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Prospectus  
Dated: January 24, 2024  
100% Book Built Issue  
Please read Section 26 & 32 of the Companies Act, 2013

**KONSTELEC ENGINEERS LIMITED**

Corporate Identity Numbers: U45203MH1995PLC095011

| REGISTERED AND CORPORATE OFFICE  | CONTACT PERSON           | TELEPHONE AND EMAIL  | WEBSITE  |
|--|--------------------------|--|--|
| 308, Creative Industrial Estate, Sundar Nagar Lane No. 2, Kalina, Santacruz (East), Mumbai- 400098, Maharashtra, India | Ms. Shatabdi Sudam Salve | Mobile No: +91 2243 421551<br>Email Id: <a href="mailto:compliance@konstelec.com">compliance@konstelec.com</a> | <a href="http://www.konstelec.com">www.konstelec.com</a> |

**PROMOTERS OF OUR COMPANY: MR. BIHARILAL RAVILAL SHAH AND MR. AMISH BIHARILAL SHAH**

**DETAILS OF THE ISSUE**

| TYPE        | FRESH ISSUE SIZE (IN ₹ LAKHS)   | OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹) | TOTAL ISSUE SIZE  | ELIGIBILITY  |
|-------------|---|---|---|--|
| Fresh Issue | 4100000 Equity Shares aggregating to ₹ 2870.00* Lakhs<br>*Subject to finalization of Basis of Allotment | Nil   | 4100000 Equity Shares aggregating to ₹ 2870.00* Lakhs<br>*Subject to finalization of Basis of Allotment | THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED. |

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION: NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES**

**RISK IN RELATION TO THE FIRST ISSUE**

The face value of the Equity Shares is ₹ 10/- each and the Issue Price is 7.00 times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager as stated in chapter titled "Basis for Issue Price" beginning on Page No. 113 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on Page No. 29 of this Prospectus.


**ISSUER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 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 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 Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

| NAME AND LOGO  | CONTACT PERSON  | EMAIL & TELEPHONE   |
|--|-----------------|---|
| <br>Beeline Capital Advisors Private Limited | Mr. Nikhil Shah | Email: <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a><br>Tel. No: 079 4918 5784 |

**REGISTRAR TO THE ISSUE**

| NAME AND LOGO  | CONTACT PERSON | EMAIL & TELEPHONE   |
|--|----------------|---|
| <br>Skyline Financial Services Private Limited | Mr. Anuj Rana  | Email: <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a><br>Tel. No: +91 11-40450193-197 |

**BID/ISSUE PERIOD\***

|  |  |
|--|--|
| <b>BID/ISSUE OPENED ON: JANUARY 19, 2024</b> | <b>BID/ISSUE CLOSED ON: JANUARY 24, 2024</b> |
|--|--|

\*The Anchor Investor Bidding Date was one Working Day prior to the Bid/ Offer Opening Date i.e. Thursday, January 18, 2024.

**KONSTELEC ENGINEERS LIMITED**

Corporate Identity Numbers: U45203MH1995PLC095011

Our Company was originally incorporated as "Konstelec Engineers Private Limited" as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 05, 1995, issued by the Registrar of Companies, Mumbai. Subsequently Our Company was converted from a private limited company to public limited company pursuant to shareholders resolution passed in the Extra-Ordinary General Meeting of the company dated June 30, 2023 and consequently, the name of our Company was changed to "Konstelec Engineers Limited" and a fresh certificate of incorporation dated August 25, 2023 was issued to our Company by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U45203MH1995PLC095011. For details of change in name and registered office of our Company, please refer to chapter titled "History and Corporate Matters" beginning on page no. 172 of this Prospectus.

**Registered Office:** 308, Creative Industrial Estate, Sundar Nagar Lane No. 2, Kalina, Santacruz (East), Mumbai- 400098, Maharashtra, India.

