant to conversion from private to public limited Company.*

### III. Material approvals or renewals for which applications are currently pending before relevant authorities

Sr. No.	Details of Application	Application Number	Date of Application
1.	Application made for Shops and Establishment registration certificate located at 404, 405 and 406 Swastik Square, SG highway, Ahmedabad, Gujarat	A20250106-10000-400000-0002	January 06, 2025
2.	Application made for Factory Plan approval	3407678	January 25, 2025
3.	Application for permission to construct, extend or take into use any building as a factory	81	January 25, 2025

### IV. Material approvals expired and renewal yet to be applied for

Nil

### V. Material approvals required but not obtained or applied for

Nil

### VI. Intellectual Property

As on the date of this Draft Red Herring Prospectus, our Company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999:

Date of Issue	Particulars of the Mark	Trade Mark No.	Class of Registration
September 20, 2017		3639409	9

For risk associated with our intellectual property please see, “**Risk Factors**” beginning on page 30.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (*earlier known as Department of Industrial Policy and Promotion*) (“DPIIT”), issued the FDI Policy, which is effective from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Under the current FDI Policy, 100% foreign direct investment is permitted in the renewable energy sector, under the automatic route, subject to compliance with certain prescribed conditions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, see “*Issue Procedure – Bids by Eligible NRIs*” and “*Issue Procedure – Bids by FPIs*” on page 289 and 289, respectively. As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “*Issue Procedure*” on page 278.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Instruments Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non-Debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered 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 state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sales occur.

The Equity Shares have not been and will not be registered, listed, or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Offer has been authorized by our Board pursuant to its resolution dated January 16, 2025 and the Fresh Issue along with Offer for Sale has been authorized by our Shareholders pursuant to their special resolution dated January 20, 2025. Our Board has approved the Draft Red Herring Prospectus pursuant to its resolution dated March 25, 2025.

The Promoter Selling Shareholders specifically confirms that the Equity Shares being offered for sale have been held for a period of at least one (01) year immediately preceding the date of this Prospectus or are otherwise eligible for being offered for sale in terms of SEBI ICDR Regulations. The Promoter Selling Shareholders has authorised and consented to participate in the Offer for Sale as set out below:

S.no	Name of the Promoter Selling Shareholders	Date of resolution by board of the Promoter Selling Shareholders	Consent Letter	Maximum number of Equity Shares offered for sale
1.	Manish Bagadia	January 16, 2025	January 16, 2025	Up to 11,00,000 Equity Shares aggregating ₹ [●] Lakhs
2.	Karuna Bagadia	January 16, 2025	January 16, 2025	

Our Company has received in-principle approvals from BSE 'SME' for the listing of the Equity Shares pursuant to its letter dated [●].

### Prohibition by SEBI or other Governmental Authorities

The Company, its Directors, its Promoter, members of the Promoter Group, Promoter Selling Shareholders, severally and not jointly, the persons in control of our Company and companies or entities with which the Company's Promoter and Directors are associated as directors / promoters from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/ court.

Our Promoter and Directors are not directors or promoters of any other company which is debarred from accessing the capital market under any order or direction passed by SEBI or any other authorities.

Our Company, Promoter or Directors have neither been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

Our Promoter and our Directors have not been declared as Fugitive Economic Offenders under section 12 of Fugitive Economic Offenders Act, 2018.

### Association with Securities Market

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.

### Prohibition by RBI

Neither our Company, our Promoter, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter have been identified as a wilful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter "*Outstanding Litigations and Material Development*" beginning on page 245 of the Draft Red Herring Prospectus.

### Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Directors, the promoter Selling Shareholder, our Promoter and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as



on the date of this Draft Red Herring Prospectus.

### **Eligibility for the Issue**

Our Company is eligible in terms of Regulation 228, 229 and Regulation 230(1) of SEBI (ICDR) Regulations, 2018 for this Issue.

Our Company is an 'unlisted issuer' in terms of the SEBI (ICDR) Regulations; and this Issue is an 'Initial Public Issue' in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital would be more than 10 crores, and can issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the 'SME Platform of BSE Limited.')

We further confirm that:

1. In accordance with Regulation 229 (5) there is no change in promoter in last one year from filing of this draft Red Herring Prospectus.
2. In accordance with Regulation 229 (6) our company had minimum operating profits (earnings before interest, depreciation and tax) of ₹1 crore from operations for at least two out of the three previous financial years."
3. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Book Running Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size. Please refer to the paragraph titled 'Underwriting' under the section titled 'General Information' on Page 64 of this Draft Prospectus
4. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee's in the issue shall be greater than or equal to two hundred (200), failing which, the entire application money will be refunded forthwith in accordance with the SEBI ICDR Regulations and other applicable laws.
5. In terms of Regulation 246(3) and (5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Offer Documents along with a Due Diligence Certificate to which the site visit report issued by the BRLM shall also be annexed, including additional confirmations as required to SEBI at the time of filing the Offer Document with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Red Herring Prospectus. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, the SEBI shall not issue any observation on the offer document.
6. In accordance with Regulation 261 (1) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement dated [●] with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on BSE SME. For further details of the arrangement of market making please refer to the paragraph titled 'Details of the Market Making Arrangements for this Issue' under the section titled General Information' on page 64 of this Draft Red Herring Prospectus.
7. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to the SME Platform of BSE Limited, the Designated Stock Exchange.
8. In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.
9. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.
10. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoter is already in dematerialised form.

We further confirm that we shall be complying with all the other requirements as laid down for such an Offer under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

### **BSE ELIGIBILITY NORMS**

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of BSE.

1. Our Company was originally incorporated on September 05, 2013 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Hence, our Company is in existence for a period of 12 years on the date of filing the Draft Red Herring Prospectus with BSE.
2. As on the date of this Draft Red Herring Prospectus, the Company has a Paid-up Capital of ₹ 1560 Lakhs and the Post Issue Capital will be of ₹ [●] which is less than ₹25 Crores.
3. The Company has a track record of at least 3 years as on the date of filling Draft Red Herring Prospectus.
4. As on March 31, 2024, the Company has net tangible assets of ₹ 920.09 Lakhs.
5. The Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for atleast 2 financial years out of preceding three financial years and its net-worth as on, March 31, 2024, March 31, 2023 and March 31, 2022 is at least Rs. 1 crore for 2 preceding full financial years.

(In ₹ Lakhs)

<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
EBIDT	858.52	133.16	150.41
Net worth	920.71	346.22	273.15

6. The Leverage ratio (Total Debts to Equity) of the Company as on March 31, 2024 was 0.35 which is less than the limit of 3:1
7. The Company confirms that no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.
8. The Company further confirms that the Promoters or directors are not the promoters or directors (other than independent directors) of compulsory delisted companies by the Exchange and neither they are the promoters or directors of such companies on which the consequences of compulsory delisting is applicable/attracted or companies that are suspended from trading on account of non-compliance.
9. The Company confirms that there are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by our Company and promoters.
10. The Company confirms that there has not been any change in its name in last 1 year except pursuant to conversion of Company from private to public limited company.
11. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
12. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
13. The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.
14. There has been no change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment
15. The composition of the board is in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval

16. The Company confirms that there are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by our Company and promoters.