**Website:** www.konstelec.com, **E-Mail:** compliance@konstelec.com, **Telephone No:** +91 2243421551 **Company Secretary and Compliance Officer:** Ms. Shatabdi Sudam Salve

**PROMOTERS OF OUR COMPANY: MR. BIHARILAL RAVILAL SHAH AND MR. AMISH BIHARILAL SHAH****THE ISSUE**

**PUBLIC ISSUE OF 4100000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF KONSTELEC ENGINEERS LIMITED ("KONSTELEC" "KEL", "KEPL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 70 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 60 PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ 2870.00 LAKHS ("THE ISSUE"), OF WHICH 206000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ 70 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 60 PER EQUITY SHARE AGGREGATING TO ₹ 144.20 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF 3894000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ 70 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 60 PER EQUITY SHARE AGGREGATING TO ₹ 2725.80 LAKHS IS HEREIN REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.15 % AND 25.79 % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH. PRICE BAND: ₹ 66.00 TO ₹ 70.00 PER EQUITY SHARE OF ₹ 10/- EACH. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE ISSUE PRICE IS 6.6 TO 7.0 TIMES OF THE FACE VALUE AT THE LOWER PRICE BAND AND THE UPPER PRICE BAND RESPECTIVELY. BID CAN BE MADE FOR MINIMUM OF 2000 EQUITY SHARES AND THE MULTIPLES OF 2000 EQUITY SHARES THEREAFTER**

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, 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 5.00% 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 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For details, see "Issue Procedure" on page 270.

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 208 of this Prospectus. A copy of Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.

**THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE ISSUE PRICE IS ₹ 70. THE ISSUE PRICE IS 7.00 TIMES OF THE FACE VALUE.**

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹ 10/- per Equity Shares and the Issue price is 7.00 times of the face value. The Issue Price (as determined by our Company in consultation with the Book Running Lead Manager) as stated in the chapter titled "Basis for Issue Price" beginning on Page No. 113 of this Prospectus should not be taken 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 of our Company nor 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 investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. 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 offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on Page No. 29 of this Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 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 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 offered through this Prospectus are proposed to be listed on EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principle Approval letter dated December 19, 2023 from National Stock Exchange of India Limited ("NSE") for using its name in this offer document for listing our shares on the EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"). For the purpose of this Issue, the designated Stock Exchange is the NSE.

**BOOK RUNNING LEAD MANAGER****REGISTRAR TO THE ISSUE**

**BEELINE CAPITAL ADVISORS PRIVATE LIMITED**  
SEBI Registration Number: INM000012917  
Address: Shilp Corporate Park, B Block, 13<sup>th</sup> Floor, B-1311-1314, Near Rajpath Club, Rajpath Rangoli Road, S.G. Highway, Ahmedabad, Gujarat- 380054.  
Telephone Number: 079 4918 5784 Email Id: [mb@beelinemb.com](mailto:mb@beelinemb.com)  
Investors Grievance Id: [ig@beelinemb.com](mailto:ig@beelinemb.com) Website: [www.beelinemb.com](http://www.beelinemb.com)  
Contact Person: Mr. Nikhil Shah CIN: U67190GJ2020PTC114322

**SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**  
SEBI Registration Number: INR000003241  
Address: D-153A, 1<sup>st</sup> Floor, Okhla Industrial Area Phase-I, New Delhi – 110020, India.  
Tel. Number: 011-40450193-197 Fax- 011-26812683  
Email Id: [ipo@skylinerta.com](mailto:ipo@skylinerta.com) Investors Grievance Id: [grievances@skylinerta.com](mailto:grievances@skylinerta.com)  
Website: [www.skylinerta.com](http://www.skylinerta.com) Contact Person: Mr. Anuj Rana  
CIN: U74899DL1995PTC071324

**BID/ISSUE PERIOD\***

ISSUE OPENED ON: JANUARY 19, 2024

ISSUE CLOSED ON: JANUARY 24, 2024

\*The Anchor Investor Bidding Date was one Working Day prior to the Bid/ Offer Opening Date i.e. Thursday, January 18, 2024.

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## SECTION I – DEFINATIONS AND ABBREVIATIONS

*This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time. The words and expressions used in this Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under. Notwithstanding the foregoing, terms used in of the chapters titled “Industry Overview”, “Key Industry Regulations”, “Statement of Possible Tax Benefits”, “Restated Financial Information”, “Basis for Issue Price”, “History and Corporate Structure”, “Other Regulatory and Statutory Disclosures”, “Outstanding Litigations and Material Developments” and “Description of Equity Shares and Terms of the Articles of Association” beginning on Page Nos. 124, 177, 121, 208, 113, 172, 246, 223, 299 respectively, of this Prospectus shall have the meaning ascribed to such terms in such sections.*

### GENERAL TERMS AND COMPANY RELATED TERMS

| Term   | Description   |
|--|---|
| “Konstelec Engineers”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer” | Konstelec Engineers Limited a public limited company, incorporated under the Companies Act, 1956 and having its registered office at 308, Creative Industrial Estate, Sundar Nagar Lane No. 2, Kalina, Santacruz (East), Mumbai- 400098, Maharashtra, India |
| Our Promoters  | Mr. Biharilal Ravilal Shah and Mr. Amish Biharilal Shah   |
| “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 Related Terms

| Term  | Description  |
|---|--|
| Articles /Articles of Association/AOA                     | Articles of Association of our Company.  |
| Audit Committee   | The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details, please refer chapter titled “Our Management” beginning on Page No. 188 of this Red Herring Prospectus.                                       |
| Auditor of our Company / Statutory Auditor of the Company | The Statutory Auditors of our Company, being M/s. Shah P M And Associates, Chartered Accountants as mentioned in the section titled “General Information” beginning on page 58 of this Prospectus.   |
| Bankers to the Company                                    | ICICI Bank Limited, HDFC Bank Limited, Bank of Baroda  |
| Board of Directors/ Board/BOD/Directors                   | The Board of Directors of Konstelec Engineers Limited unless otherwise specified.  |
| Chief Financial Officer (CFO)                             | The Chief Financial officer of our Company, being Ms. Molly Antony   |
| Companies Act,  | The Companies Act, 1956 and The Companies Act, 2013 as amended from time to time.  |
| Company Secretary and Compliance Officer (CS)             | The Company Secretary and Compliance Officer of our Company, being Ms. Shatabdi Sudam Salve  |
| Depositories  | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). |
| Depositories Act  | The Depositories Act, 1996, as amended from time to time   |
| DP/Depository Participant                                 | A depository participant as defined under the Depositories Act, 1996.  |
| DP ID   | Depository’s Participant’s Identity Number   |
| DIN   | Director Identification Number   |
| Equity Shares   | Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof  |
| Equity Shareholders                                       | Persons/ Entities holding Equity Shares of Our Company   |
| ED/Executive Director                                     | An Executive Director of our Company, as appointed from time to time   |



| Term  | Description  |
|---|--|
| Fugitive economic offender                          | Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)   |
| GIR Number  | General Index Registry Number  |
| Group Companies                                     | Group Companies as defined under Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, “Group companies shall include such companies (other than our Promoters and Subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed under section titled “Information with respect to Group Companies” beginning on Page No. 243 of this Prospectus. |
| HNI   | High Net worth Individual  |
| HUF   | Hindu Undivided Family   |
| IBC   | The Insolvency and Bankruptcy Code, 2016   |
| Independent Director                                | A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015   |
| Ind AS or Indian Accounting Standards               | Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended.   |
| Indian GAAP   | Generally Accepted Accounting Principles in India  |
| ISIN  | International Securities Identification Number. In this case being INEQEI01011   |
| Joint Venture                                       | Konsteel Hitech Engineers Private Limited  |
| Key Managerial Personnel / Key Managerial Employees | The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the chapter titled “Our Management” beginning on Page No. 188 of this Prospectus.   |
| LLP   | Limited Liability Partnership  |
| Materiality Policy                                  | The policy on identification of group companies, material creditors and material Litigation, adopted by our Board on September 18, 2023 in accordance with the requirements of the SEBI ICDR Regulations.  |
| MD  | Managing Director  |
| MOA/ Memorandum / Memorandum of Association         | Memorandum of Association of our Company as amended from time to time  |
| Non-Residents                                       | A person resident outside India, as defined under FEMA   |
| Nomination and Remuneration Committee               | The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details, please refer chapter titled “Our Management” beginning on Page No. 188 of this Prospectus.   |
| Non-Executive Director                              | A Director not being an Executive Director or an Independent Director.   |
| NRI / Non-Resident Indians                          | A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management Act, 1999.   |
| Peer Reviewed Auditor                               | M/s. Shaparia Mehta & Associates LLP, Chartered Accountants being Peer reviewed auditor, holding a valid peer review certificate as mentioned in the section titled “General Information” beginning on page 58 of this Prospectus.   |
| Person or 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 and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.  |
| Our Promoters                                       | The promoters of our Company, being Mr. Biharilal Ravilal Shah and Mr. Amish Biharilal Shah.   |
| Promoters’ Group                                    | Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “Our Promoters and Promoter’s Group” beginning on Page No. 203 of this Prospectus.  |
| RBI Act   | The Reserve Bank of India Act, 1934 as amended from time to time.  |