17. The Company confirms that there has not been any change in its name in last 1 year.

**Other Disclosures:**

We further confirm that:

- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of our Promoter and Group Companies.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company and Promoter during the past three years.
- There are no litigations record against our Company, Promoter except disclosed on page 245 in section “Outstanding Litigation and Other Material Developments”.
- There are no criminal cases/investigation/offences filed or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences against the director of our Company.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

The Promoter Selling Shareholders confirms that it has held its portion of the Offered Shares for a period of at least one year prior to the filing of this Draft Red Herring Prospectus. Therefore, the Equity Shares that will be offered by it in the Offer for Sale are eligible to be offered for sale in the Offer

**DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MERCHANT BANKER, MARWADI CHANDARANA INTERMEDIARIES BROKERS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN ON FORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MERCHANT BANKER, MARWADI CHANDARANA INTERMEDIARIES BROKERS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 25, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE**

**REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

**Disclaimer from our Company, its Directors, the Promoter Selling Shareholders and the Book Running Lead Manager**

Our Company, our Promoter, our Directors, the Promoter Selling Shareholders and the Book Running Lead Manager accepts no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, [ib.marwadichandaranagroup.com](http://ib.marwadichandaranagroup.com) would be doing so at his or her own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Book Running Lead Manager ,our Company and Promoter Selling Shareholders on February 06, 2025 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company, the Promoter Selling Shareholders and the Company dated [●] and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company, the Promoter Selling Shareholders and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere. Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our subsidiary, our Promoter Group, Group Entities, the Promoter Selling Shareholders or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, the Promoter Selling Shareholders and our affiliates or associates, for which they have received and may in future receive compensation.

**Disclaimer in respect of jurisdiction**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, provident funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Red Herring Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Ahmedabad, Gujarat, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations.

Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs or in the affairs of any of the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time after this date.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

#### **Disclaimer Clause of the BSE Limited**

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus / Prospectus prior to the filing with the RoC.

#### **Disclaimer Clause under Rule 144A of The U.S. Securities Act, 1993**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “**Securities Act**”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulations of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India

#### **Filing**

This Draft Red Herring Prospectus is being filed with the BSE SME, where the Equity Shares are proposed to be listed at BSE Limited is located at the Mumbai, Maharashtra.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Draft Red Herring Prospectus in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/Prospectus, along with the material contracts and documents required to be filed under Section 26 of the Companies Act, 2013 would be filed with the ROC Office situated at Ahmedabad Gujarat.

#### **Listing**

Application will be made to the SME Platform of BSE Limited (“BSE SME”) for obtaining permission to deal in and for an official quotation of our Equity Shares. SME Platform of BSE Limited (“BSE SME”) is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

Our company has received an In-principle Approval letter dated [●] from BSE SME for using its name in this Offer document for listing our shares on the the SME Platform of BSE Limited.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within Four days after our Company becomes liable to repay it (i.e.; from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of fourth days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within three Working Days from the Issue Closing Date. Further, the Selling Shareholders confirms that he shall provide reasonable assistance to the Company, and the BRLM, with respect to inclusion of Offered Shares, for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange within 3 (three) Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by SEBI.

## **Consents**

Consents in writing of (a) Our Directors, Our Promoters, Promoter Selling Shareholder, Our Company Secretary & Compliance Officer, Chief Financial Officer, Senior Managerial Personnel (SMP), Our Statutory Auditor, Our Peer Review Auditor, Our Banker(s) to the Company; (b) Book Running Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Advisor to the Issue, Underwriter(s) to the Issue, Market Maker to the Issue have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Our Company has received written consent dated March 25, 2025 from the Peer Reviewed Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Peer Reviewed Auditor and in respect of its (i) examination report dated March 25, 2025 on our restated financial information; and (ii) its report dated March 25, 2025 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

## **Experts**

Except as stated below, our Company has not obtained any expert opinions:

Our company has received a written consent dated March 25, 2025 from our Statutory Auditor, namely Tibrewal Bhagat & Associates, Chartered Accountants, to include their names as required under section 26(1) of the companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus, and as an “Expert” as defined under section 2(38) of the Companies Act, 2013 (and not under the U.S. Securities Act) to the extent and in their capacity as Peer Reviewed Auditor, and in respect of their (a) examination report dated March 25, 2025 for the for the period ended September 30, 2024, for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 on the restated financial statements (b) report dated March 25, 2025 on the statement of possible tax benefits available to our Company and its Shareholders.

Additionally, our company has also received a written consent dated March 21, 2025 from Chartered Engineer, namely Hitesh Parekh in their capacity as Chartered Engineer, in connection with certification of purchase of machinery, in this Draft Prospectus as required under the Companies Act, 2013 and as an “Expert” as defined under section 2(38) read with Section 26(5) of the Companies Act, 2013 (and not under the U.S. Securities Act).

The consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

## **Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who-*

- a) *Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) *Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) *Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under section 447 of the Companies, Act 2013*

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

## **Particulars regarding Public or Rights Issues during the last five (5) years and performance vis-à-vis objects**

Our Company has not made any previous public during the last five (5) years preceding the date of this Draft Red Herring Prospectus, further for details in relation to right issue made by our Company during the five years preceding the date of this Draft Red Herring Prospectus, please refer to section titled “*Capital Structure*” on 74 of this Draft Red Herring Prospectus.

## **Commission or brokerage on previous issues of the Equity Shares in the last five years**

Since this is the initial public offer of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares for the last five years by our Company.

## **Particulars regarding capital issues in the preceding three years**

Except as disclosed in the section titled “*Capital Structure*” on page 74, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus. Further, our Company does not have any listed group companies. Further, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Certain debt securities of Our Company are listed. For further details, see “*Financial Indebtedness*” on page 229.

## **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUED HANDLED BY THE BRLM:**

Sr. No.	Financial Year	Issue Name	Issue Size (₹ in Crores)	Issue Price (₹)	Listing date	Opening Price on Listing Date (₹)	+/-% Change in Closing Price, [+/-% Change in Closing Benchmark]- 30th Calendar Days from the Listing Day	+/-% Change in Closing Price, [+/-% Change in Closing Benchmark]- 90th Calendar Days from the Listing Day	+/-% Change in Closing Price, [+/-% Change in Closing Benchmark]- 180th Calendar Days from the Listing Day
<b>SME Board</b>									
1.	2024-25	Hamp s Bio Limited	6.22	51.00	December 20, 2024	96.90	-34.39(-1.24)	-53.71(-2.17)	-
2.	2024-25	Kabra Jewels Limited	40.00	128.00	January 22, 2025	243.20	-47.13(-70.16)	-	-
<b>Main Board - Nil</b>									

Notes:

1. The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.
2. Price on BSE/NSE are considered for all the above calculations.
3. In case 30th, 90th and 180th day is not a trading day, closing price of the previous trading day has been considered.
4. In case 30th, 90th and 180th day, scripts are not traded then the last trading price has been considered.
5. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

**Summary statement of price information of past issues handled by Marwadi Chandarana Intermediates Brokers Private Limited:**

Financial Year	Total No of IPOs	Total Funds Raised (₹ Cr)	Nos of IPOs trading at discount as on the 30 <sup>th</sup> calendar days from listing date			Nos of IPOs trading at premium as on the 30 <sup>th</sup> calendar days from listing date			Nos of IPOs trading at discount as on the 180 <sup>th</sup> calendar days from listing date			Nos of IPOs trading at premium as on the 180 <sup>th</sup> calendar days from listing date		
			Over 50%	Betw een 25%-50%	Less than 25%	Over 50%	Betw een 25%-50%	Less than 25%	Over 50%	Betw een 25%-50%	Less than 25%	Over 50%	Betw een 25%-50%	Less than 25%
2024-25	2	46.22	-	2	-	-	-	-	-	-	-	-	-	
2023-24	-	-	-	-	-	-	-	-	-	-	-	-	-	
2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	

**Stock market data of the Equity Shares**



As the Offer is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

### **Mechanism for Redressal of Investor Grievances**

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a minimum period of eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances. The Registrar to the Offer shall obtain the required information from the Self Certified Syndicate Banks (“SCSBs”) for addressing any clarifications or grievances of application supported by blocked amount (“ASBA”) Bidders.

**Bidders can contact the Company Secretary and Compliance Officer, the BRLMs and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs, in the manner provided below.**

All Offer related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary, with whom the Bid cum Application Form was submitted giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, Unified Payments Interface Identity (“UPI ID”), Permanent Account Number (“PAN”), address of Bidder, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove.

For Offer-related grievances, investors may contact the BRLMs, details of which are given in “General Information – Book Running Lead Manager” on page 65.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first bidder, Anchor Investor Application Form number, Bidders’ DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Pursuant to the SEBI master circular for Issue of Capital and Disclosure Requirements bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (“SEBI ICDR Master Circular”) and the circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 (“March 2021 Circular”), SEBI has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism *inter alia* in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non-allotment within prescribed timelines and procedures.

In terms of SEBI ICDR Master Circular issued by the SEBI, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Separately, pursuant to the circular March 2021 Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹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 on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted/ partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLMs shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer.

#### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on October 16, 2024. For further details on the Stakeholders Relationship Committee, please refer to section titled “*Our Management*” beginning on page 168 of this Draft Red Herring Prospectus.

The members of the Stakeholders’ Relationship Committee are:

Name of the Directors	Status in Committee	Nature of Directorship
Madhusudan Garg	Chairperson	Independent Director
Shruti Rajesh Sohana	Member	Independent Director
Manish Bagadia	Member	Managing Director
Karuna Bagadia	Member	Whole time Director

The Company Secretary of our Company shall serve as the secretary of the Stakeholders’ Relationship Committee.

**Our Company has appointed Vivekkumar Barlota, Company Secretary and the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:**

**Vivekkumar Barlota**

**Address:** 43, The Chambers, Near TGB Hotel, S G Highway, Bodakdev, Ahmedabad, Gujarat – 380054 India

**Telephone No.:** 75739 33666

**E-mail:** [cs@gracerenew.com](mailto:cs@gracerenew.com)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 08, 2011, SEBI has launched a centralized web-based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

Further, the Board has constituted a Stakeholders’ Relationship Committee, which is responsible for redressal of grievances of the security holders of our Company. For more information, see “Our Management” beginning on page 168 of this DRHP. The Company has not received any investor grievances during the 3 (three) years preceding the date of this Draft Red Herring Prospectus and as on date, there are no investor complaints pending.

The Selling Shareholders have authorised the Company Secretary and Compliance Officer of the Company, and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

The Selling Shareholders has authorised the Company to take all actions in respect of the Offer for Sale in accordance with Section 28 of the Companies Act, 2013.

#### **STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

## SECTION IX: ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued and allotted pursuant to the Issue shall be subject to the provisions of the Companies Act 2013, the SEBI (ICDR) Regulations, 2018, the SCRA, the SCRR, the MOA, the AOA, the SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other documents and certificates that may be executed in respect of the Issue. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and listing and trading of securities, issued from time to time, by the SEBI, the Government of India, the Stock Exchanges (NSE), the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority, as in force on the date of the Issue and to the extent applicable.*

#### Authority for the Issue

The present Issue of upto 55,00,000 Equity Shares consist of fresh issue of 44,00,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakhs and an Offer for Sale by the Promoter Selling Shareholders of 11,00,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakhs which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on January 16, 2025 and was approved by the Shareholders of our Company by passing special resolution at their Extra-Ordinary General Meeting held on January 20, 2025 in accordance with the applicable provisions of the Companies Act, 2013.

#### Ranking of the Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to “Description of Equity shares and terms of the Articles of Association” on page 311 of this Draft Red Herring Prospectus.

#### Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable laws including guidelines or directives that may be issued by the GoI in this respect and as recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. All dividends, if any, declared by our Company after the date of Allotment (including pursuant to the transfer of Equity Shares in the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, including pursuant to the Offer for Sale, for the entire year, in accordance with applicable law. For further details in relation to dividends, see “Dividend Policy” and “Description of Equity Shares and Terms of the Articles of Association” beginning on pages 187 and 311, respectively. .

#### Face Value, Issue Price, Floor Price and Price Band

The Face Value of each Equity Share is ₹ 10/- each and the Issue Price at the lower end of the Price Band is ₹ [●] per equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ [●] per equity Share (“**Cap Price**”). The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company and Promoter Selling Shareholders in consultation with the BRLM and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and Gujarati edition of [●], a regional newspaper each with wide circulation where the registered office of the Company is situated and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange.

The Issue Price shall be determined by our Company, Promoter Selling Shareholders in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

The Issue price shall be determined by our company, Promoter Selling Shareholders in consultation with the BRLM and is justified under the chapter titled “*Basis of Issue Price*” beginning on page 107 of this Draft Red Herring Prospectus.

### **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity Shareholders will have the following rights:

- Right to receive dividends, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “*Description of Equity Shares and Terms of the Articles of Association*”, beginning on page 311 of this DRHP.

### **Allotment only in dematerialised form**

As per the provisions of the Depositories Act, 1996 and in terms of Section 29(1) of the Companies Act 2013, the Equity Shares shall be allotted only in dematerialized form, i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. As per the existing SEBI ICDR Regulations, 2018, the trading of the Equity Shares shall only be in dematerialized form for all investors. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated December 12, 2024 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated January 23, 2025 between CDSL, our Company and Registrar to the Issue.

**Furnishing the details depository account is mandatory and applications without a depository account shall be treated as incomplete and rejected.**

### **Minimum Application Value, Market Lot and Trading Lot**

In accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than two lots (which shall be above ₹2 lakhs

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the [●] from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **Minimum Number of Allotees**

In accordance with the Regulation 268 (1) of SEBI ICDR Regulations, the Minimum number of allottees in this Issue shall be 200 (Two Hundred) shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs or Sponsor Bank shall be unblocked as per SEBI ICDR Regulations and SEBI Circulars

#### **Joint Holders**

Subject to the provisions of the AOA, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

#### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Gujarat.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

*The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.*

#### **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, read with the rules notified thereunder, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by the Shareholder by nominating any other person in place of the present nominee, by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Issue Equity Share capital and Promoter’s minimum contribution under the SEBI ICDR Regulations as provided in “*Capital Structure*”, beginning on page 74 of this DRHP and except as provided under the AOA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AOA. For details, see “*Description of Equity Shares and Terms of the Articles of Association*”, beginning on page 311 of this Draft Red Herring Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company, the Promoter Selling Shareholders and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company, the Promoter Selling Shareholders and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

### **Withdrawal of the Issue**

Our Company, Promoter Selling Shareholders in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two (2) working days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) working day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. ii) the final RoC approval of the Red Herring Prospectus after it is filed with the RoC. If our Company, , Promoter Selling Shareholders in consultation with the BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus/ Red Herring Prospectus with the Stock Exchange.

### **Bid/Issue Programme**

<b>ANCHOR PORTION OPENS ON</b>	[●] <sup>(1)</sup>
<b>ISSUE OPENS ON</b>	[●] <sup>(1)</sup>
<b>ISSUE CLOSES ON</b>	[●] <sup>(2) (3)</sup>
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of Allotment/ refunds/unblocking of funds from ASBA Account or UPI ID linked bank account	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares	On or about [●]

*Note:*

*(1) Our Company and Promoter Selling Shareholders shall, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor*

*Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.*

*(2) Our Company and Promoter Selling Shareholders shall, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

*(3) UPI mandate end time and date shall be at 5.00 p.m. on the Bid / Issue 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 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 nonallotted/ 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 BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The post Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the March 2021 Circular, as amended pursuant to June 2021 Circular shall be deemed to be incorporated in the agreements to be entered into by and between our Company and the relevant intermediaries, to the extent applicable.