| Term  | Description  |
|---|--|
| Registered Office   | 308, Creative Industrial Estate, Sundar Nagar Lane No. 2, Kalina, Santacruz (East), Mumbai- 400098, Maharashtra, India.  |
| Reserve Bank of India / RBI   | Reserve Bank of India constituted under the RBI Act.   |
| Restated Financial Statements   | The Restated Financial Information of our Company, which comprises the Restated Consolidated Statement of assets and liabilities, the Restated Consolidated Statement of profit and loss, the Restated Consolidated Statement of cash flows, for the period / year ended on September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 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, Mumbai.  |
| SEBI (ICDR) Regulations /ICDR Regulation/ Regulation                                    | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.  |
| SEBI (Venture Capital) Regulations  | Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.   |
| SEBI Act/ SEBI  | Securities and Exchange Board of India Act, 1992, as amended from time to time.  |
| SEBI Insider Trading Regulations  | The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.  |
| SEBI Listing Regulations, 2015/SEBI Listing Regulations/Listing Regulations/SEBI (LODR) | The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.  |
| Stakeholders Relationship Committee   | The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details, please refer chapter titled “Our Management” beginning on Page No. 188 of this Prospectus.   |
| Stock Exchange  | Unless the context requires otherwise, refers to, NSE  |
| Shareholders  | Shareholders of our Company from time to time.   |
| Sub- Account  | Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.  |
| Subscriber to MOA   | Initial Subscribers to MOA being Mr. Biharilal Ravilal Shah and Mrs. Nirupama Biharilal Shah.  |

#### ISSUE RELATED TERMS

| Terms                                   | Description  |
|---|--|
| Acknowledgement Slip                    | The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application   |
| Allocation/ Allocation of Equity Shares | The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants.  |
| Allotment/Allot/Allotted                | Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful applicants.   |
| Allotment Advice                        | Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges |
| Allottee (s)                            | The successful applicant to whom the Equity Shares are being / have been issued  |



| Terms  | Description   |
|--|---|
| 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 Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.  |
| Applicant/Investor                           | Any prospective investor who makes an application for Equity Shares in terms of this Prospectus.  |
| Application Amount                           | The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Prospectus.   |
| Application Form                             | The Form in terms of which the applicant shall apply for the Equity Shares of our Company   |
| Abridged Prospectus                          | Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf  |
| Application Supported by Block Amount (ASBA) | An application, whether physical or electronic, used by all applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB. Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors shall apply through ASBA process only.  |
| ASBA Account                                 | A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual Investor linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism.  |
| ASBA Bid                                     | A Bid made by an ASBA Bidder  |
| ASBA Bidders                                 | All Bidders except Anchor Investor  |
| ASBA Form                                    | An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of this Prospectus  |
| Bankers to the Issue and Refund Banker       | ICICI Bank Limited  |
| Banker to the Issue Agreement                | Agreement dated January 10, 2024 entered into amongst the Company, Book Running Lead Manager, the Registrar, Sponsor Bank/Banker to the Issue.  |
| Basis of Allotment                           | The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the section “Issue Procedure - Basis of allotment” on under chapter heading “Issue Procedure” page no. 270 of this Prospectus.   |
| Bid/Issue Closing Date                       | The date after which the Designated Intermediaries will not accept any Bids, being January 24, 2024, which shall be published in Mumbai editions of Financial Express (a widely circulated English national daily newspaper), Mumbai editions of Jansatta (a widely circulated Hindi national daily newspaper), Mumbai editions of Pratahkal (a widely circulated Regional language daily newspaper) (Marathi being the regional language of Maharashtra, where our Registered Office is located). Our Company in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations |
| Bid/Issue Opening Date                       | The date on which the Designated Intermediaries shall start accepting Bids, being January 19, 2024, which shall be published in Mumbai editions of Financial Express (a widely circulated English national daily newspaper), Mumbai editions of Jansatta (a widely circulated Hindi national daily newspaper), Mumbai editions of Pratahkal (a widely circulated regional language daily newspaper) (Marathi being the regional language of Maharashtra, where our Registered Office is located).   |