The processing fees for applications made by UPI Bidders using the UPI Mechanism 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, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

**The above timetable is indicative and does not constitute any obligation or liability on our Company, Promoter Selling Shareholders or the BRLMs.**

**While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within such period of the Bid / Offer Closing Date, as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid / Offer Period by our Company and Promoter Selling Shareholders in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges, and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.**

**The Selling Shareholders confirm that they shall extend complete co-operation required by our Company and the BRLM for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid / Offer Closing Date, or within such other period as may be prescribed by SEBI.**

In terms of the UPI Circulars, in relation to the Issue, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid / Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.



**Submission of Bids (other than Bids from Anchor Investors):**

<b>Bid/ Issue Period (except the Bid/ Issue Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
<b>Bid/ Offer Closing Date*</b>	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For IIBs other than QIBs and NIIs	Only between 10.00 a.m. and 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and 3:00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and 1:00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications where Bid Amount is more than ₹0.50 million)	Only between 10.00 a.m. and 12:00 p.m. IST
<b>Modification/ Revision/cancellation of Bids</b>	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories#	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by IIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST

*\*UPI mandate end time and date shall be at 5.00 pm on Bid/Offer Closing Date.*

*# QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.*

**On the Bid/ Offer Closing Date, the Bids shall be uploaded until:**

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by IIBs.

On Bid / Offer Closing Date, extension of time will be granted by the Stock Exchanges only for uploading Bids received by Individual Bidders, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled / withdrawn / deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid / Offer Opening Date till the Bid / Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Offer Closing Date, and in any case no later than 1:00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids and any revision to the Bids, will be accepted only during Working Days, during the Bid/ Offer Period. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Offer period. None among our Company or the Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBS on receipt of instructions from the Sponsor

Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company, Promoter Selling Shareholders in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, Promoter Selling Shareholders in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminal of the Syndicate Member, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

#### **Minimum Subscription**

In accordance with Regulation 260(1) of the SEBI (ICDR) Regulations, our Issue shall be 100% underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 2,00,000 (Rupees Two Lakh) per application.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received within two working days from the closure of the issue. If there is a delay beyond such time, our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable laws.

The minimum number of allottees in this Issue shall be Two Hundred (200) shareholders. In case the minimum number of prospective allottees is less than Two Hundred (200), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked as per SEBI ICDR Regulations and SEBI Circulars

In accordance with Regulation 260(1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 2,00,000 (Rupees Two Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the main board Platform of Stock Exchanges on a later date subject to the following:

1. If the paid-up capital of the Company is likely to increase above Rs.25 crores by virtue of any further offer of capital by way of rights, preferential offer, bonus offer etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
2. If the paid-up capital of the Company is more than Rs.10 crores but below Rs.25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter shareholders in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal
3. Shall comply with the conditions laid down by the Stock Exchanges time to time.

Provided further that where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond ₹25 crores, the issuer may undertake further issuance of capital without migration from SME exchange to the main board, subject to the issuer undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the stock exchange(s)

#### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the NSE.

#### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Offer without the prior approval of the RBI, so long as the price of the equity shares to be offered is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

#### **As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Market Making**

The shares issued and transferred through this Issue are proposed to be listed on the SME Platform of BSE Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on

the SME Platform of BSE Limited. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 64 of this Draft Red Herring Prospectus.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Red Herring Prospectus/ Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

## ISSUE STRUCTURE

*This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post Offer paid up capital is more than ₹ 10 crores and up to ₹ 25 crores, shall Offer equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE Limited). For further details regarding the salient features and terms of such an Offer, please refer chapter titled “Terms of the Issue” and “Issue Procedure” on page no. 265 and 278 respectively of this Draft Red Herring Prospectus.*

### Issue Structure:

The present initial public offer up to 55,00,000 Equity Shares consisting of fresh issue of 44,00,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakhs and an Offer for Sale by the Promoter Selling Shareholder of 11,00,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakhs (“**The Issue**”), out of which upto [●] Equity Shares of face value of ₹ 10/- each aggregating to ₹ [●] lakhs will be reserved for subscription by the market maker to the issue (the “**Market Maker Reservation Portion**”). The Issue less Market Maker Reservation Portion i.e.; Issue of upto [●] Equity Shares of face value of ₹ 10/- each, at an issue price of ₹ [●]/- per Equity Share for cash, aggregating to ₹ [●] lakhs is hereinafter referred to as the “**Net Issue**”. The Public Issue and Net Issue will constitute [●] % and [●] % respectively of the post- issue paid-up Equity Share capital of our Company.

The Issue has been authorized by our Board pursuant to a resolution dated January 16, 2025, and the Fresh Issue has been authorized by our Shareholders pursuant to a special resolution dated January 20, 2025. Our Board has taken on record the Offer for Sale by the Promoter Selling Shareholders pursuant to their resolution dated January 16, 2025.

This Issue is being made by way of Book Building Process:

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Individual Investors
<b>Number of Equity Shares available for allocation</b>	Up to [●] Equity shares	Not more than [●] Equity Shares.	Not less than [●] Equity Shares	Not less than [●] Equity Shares
<b>Percentage of Issue size available for allocation</b>	[●] of the Offer size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion  Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only.”	Not less than 15% of the Net Issue.  (a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs;  (b) two third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs:  Provided that the unsubscribed portion in either of the sub-	Not less than 35% of the Net Issue

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Individual Investors
			categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of non-institutional investors.”	
<b>Basis of Allotment</b> <sup>(3)</sup>	Firm Allotment	Proportionate as follows: (excluding the Anchor Investor Portion): a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and	Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares.	Proportionate basis subject to minimum allotment of [●] Equity Shares
		b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above  Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.		
<b>Mode of Bid</b>	Only through the ASBA Process	Only through the ASBA process. (Except for Anchor investors)	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
<b>Mode of Allotment</b>	Compulsorily in dematerialized form			
<b>Minimum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares that Bid size exceeds ₹ 200,000	[●] Equity Shares
<b>Maximum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer (excluding the QIB portion), subject to limits as applicable	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
<b>Trading Lot</b>	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Individual Investors
	required under the SEBI ICDR Regulations			
<b>Terms of Payment</b>	<p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids<sup>(4)</sup></p> <p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank(s) through the UPI Mechanism (for IIBs or individual investors bidding under the Non – Institutional Portion for an amount of more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism), that is specified in the ASBA Form at the time of submission of the ASBA Form.</p>			
<b>Mode of Bid</b>	Through ASBA process only (except Anchor Investors). In case of UPI Bidders, ASBA process will include the UPI Mechanism			

(1) This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

(2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.

(3) Subject to valid Bids being received at or above the Issue price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company, the Promoter Selling Shareholders in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

(4) Our Company, Promoter Selling Shareholders in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2018, as amended. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Price.

(5) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. For further details see “Issue Procedure” beginning on page 278 of this Draft Red Herring Prospectus.

(6) Anchor Investors are not permitted to use the ASBA process. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. Retail, QIB, NIB and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

The Bids by FPIs with certain structures as described under “**Issue Procedure - Bids by FPIs**” on pages 289 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed. If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

**Bidders will be required to confirm and will be deemed to have represented to our Company, promoter selling shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.**

**In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least one (1) additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 (ten) Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchange by issuing a press release and also by indicating the change on the websites of the BRLM and at the terminals of the members of the Syndicate.**

*In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchange may be taken as the final data for the purpose of Allotment.*



## ISSUE PROCEDURE

All applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI (“General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section “PART B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) Designated Date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for IIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by IIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances.

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus.

Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). The Book Running Lead Manager shall be the nodal entity for any issues arising out of public issuance process.