| Terms                                      | Description   |
|--|---|
| Bid/ Issue Period                          | The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders. Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days |
| Bidding Centres                            | Centres at which the Designated Intermediaries shall accept the Application Forms i.e., Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.   |
| Book Building Process                      | Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made   |
| BRLM / Book Running Lead Manager           | Book Running Lead Manager to the Issue, in this case being Beeline Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker.  |
| Broker Centres                             | Broker centres notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges   |
| Business Day                               | Monday to Friday (except public holidays).  |
| 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                                  | Client Identification Number maintained with one of the Depositories in relation to demat account   |
| Collection Centres                         | Centres at which the Designated Intermediaries shall accept the ASBA Forms.   |
| Collecting Depository Participants or CDPs | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI   |
| Controlling Branches of the SCSBs          | Such branches of the SCSBs which coordinate with the LM, the Registrar to the Issue and the Stock Exchange.   |
| Demographic Details                        | The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, occupation and Bank Account details  |
| Designated Date                            | The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.   |
| Designated SCSB Branches                   | Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time  |
| Designated CDP Locations                   | Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible  |





| Terms                                      | Description   |
|--|---|
|  | to accept Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com  |
| Designated RTA Locations                   | Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com  |
| Designated Intermediaries/Collecting Agent | An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)   |
| Designated Market Maker                    | The Market Maker to the Issue, in this case being Spread X Securities Private Limited.  |
| Depository                                 | A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.   |
| Designated Stock Exchange                  | National Stock Exchange of India Limited (SME Exchange) ("NSE SME/Emerge Platform of NSE")  |
| Depository Participant                     | A Depository Participant as defined under the Depositories Act, 1996  |
| DP ID                                      | Depository Participant's Identity Number  |
| Prospectus                                 | The Prospectus dated January 24, 2024 issued in accordance with Section 26 of the Companies Act filed with the EMERGE Platform of NSE under SEBI (ICDR) Regulations.  |
| Eligible NRI                               | NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.   |
| Electronic Transfer of Funds               | Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.   |
| Eligible QFIs                              | QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depository participants.   |
| Engagement Letter                          | The engagement letter dated March 03, 2023 between our Company and the Book Running Lead Manager  |
| Emerge Platform of NSE                     | The Emerge Platform of National Stock Exchange of India Limited (NSE) for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations, 2018 which was approved by SEBI as an SME Exchange on September 27, 2011.   |
| 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 Issue Price will be finalized and below which no Bids will be accepted.   |
| FPI / Foreign Portfolio Investor           | A Foreign Portfolio Investor who has been registered pursuant to the of 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   |
| First/ Sole Applicant                      | The Applicant whose name appears first in the Application Form or Revision Form.  |
| Fugitive Economic Offender                 | An Individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.   |
| General Corporate Purposes                 | Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.                                       |



| Terms  | Description   |
|--|---|
| General Information Document (GID)                         | The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 notified by the SEBI. |
| Issue Agreement/Memorandum of Understanding /MOU           | The Issue Agreement dated September 18, 2023 and Supplemental Issue Agreement dated January 19, 2024 between our Company and Book Running Lead Manager.   |
| Issue/Public Issue/Issue size/Initial Public Offering/ IPO | The Initial Public Issue of 4100000 Equity shares of Rs. 10/- each at issue price of Rs. 70/- per Equity share, including a premium of Rs. 60/- per equity share aggregating to Rs. 2870.00 lakhs.  |
| Issue Closing Date   | The date after which the Book Running Lead Manager, 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, 2018. In this case being Wednesday, January 24, 2024 respectively.             |
| Issue Opening Date   | The date on which the Book Running Lead Manager, 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, 2018. In this case being Friday, January 19, 2024 respectively.       |
| Issue Period   | The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their application   |
| Issue Price  | The Price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 70/- per Equity share.   |
| IPO  | Initial Public Offering   |
| Issue / Issue Size / Public Issue                          | The Public Issue of 4100000 Equity Shares of ₹ 10/- each at ₹ 70/- per Equity Share including Share Premium of ₹ 60/- per Equity Share aggregating to ₹ 2870.00 by Konstelec Engineers Limited.   |
| Listing Agreement  | Unless the context specifies otherwise, this means the SME Equity Listing Regulation to be signed between our company and the EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”)  |
| Lot Size   | 2000 Equity Shares  |
| Market Maker   | The Market Maker to the Issue, in this case being Spread X Securities Private Limited.  |
| Market Making Agreement                                    | The Agreement entered into between the Market Maker, Book Running Lead Manager and our Company dated January 9, 2024  |
| Market Maker Reservation Portion                           | The reserved portion of 206000 Equity Shares of Rs.10 each at an Issue price of Rs. 70/- each is aggregating to Rs. 144.20 Lakhs to be subscribed by Market Maker in this issue.  |
| Mutual Funds   | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time  |
| NCLT   | National Company Law Tribunal   |
| Net Issue  | The Issue (excluding the Market Maker Reservation Portion) of 3894000 Equity Shares of ₹ 10/- each at ₹ 70/- per Equity Share including share premium of ₹ 60/- per Equity Share aggregating to ₹ 2725.80 Lakhs by Konstelec Engineers Limited.   |
| Net Proceeds   | The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled “Objects of the Issue” beginning on page 105 of this Prospectus.   |
| Non-Institutional Investors / NIIs                         | Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than Rs. 2,00,000/-  |
| 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).   |