The BRLM shall be the nodal entity for any issues arising out of public issuance process. In terms of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and BRLM shall continue to coordinate with intermediaries involved in the said process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Our Company, the selling shareholders and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus and the Prospectus.

Further, our Company and the members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

This section applies to all the Applicants.

### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, amongst others equity shares. Pursuant to the SEBI UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by IIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the SEBI UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019, until March 31, 2019, or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an II had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of

the ASBA Form by IIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“T+3 Notification”). In this phase, the time duration from public offer closure to listing has been reduced from six Working Days to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

This Issue will be made under UPI Phase III of the UPI Circular.

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchange and NPCI in order to facilitate collection of requests and/or payment instructions of the Individual Bidders using the UPI Mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalized under the relevant securities law. Additionally, if there is any delay in the redressal of investors’ complaints, the relevant SCSB as well as the Book Running Lead Manager will be required to compensate the concerned investor.

For further details, refer to the General Information Document available on the website of the Stock Exchange and the Book Running Lead Manager.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make an application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and 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.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public Offers where the application amount is up to ₹ 5,00,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- a syndicate member
- a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
- a depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity) a registrar to the issue and shares transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

#### **BOOK BUILDING PROCEDURE:**

This Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Offer shall be allocated on a proportionate basis to QIBs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be

available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, Promoter Selling Shareholders in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange. ***Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for IIBs Bidding in the Individual Investor Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Offer, subject to applicable laws.***

### **Availability of Draft Red Herring Prospectus (DRHP)/ RHP/Prospectus and Application Forms**

The Memorandum containing the salient features of this Draft Red Herring Prospectus together with the Application Forms and copies of this Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Offer, Registrar to the Offer as mentioned in the Application form. The application forms may also be downloaded from the website of BSE i.e.; [www.nseindia.com](http://www.nseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/Issue Opening Date. Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the IIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

Since the Issue is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

(i) IIBs (other than the UPI Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

(iv) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

**Anchor Investors are not permitted to participate in the Offer through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:  
The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Anchor Investor**	[●]
Resident Indians including resident QIBs, Non-Institutional Bidders, Individual Bidders and Eligible NRIs applying on a non-repatriation basis <sup>^</sup>	[●]
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis <sup>^</sup>	[●]

\*Excluding electronic Bid cum Application Forms

<sup>^</sup>\*\* Electronic Bid cum Application forms for Anchor Investor shall be made available at the office of the BRLM.

Electronic Bid Cum Application Forms will also be available for download on the website of the BSE ([www.nseindia.com](http://www.nseindia.com)).

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by IIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”).

Sr. No.	Designated Intermediaries
1	An SCSB, with whom the bank account to be blocked, is maintained
2	A syndicate member (or sub-syndicate member)
3	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4	A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5	A registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

**The upload of the details in the electronic bidding system of stock exchange will be done by:**

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

**Stock exchange shall validate the electronic bid details with depository’s records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.**

**Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.**

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For IIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to IIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to IIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Offer Closing Date (“Cut- Off Time”). Accordingly, IIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate IIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an Offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an Offer. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

**WHO CAN BID?**

**Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold**

**Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.**

**Subject to the above, an illustrative list of Applicants is as follows:**

- a) Indian Nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) QIBs;
- e) Mutual Funds registered with SEBI;
- f) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- g) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- h) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;
- k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- l) Foreign Venture Capital Investors registered with the SEBI;
- m) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- r) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- s) Insurance funds set up and managed by army, navy or air force of the Union of India;

- t) Multilateral and bilateral development financial institution;
- u) Eligible QFIs;
- v) Insurance funds set up and managed by army, navy or air force of the Union of India;
- w) Insurance funds set up and managed by the Department of Posts, India;
- x) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

#### **APPLICATIONS NOT TO BE MADE BY:**

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies (OCB)

**As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### **1. For Individual Bidders**

The Application must be for a minimum application size i.e. [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder exceed ₹ 2, 00,000..

##### **2. For other than Individual Bidders (Non Institutional Applicants and QIBs):**

The Application must be more than Minimum Bid Lot Size of such number of Equity Shares that the Application Amount exceeds ₹ 2, 00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application size shall be more than two lots and application amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion

**Bidders are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this DRHP.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

#### **METHOD OF BIDDING PROCESS**



Our Company, Promoter Selling Shareholders in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Offer and the same shall be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), Gujarati editions of [●] (a widely circulated Regional language daily newspaper) (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Offer Period maybe extended, if required, by an additional one working day, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, will be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), [●] (a widely circulated Regional language daily newspaper) (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.
- b) During the Bid/ Issue Period, Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids. Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Offer Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Offer Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid. The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”. The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- c) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- d) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- e) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- f) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page 278 of this Draft Red Herring Prospectus.
- g) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

- h) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal/failure of the Offer or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Offer Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company, Promoter Selling Shareholders in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company, Promoter Selling Shareholders in consultation with the BRLM, will finalize the Offer Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other Bidders

#### **Participation by Associates /Affiliates of BRLM**

**The BRLM shall not be allowed to purchase in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM may subscribe the Equity Shares in the Offer, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.**

#### **Option to Subscribe in the Offer**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Offer Opening Date and Offer Closing Date in the Red Herring Prospectus which will be registered with the RoC and also publish the same in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), all editions of [●] (a widely circulated Regional language daily newspaper) ( Gujarati being the regional language of Gujarat, where our Registered Office is located) with wide circulation. This advertisement shall be in prescribed format.

2. Our Company shall file the Red Herring Prospectus with the RoC at least 3 (three) days before the Offer Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of this Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Offer, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain this Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Offer will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

#### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and Promoter Selling Shareholders in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

#### **BIDS BY ELIGIBLE NRIS**

Eligible NRIs or Overseas Citizen of India (OCI) may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation basis shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Offer using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application.

#### **Investment by NRI or OCI on non-repatriation basis:**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations - Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis - will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

#### **BIDS BY FPIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum

Application Form, failing which our Company and the Promoter Selling Shareholders in consultation with the BRLM reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. **FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.**

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilize the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations ("Operational FPI Guidelines"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("MIM Bids"). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilize the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "MIM Structure"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

For details of investment by FPIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 252. Participation of FPIs in the Issue is subject to the FEMA Rules.

#### **AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **BIDS BY SEBI-REGISTERED AIFS, VCFS AND FVCIS**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only

up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. However, large value funds for accredited investors of Category III AIFs may invest up to 20% of the investible funds in an investee company. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Offer) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Offer, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company, the Promoter Selling Shareholders or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, the Promoter Selling Shareholders in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY BANKING COMPANIES**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, the Promoter Selling Shareholders in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-

up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see “Key Industrial Regulations and Policies” beginning on page 154 of this DRHP.

#### **BIDS BY SCSBS**

SCSBs participating in the Offer are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **BIDS BY SYSTEMICALLY IMPORTANT NBFCs**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,50,00,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 50,00,000 lakhs or more but less than ₹ 2,50,00,000 lakhs.*

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the

Promoter Selling Shareholders in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

### **BIDS BY ANCHOR INVESTORS**

Our Company, Promoter Selling Shareholders in consultation with the BRLM, may consider participation by Anchor Investors in the Offer for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200 lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and be completed on the same day.
- 5) Our Company, Promoter Selling Shareholders in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200 lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200 lakhs but up to 2500 lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100 lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500 lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to 2500 lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500 lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100 lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Offer Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Offer Closing Date. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminal of the syndicate member and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group, Promoter Selling Shareholders or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection byes.



- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company and Promoter Selling Shareholders in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company and Promoter Selling Shareholders in consultation with the BRLM may deem fit.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

#### **Offer Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

#### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Bidders.

#### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- Individual Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Offer shall give instructions to the SCSBs to unblock the

application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public Offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

**The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the members of Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus.**

#### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company and Promoter Selling Shareholders in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors.

- a) For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favor of In case of resident Anchor Investors: — “[●] – Anchor Account- R”
- b) In case of Non-Resident Anchor Investors: — “[●]– Anchor Account- NR”
- c) Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from the Anchor Investors.

#### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Offer Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. the applications accepted by them,
  - ii. the applications uploaded by them
  - iii. the applications accepted but not uploaded by them or
  - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries

5. The Stock Exchange will Offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Offer Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Offer Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in this Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or

completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Offer Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Offer Period.

#### **Withdrawal of Bids**

- a) IIs can withdraw their Bids until Bid/ Offer Closing Date. In case a II wishes to withdraw the Bid during the Bid/Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company and Promoter Selling Shareholders in consultation with the BRLM, shall finalize the Offer Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer, Promoter Selling Shareholders and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company, Promoter Selling Shareholders

and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

**Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.**

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, Promoter Selling Shareholders in consultation with the BRLM, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ [●]. All Bids at or above this Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

*Anchor Investors are not allowed to withdraw their Bids after Anchor Investors bidding date.*

## GENERAL INSTRUCTIONS

### Do's:

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an IIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an IIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. IIBs bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for IIBs using the UPI Mechanism) to make an application in the Offer

- and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
  13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of IIBs submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
  14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
  15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
  16. Ensure that the Demographic Details are updated, true and correct in all respects;
  17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
  18. Ensure that the category and the investor status is indicated;
  19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
  20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
  21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
  22. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
  23. IIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which IIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the IIB’s ASBA Account;
  24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;
  25. IIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon

the authorization of the mandate using his/her UPI PIN, an IIB may be deemed to have verified the attachment containing the application details of the IIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;

26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (IIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)); and
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid lot exceeding 2 lots (for Bids by IIBs);
3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
7. Do not submit the Bid for an amount more than funds available in your ASBA account.
8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
9. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
10. If you are a IIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
11. Do not submit the ASBA Forms to any Designated Intermediary that is not authorized to collect the relevant ASBA Forms or to our Company;
12. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
13. Do not submit the General Index Register (GIR) number instead of the PAN;
14. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
15. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
16. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
17. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

18. Do not submit a Bid using UPI ID, if you are not a IIB;
19. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
20. Do not Bid for Equity Shares in excess of what is specified for each category;
21. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of this Red Herring Prospectus ;
22. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. IIBs can revise or withdraw their Bids on or before the Bid/Offer Closing Date;
23. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
24. If you are an IIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPIID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
25. Do not Bid if you are an OCB; and
26. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Offer Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “*General Information*” and “*Our Management*” beginning on pages 64 and 168, respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled “*General Information*” beginning on page 64

#### **GROUND FOR TECHNICAL REJECTION**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

1. Amount blocked does not tally with the amount payable for the Equity Shares applied for;
2. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
3. Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
4. PAN not mentioned in the Bid cum Application Form;
5. Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
6. GIR number furnished instead of PAN;
7. Bid for lower number of Equity Shares than specified for that category of investors;
8. Bids at Cut-off Price by NIIs and QIBs;
9. Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the DRHP;
10. The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
11. Bids for lower number of Equity Shares than the minimum specified for that category of investors;
12. Category not ticked;
13. Multiple Bids as defined in the DRHP;



14. In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
15. Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
16. Signature of sole Bidder is missing;
17. Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
18. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
19. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
20. Bid by OCBs;
21. Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
22. Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
23. Bids not uploaded on the terminals of the Stock Exchanges;
24. Where no confirmation is received from SCSB for blocking of funds;
25. Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
26. Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
27. Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
28. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
29. Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
30. Details of ASBA Account not provided in the Bid cum Application form.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "*General Information*" beginning on page 64

In case of 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, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **RIGHT TO REJECT APPLICATIONS**

**In case of QIB Bidders, the Company, the Promoter Selling Shareholders in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.**

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer, the Promoter Selling Shareholders in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

**The allotment of Equity Shares to Bidders other than Individual Investors may be on proportionate basis. No Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer. However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.**

#### **BASIS OF ALLOTMENT**

##### **a. For Individual Bidders**

Bids received from the Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Individual Bidders will be made at the Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for allotment to Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to the Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

##### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Offer size less Allotment to QIBs and Individual Investor shall be available for allotment to Non-Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the

aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

**c. Allotment To Anchor Investor (If Applicable)**

Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, the Promoter Selling Shareholders in consultation with the BRLM, subject to compliance with the following requirements:

- i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;
- ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
  - maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
  - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

**d. For QIBs**

Bids received from QIBs Bidding in the QIB Category at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- i. In the first instance, allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- ii. In the second instance, allotment to all QIBs shall be determined as follows:
  - In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.
- iii. Basis of Allotment for QIBs and NIIs in case of Over Subscribed Offer:

In the event of the Offer being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the BSE SME (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
- Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Offer specified under the Capital Structure mentioned in this RHP.

**Individual Investor means an investor who applies for minimum bid lot i.e [●] Equity Shares and value exceeds ₹ 2,00,000/. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with BRLM.**

**The Executive Director / Managing Director of the SME Platform of BSE Limited - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

#### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer.

The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 working days of the Offer Closing date. The Issuer also ensures that credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the issuer.

#### **Designated Date:**

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

The Company will Offer and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 2 working days of the Bid/ Offer Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

#### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the

stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the website of BSE i.e.; [www.bseindia.com](http://www.bseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Offer with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of BSE i.e.; [www.bseindia.com](http://www.bseindia.com).

#### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Offer will obtain from the Depository, the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

#### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at The SME Platform of BSE Limited where the Equity Shares are proposed to be listed are taken within 3 (three) working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Offer Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### **Basis Of Allotment In The Event Of Under Subscription**

In the event of under subscription in the Offer, the obligations of the Underwriter shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Offer size shall be achieved before

our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the SME Platform of BSE Limited- the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

#### **Equity Shares in Dematerialised Form with NSDL/CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Offer on December 12, 2025
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Offer on January 23, 2025
- c) The Company's Equity shares bear an ISIN No. INE1DVP01016

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

#### **PRE-OFFER ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing this Red Herring Prospectus with the RoC, publish a Pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), all editions of [●] (a widely circulated Regional language daily newspaper) (Gujarati being the regional language of Gujarat, where our Registered Office is located)).

In the Pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

#### **SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING**

- a) Our Company, Promoter Selling Shareholders and the Underwriter intend to enter into an Underwriting Agreement on or immediately after the finalization of the Offer Price but prior to the filing of Red Herring Prospectus.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law.

#### **Flow of Events from the closure of Bidding period (T DAY) Till Allotment:**

- On T Day, RTA To validate the electronic bid details with the depository records and also reconcile the final certificates received.
- from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawl of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawl numbers in their system and generates the final list of allottees as per process mentioned below:

#### **Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawl of lots provided by DSE is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.

On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

#### **IMPERSONATION**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*“Any person who:*

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

#### **UNDERTAKINGS BY OUR COMPANY**

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;

2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within two Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter's contribution in full has already been brought in;
6. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
9. If our Company and the Promoter Selling Shareholders withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange / RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

Only the statements and undertakings in relation to the Selling Shareholders and their respective portion of the Offered Shares which are specifically "confirmed" or "undertaken" by the Selling Shareholders in this Draft Red Herring Prospectus, shall be deemed to be "statements and undertakings specifically confirmed or undertaken" by the Selling Shareholders. All other statements and/ or undertakings in this Draft Red Herring Prospectus shall be statements and undertakings made by our Company even if the same relates to the Selling Shareholders.