| Terms                                       | Description  |
|---|--|
| Offer Document                              | Offer Document includes Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus.  |
| Other Investor                              | Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.  |
| Overseas Corporate Body/ OCB                | Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue. |
| Prospectus                                  | The Prospectus, to be filed with the Registrar of Companies in accordance with the provisions of Section 26 of the Companies Act, 2013, containing, inter alia, the Issue Price will be determined before filing the Prospectus with Registrar of Companies.   |
| Public Issue Account                        | An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors.  |
| Public Offer Account Bank                   | The bank(s) with which the Public Offer Account(s) will be opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being ICICI Bank Limited.  |
| Qualified Institutional Buyers/ QIBs        | The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.  |
| Red Herring Prospectus                      | 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 Issued, and the size of the Issue, including any addenda or corrigenda thereto.   |
| Registrar/ Registrar to the Issue/ RTA/ RTI | Registrar to the Issue being M/s. Skyline Financial Services Private Limited.  |
| Registrar Agreement                         | The Registrar agreement dated September 18, 2023 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.  |
| Registered Broker                           | Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership either BSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on the website of the Stock Exchange.   |
| Refund Account                              | Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.   |
| Reserved Category/ Categories               | Categories of persons eligible for making application under reservation portion.   |
| Resident Indian                             | A person resident in India, as defined under FEMA.   |
| Registered Broker                           | Individuals or companies registered with SEBI as "Trading Members"(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="http://www.nseindia.com/membership/content/cat_of_mem.htm">http://www.nseindia.com/membership/content/cat_of_mem.htm</a>                                    |
| Regulations                                 | Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.   |
| Reservation Portion                         | The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018.   |
| Retail Individual Investors /(RII)          | Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹ 2,00,000.  |
| SCSB  | A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at   |



| Terms   | Description   |
|---|---|
|   | <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=35</a>   |
| SEBI SAST / SEBI (SAST) Regulations           | SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended   |
| SEBI (Foreign Portfolio Investor) Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.   |
| SEBI(PFUTP)Regulations/PFUTP Regulations      | SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003  |
| Specified Securities                          | Equity shares offered through this Prospectus.  |
| Sponsor Bank                                  | Sponsor Bank means a Banker to the Issue registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the Retail Investors into the UPI.  |
| Transaction Registration Slip/ TRS            | The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.   |
| Underwriter                                   | Underwriter to the issue is Beeline Capital Advisors Private Limited.   |
| Underwriting Agreement                        | The Agreement entered into between the Underwriter, BRLM and our Company dated January 09, 2024.  |
| UPI   | UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account  |
| UPI Bidders                                   | Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion, (ii) Eligible Employees, in the Employee Reservation Portion and (iii) Non-Institutional Bidders with an application size of up to ₹ 0.50 million 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<br><br>Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall provide their UPI ID in the Bid-cum-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 website 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 Circular                                  | The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, 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, SEBI 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 and any subsequent circulars or notifications issued by SEBI or any other governmental authority in this regard from time to time.  |
| UPI ID  | ID created on Unified Payment Interface (UPI) for single window mobile payment system developed by the National Payment Corporation of India (NPCI)   |
| UPI ID Linked Bank Account                    | Account of the RIIs, applying in the issue using the UPI mechanism, which will be blocked upon accepting the UPI mandate to the extent of the appropriate application amount and subsequent debit of funds in the case of allotment.  |
| UPI Mandate Request/Mandate Request           | A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds  |



| Terms               | Description   |
|---------------------|---|
|                     | in case of Allotment.   |
| UPI PIN             | Password to authenticate UPI transactions.  |
| UPI Mechanism       | The bidding mechanism that may be used by a RII to make a Bid in the Offer in accordance with the UPI Circulars.  |
| U.S. Securities Act | U.S. Securities Act of 1933, as amended   |
| Willful Defaulter   | Willful defaulter as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.  |
| Working Days        | In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Prospectus are open for business:-<br>1. However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this Prospectus are open for business.<br>2. In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI. |

#### TECHNICAL AND INDUSTRY RELATED TERMS

| Term   | Description   |
|--------|---|
| BMS    | Building Management System                                |
| BBMS   | Boiler and Burner Management System                       |
| BOM    | Bill of Measurement                                       |
| BOQ    | Bill of Quantities  |
| BQC    | Bidder Qualification Criteria                             |
| CAGR   | Compounded Annual Growth Rate                             |
| DCS    | Distributed Control Systems                               |
| DG Set | Diesel Generator Set                                      |
| EHV    | Extra High Voltage  |
| EPC    | Engineering, Procurement, and Construction/ Commissioning |
| HSE    | Health, Safety, and Environmental                         |
| HV     | High Voltage  |
| IPP    | Industrial Power Plant                                    |
| LOI    | Letter of Intent  |
| MV     | Medium Voltage  |
| MMSCMD | Million Metric Standard Cubic Meter Per Day               |
| MMT    | Million Metric Tonnes                                     |
| MMTPA  | Million Metric Ton Per Annum                              |
| MOPNG  | Ministry of Petroleum and Natural Gas                     |
| MTO    | Material Take-Off   |
| O&M    | Operation and Maintenance                                 |
| PCC/CC | Plain Cement Concrete/ Cement Concrete                    |
| PLC    | Programmable Logic Controllers                            |
| QAP    | Quality Assurance Procedure                               |
| QAP    | Quality Assurance Plan                                    |



| Term  | Description                              |
|-------|--|
| QHSE  | Quality, Health, Safety, and Environment |
| RFQ   | Request for Quotation                    |
| RoU   | Right of Use                             |
| RoW   | Right of Way                             |
| SCADA | Supervisory Control And Data Acquisition |
| SEZ   | Special Economic Zone                    |
| SOP   | Standard Operating Procedure             |
| SOR   | Schedule of Rights                       |
| TPI   | Third Party Inspection                   |

#### CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

| Term                     | Description  |
|--------------------------|--|
| Rs. / Rupees/ INR        | Indian Rupees  |
| AS / Accounting Standard | Accounting Standards as issued by the Institute of Chartered Accountants of India  |
| A/c                      | Account  |
| ACS                      | Associate Company Secretary  |
| AGM                      | Annual General Meeting   |
| ASBA                     | Application Supported by Blocked Amount  |
| AMT                      | Amount   |
| AIF                      | Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended. |
| AY                       | Assessment Year  |
| AOA                      | Articles of Association  |
| Act or Companies Act     | Companies Act, the Companies Act, 2013, as amended from time to time   |
| AO                       | Assessing Officer  |
| AS                       | Accounting Standards issued by the Institute of Chartered Accountants of India   |
| Approx                   | Approximately  |
| BRLM                     | Book Running Lead Manager  |
| BSE                      | BSE Limited  |
| B. E                     | Bachelor of Engineering  |
| BIFR                     | Board for Industrial and Financial Reconstruction  |
| BG                       | Bank Guarantee   |
| CA                       | Chartered Accountant   |
| CAGR                     | Compounded Annual Growth Rate  |
| CAN                      | Confirmation Allocation Note   |
| CC                       | Cash Credit  |
| CDSL                     | Central Depository Services (India) Limited  |
| CIN                      | Corporate Identity Number  |
| CIT                      | Commissioner of Income Tax   |
| CMD                      | Chairman cum Managing Director   |
| CS                       | Company Secretary  |
| CS & CO                  | Company Secretary & Compliance Officer   |
| CFO                      | Chief Financial Officer  |
| CRR                      | Cash Reserve Ratio   |
| CSR                      | Corporate Social Responsibility  |
| C.P.C.                   | Code of Civil Procedure, 1908  |
| CrPC                     | Code of Criminal Procedure, 1973   |