#### **UNDERTAKINGS BY THE SELLING SHAREHOLDERS**

1. The Selling Shareholders undertakes the following in respect of themselves as a Selling Shareholder and Offered Shares:
2. that the Offered Shares are eligible to be a part of the Offer for Sale, in accordance with Regulation 8 of the SEBI ICDR Regulations and shall continue to be in dematerialised form at the time of transfer;
3. that he/she/it is the legal and beneficial owner of and has clear and marketable title to, his/her/its portion of the Offered Shares and has full title to the Offered Shares;
4. that he/she/it shall provide all support and cooperation as may be reasonably requested by our Company and the BRLM to the extent such support and cooperation is in relation to his Offered Shares and in relation to necessary formalities for listing and commencement of trading at the Stock Exchange, the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of the Offered Shares;
5. that he/she/it shall not offer, lend, pledge, create lien, charge, encumber, sell, contract to sell or otherwise transfer or dispose of, directly or indirectly, any of the Equity Shares offered in the Offer;
6. that he/she/it will provide such assistance as may be required by our Company and BRLM acting reasonably, in redressal of such investor grievances that pertain to the Equity Shares being offered pursuant



to the Offer and statements specifically made or confirmed by he/she/it in relation to himself/herself/themselves as a Selling Shareholder;

7. that he/she/it shall transfer his/her/its portion of the Offered Shares to an escrow demat account in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement; and
8. that he/she/it shall not have recourse to the proceeds of the Offer, which shall be held in escrow in his/her/its favour, until final approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

#### **UTILIZATION OF OFFER PROCEEDS**

Our Company and the Promoter Selling Shareholders specifically confirm and declare that:

- all monies received out of the Fresh Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilized out of the Fresh Offer shall be disclosed, and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.
- Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

#### **COMMUNICATIONS**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

## SECTION X-MAIN PROVISIONS OF THE ARTICLE OF ASSOCIATION

### THE COMPANIES ACT, 2013 [COMPANY LIMITED BY SHARES] ARTICLES OF ASSOCIATION<sup>1</sup> OF GRACE RENEWABLE ENERGY LIMITED<sup>2</sup>

I. (1) In these regulations --

- (a) "Company" means Grace Renewable Energy Limited
- (b) "Office" means the Registered Office of the Company.
- (c) "The Act" means the Companies Act, 2013, and any statutory modification thereof
- (d) "The seal" means the common seal of the company.

(2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

(3) The Company is a "Public Company" within the meaning of Section 2(71) of the Companies Act, 2013.

#### Share capital and variation of rights

II.

1. a) The Authorized Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, --

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu

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<sup>1</sup> Amended by way of special resolution passed by shareholders at EOGM held on 21.06.2024 for conversion from Private Limited to Public Limited Company.

<sup>2</sup> New set of Articles of Association adopted pursuant to Special Resolution Passed in Extraordinary General Meeting held on November 22, 2024.

thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

### **Lien**

9. (i) The company shall have a first and paramount lien --

(a) That the fully paid shares will be free from all lien, while in the case of partly paid shares, the company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such shares

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made --

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

#### **Calls on shares**

13. (i) Subject to approval of shareholders in General Meeting the Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board –

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

(c) that any amount paid-up in advance of calls on any share shall not entitle the holder of the share to participate in respect thereof, in a dividend subsequently declared

#### **Transfer of shares**

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

(iii) That the company shall use a common form of transfer

20. The Board may, subject to the right of appeal conferred by section 58 decline to register --

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

21. The Board may decline to recognise any instrument of transfer unless --

(a) The instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

#### **Transmission of shares**

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either --

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

#### **Forfeiture of shares**

27. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

28. The notice aforesaid shall –

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

33. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **Alteration of capital**

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

35. Subject to the provisions of section 61, the company may, by ordinary resolution, --

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

36. Where shares are converted into stock, --

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, --

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

### **Capitalisation of profits**

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve --

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards --

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);



(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall --

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power --

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

#### **Buy-back of shares**

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **General meetings**

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

(iii) That option or right to call of shares shall not be given to any person except with the sanction of the company in general meeting.

#### **Proceedings at general meetings**

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### **Adjournment of meeting**

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### **Voting rights**

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares, --

(a) On a show of hands, every member present in person shall have one vote; and

(b) On a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### **Proxy**

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **Board of Directors**

58. (i) There shall be at least three directors of the company. The maximum number of directors cannot exceed fifteen. The prescribed limit of fifteen directors may be increased by passing a special resolution.

(ii) The first directors of the company shall be:

(a) Mr. Vivek Pawankumar Agrawal

(b) Mr. Manish Bagadia

59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them --

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### **Proceedings of the Board**

65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

68. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

69. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

70. (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

71. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

74. Subject to the provisions of the Act, --

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer

75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **The Seal**

76. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### **Dividends and Reserve**

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

80. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

82. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

85. No dividend shall bear interest against the company

86. There will be no forfeiture of unclaimed dividends before the claim becomes barred by law.

## **Accounts**

87. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

### **Winding up**

88. Subject to the provisions of Chapter XX of the Act and rules made thereunder --

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

### **Indemnity**

89. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

### **Dematerialization of Securities**

90. Subject to the provisions of the Act and rules made thereunder the Company may offer its members facility to hold Securities issued by it in dematerialized form and will offer the Securities for subscription in dematerialized form. Notwithstanding anything contained herein, the Company shall be entitled to treat the person whose names appear in the Register of Members as a holder of any Share / Securities or whose names appear as beneficial owners of Shares/Securities in the records of the Depository, as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as required by law) be bound to recognize any benami trust or equity or equitable contingent or other claim to or interest in such Share / Security on the part of any other person whether or not it shall have express or implied notice thereof.

### **Further Issue of Capital**

91. (1) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to –

a. persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or

b. Employees under any scheme of employees' stock option; or

c. any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.

92. (2) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules and SEBI guidelines.

### **Registers**

93. The Company shall keep and maintain at its registered office or such other place as may be permitted under the Act and approved by the Board, all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules.

The registers and their indices (except when they are closed under the provisions of the Act) and copies of annual return shall be open for inspection during business hours at such reasonable time on every working day other than Saturdays, at the registered office of the Company by the persons entitled thereto in accordance with the provisions of the Act and applicable laws, on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register. Foreign register

Subject to the provisions of the Act, the foreign register shall be open for inspection and may be closed, and extracts may be taken there from and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members

### **Secrecy Clause**

94. Subject to the provisions of the Act, no member shall be entitled to require discovery of any information respecting any detail of the Company's trading or any matter in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board of Directors it may be inexpedient in the interest of the Company to communicate to the public.

### **Others**

#### **95. A. Employee Stock Option Scheme**

Subject to and in accordance with the provisions of the Act and any other rules regulations or guidelines as may be prescribed if any the Company may frame guidelines or scheme to be known as Employee Stock Option Scheme (ESOPS) ESOS may provide for the issue of Options shares warrants bonds or other debt instruments including the terms of payment. The Board of Directors in pursuance to approval of shareholders of the Company shall have the power to vary alter or amend the terms and conditions of the ESOS at their sole discretion in such manner as they may deem fit in the best interest of the company.

#### **B. Issue of Sweat Equity Shares**

Notwithstanding anything contained in these articles the Company shall have right to issue sweat equity shares to its promoters Directors employees or to such other persons as may be decided by the Board in accordance with the provisions of the Companies Act, 2013 and any statutory amendments or re-enactment thereof.

#### **C. Borrowing powers**

The Board may from time to time for the purpose of the Company's business raise or borrow or secure the payment of any sum or sums exceeding paid up capital and free reserves in addition to temporary loans if any obtained



from the Company's bankers as they in their discretion deem fit and proper with such approval from the members. Any such money may be raised or the payment or repayment of thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds perpetual or redeemable debentures stocks of the Company charged upon all or any part of the property of the Company both present and future including its uncalled capital for the time being or by mortgaging or charging or pledging any lands buildings machinery plant goods or other property and securities of the Company or by other means as the Board deems expedient.

#### **D. Managing Director or Whole Time Director**

The Board of Directors may from time to time appoint one or more of their body to the office of the Managing Director or whole time Director for such period and on such remuneration and other terms as they think fit and subject to the terms of any agreement entered into in any particular case may revoke such appointment. His appointment will be automatically terminated if they cease to be a Director. Such appointment can be made with the formal Letter of Appointment and by passing of resolution as may be required in the Act. However-

i. Ratification from shareholders for appointment of Managing Director or Whole Time Director shall not be required.

ii. A notice of the Board Meeting proposing a resolution required to be passed for appointment of Managing Director or Whole Time Director shall not mandatorily contain Terms Conditions of appointment and details pertaining to remuneration. A Managing or whole time Director maybe paid such remuneration (whether by way of salary commission or participation in profits or partly in one way and partly in other) as the Board of Directors may determine and subject to the provisions of Section 197 198 and Schedule V of the Companies Act, 2013. The Board of Directors subject to the provisions of the Act may entrust to and confer upon a Managing or whole time Director or Committee of Directors any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke withdraw or alter or vary all or any of such powers.

## SECTION XI: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus/ Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from date of the Draft Red Herring Prospectus until the Issue Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

#### A. Material Contracts for the Issue

- (a) Issue Agreement dated February 06, 2025 entered between our Company, Promoter Selling Shareholders and the Book Running Lead Manager.
- (b) Registrar Agreement dated February 06, 2025 entered into amongst our Company, Promoter Selling Shareholders and the Registrar to the Issue.
- (c) Banker to the Issue Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
- (d) Tripartite Agreement dated December 12, 2025 between our Company, NSDL and the Registrar to the Issue.
- (e) Tripartite Agreement dated January 23, 2025 between our Company, CDSL and the Registrar to the Issue.
- (f) Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
- (g) Underwriting Agreement dated [●] between our Company, Promoter Selling Shareholders and the Underwriters.
- (h) Syndicate Agreement dated [●] between our Company, Promoter Selling Shareholders and the Syndicate Member.
- (i) Sub-Syndicate Agreement dated [●] between our Company, Promoter Selling Shareholder, the Underwriters and Sub-Syndicate Member.
- (j) Monitoring Agreement dated [●] between our Company and Monitoring Agency.

#### B. Material Documents

- (a) Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
- (b) Certificate of incorporation dated September 05, 2013, issued by the RoC; Gujarat, Dadra and Nagar Haveli;
- (c) Fresh certificate of incorporation dated February 22, 2017 issued by RoC; Ahmedabad at the time of change of name of Company from Winwin Building Materials Private Limited to Grace Renewable Energy Private Limited.
- (d) Fresh certificate of incorporation dated September 03, 2024 issued by RoC, Central Processing Centre at the time of conversion from a private company into a public company;
- (e) Resolutions of our Board of Directors dated January 16, 2025, in relation to the Issue and other related matters;

- (f) Resolution of the Board of Directors of the Company dated January 16, 2025 taking on record the approval for the Offer for Sale by the Selling Shareholders.
- (g) Shareholders' resolution dated January 20, 2025 in relation to this Issue and other related matters;
- (h) Resolution of the Board of Directors of the Company dated March 25, 2025 taking on record and approving this Draft Red Herring Prospectus.
- (i) The examination report dated March 25, 2025, of Peer Reviewed Auditors on our Restated Financial Statements, included in this Draft Red Herring Prospectus;
- (j) Copies of Restated Financial Statements of our Company for the period ended September 30, 2024, for the financial years March 31 2024, March 31, 2023 and March 31, 2022.
- (k) Copies of Audited Financial Statements of our Company for the period ended September 30, 2024, for the financial years March 31 2024, March 31, 2023 and March 31, 2022.
- (l) Copies of the annual reports of the Company for the Fiscals 2024, 2023, 2022, 2021 & 2020;
- (m) Statement of Tax Benefits dated March 25, 2025 from the Peer Reviewed Auditors included in this Draft Red Herring Prospectus;
- (n) Consent of the Promoters, Directors, Senior Managerial Personnel, the Book Running Lead Manager, the Syndicate Members, the Legal Counsel to our Issue, the Registrar to the Issue, the Peer Reviewed Statutory Auditor, the Banker to the Company, Chartered Engineer, the Banker to the Issue, the Market Maker, the Underwriter, the Company Secretary and Compliance Officer and the Chief Financial Officer, Monitoring Agency to act in their respective capacities;
- (o) Consent letter dated January 16, 2025 from Manish Bagadia and Karuna Bagadia respectively as Selling Shareholders in relation to the Offer for Sale.
- (p) Chartered Engineer certificate dated March 21, 2025 from Hitesh Parekh, independent chartered engineer as an expert defined under Section 2(38) of the Companies Act, 2013,
- (q) Resolution of the Audit Committee dated March 25, 2025, approving our key performance indicators.
- (r) Certificate on KPI's issued by our Statutory Auditor M/s. Tibrewal Bhagat & Associates., Chartered Accountants dated March 25, 2025.
- (s) Certificate on Working Capital issued by our Statutory Auditor M/s. Tibrewal Bhagat & Associates, Chartered Accountants., dated March 25, 2025.
- (t) Due diligence certificate dated March 25, 2025 issued by Book Running Lead Manager BRLM;
- (u) In principle listing approval dated [●] issued by [●];
- (v) Site visit report dated March 25, 2025 issued by Book Running Lead Manager

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**SD/-**

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**Manish Bagadia**  
Managing Director  
**DIN:** 02009864  
**Place:** Ahmedabad  
**Date:** March 25, 2025

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**SD/-**

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**Karuna Bagadia**  
Whole Time Director  
**DIN:** 02346868  
**Place:** Ahmedabad  
**Date:** March 25, 2025

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**SD/-**

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**Jigar Patel**

Whole Time Director

**DIN:** 10630897

**Place:** Ahmedabad

**Date:** March 25, 2025

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**SD/-**

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**Prashant Pratapbhai Agrawal**

Non-Executive Director

**DIN:** 10837275

**Place:** Ahmedabad

**Date:** March 25, 2025

## DECLARATION

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

SD/-

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**Shruti Rajesh Sohana**

Non-Executive Independent Director

**DIN:** 10899663

**Place:** Ahmedabad

**Date:** March 25, 2025



## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**SD/-**

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**Madhusudan Garg**

Non-Executive Independent Director

**DIN:** 02300800

**Place:** Ahmedabad

**Date:** March 25, 2025

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE COMPANY SECRETARY OF OUR COMPANY**

**SD/-**

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**Vivekkumar Barlota**

Company Secretary and Compliance Officer

**PAN:** ASCPB1244M

**Place:** Ahmedabad

**Date:** March 25, 2025

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

**SD/-**

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**Radhika Niravkumar Bhut**

Chief Financial Officer

**PAN:** ANIPV0232G

**Place:** Ahmedabad

**Date:** March 25, 2025

## DECLARATION

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE PROMOTER SELLING SHAREHOLDER OF OUR COMPANY

SD/-

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**Manish Bagadia**  
Managing Director  
**DIN:** 02009864  
**Place:** Ahmedabad  
**Date:** March 25, 2025

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by 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 this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE PROMOTER SELLING SHAREHOLDER OF OUR COMPANY**

**SD/-**

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**Karuna Bagadia**  
Whole Time Director  
**DIN:** 02346868  
**Place:** Ahmedabad  
**Date:** March 25, 2025