| Term                            | Description   |
|---------------------------------|---|
| CENVAT                          | Central Value Added Tax   |
| Depositories                    | NSDL and CDSL   |
| Depositories Act                | The Depositories Act, 1996 as amended from time to time   |
| Depository                      | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time  |
| Demat                           | Dematerialised  |
| DIN                             | Director identification number  |
| DP/ Depository Participant      | A Depository Participant as defined under the Depositories Act, 1996.   |
| DP ID                           | Depository Participant's Identification   |
| EBIDTA                          | Earnings Before Interest, Depreciation, Tax and Amortization  |
| ECS                             | Electronic Clearing System  |
| ESIC                            | Employee's State Insurance Corporation  |
| EPFA                            | Employee's Provident Funds and Miscellaneous Provisions Act, 1952   |
| EMI                             | Equated Monthly Installment   |
| EoGM                            | Extra-ordinary General Meeting  |
| EPS                             | Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year  |
| ESOP                            | Employee Stock Option Plan  |
| FCNR Account                    | Foreign Currency Non-Resident Account   |
| Financial Year/ Fiscal Year/ FY | The period of twelve months ended March 31 of that particular year  |
| FDI                             | Foreign Direct Investment   |
| FDR                             | Fixed Deposit Receipt   |
| FEMA                            | Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time   |
| FEMA Regulations                | Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended  |
| FII                             | Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India  |
| FII Regulations                 | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended  |
| FIs                             | Financial Institutions  |
| FIPB                            | Foreign Investment Promotion Board  |
| FPIs                            | "Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992 |
| FVCI                            | Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time   |
| FV                              | Face Value  |
| GDP                             | Gross Domestic Product  |
| GIR Number                      | General Index Registry Number   |
| Gov/ Government/GoI             | Government of India   |
| GST                             | Goods and Services Tax  |
| GVA                             | Gross Value Added   |
| HUF                             | Hindu Undivided Family  |
| ICAI                            | Institute of Chartered Accountants of India   |
| ICSI                            | Institute of Company Secretaries of India   |
| IFRS                            | International Financial Reporting Standard  |
| Indian GAAP                     | Generally Accepted Accounting Principles in India   |



| Term                  | Description   |
|-----------------------|---|
| INR/ Rs. / Rupees / ₹ | Indian Rupees, the legal currency of the Republic of India  |
| IST                   | Indian Standard Time  |
| LM                    | Lead Manager  |
| I.T. Act              | Income Tax Act, 1961, as amended from time to time  |
| ITAT                  | Income Tax Appellate Tribunal   |
| IT Authorities        | Income Tax Authorities  |
| IT Rules              | Income Tax Rules, 1962, as amended, except as stated otherwise  |
| IRDA                  | Insurance Regulatory and Development Authority  |
| Ltd.                  | Limited   |
| Pvt. Ltd.             | Private Limited   |
| MAPIN                 | Market Participants and Investors Database  |
| MCA                   | Ministry of Corporate Affairs   |
| M. E                  | Master of Engineering   |
| Merchant Banker       | Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended |
| MOF                   | Ministry of Finance, Government of India  |
| MOU                   | Memorandum of Understanding   |
| NA                    | Not Applicable  |
| NAV                   | Net Asset Value   |
| NEFT                  | National Electronic Fund Transfer   |
| NOC                   | No Objection Certificate  |
| NR/ Non-Residents     | Non-Resident  |
| NRE Account           | Non-Resident External Account   |
| NRI                   | Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations                     |
| NRO Account           | Non-Resident Ordinary Account   |
| NSDL                  | National Securities Depository Limited  |
| NSE                   | National Stock Exchange of India Limited  |
| NTA                   | Net Tangible Assets   |
| PAN                   | Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time                              |
| p.a.                  | Per annum   |
| PAT                   | Profit After Tax  |
| PBT                   | Profit Before Tax   |
| P/E Ratio             | Price/ Earnings Ratio   |
| PLI                   | Postal Life Insurance   |
| PIO                   | Person of Indian Origin   |
| PLR                   | Prime Lending Rate  |
| POA                   | Power of Attorney   |
| PSU                   | Public Sector Undertaking(s)  |
| Q.C.                  | Quality Control   |
| R & D                 | Research and Development  |
| RBI                   | Reserve Bank of India   |
| RBI Act               | Reserve Bank of India Act, 1934, as amended from time to time   |
| Registration Act      | Registration Act, 1908  |
| ROE                   | Return on Equity  |
| RoNW                  | Return on Net Worth   |
| RTGS                  | Real Time Gross Settlement  |
| SAT                   | Securities Appellate Tribunal   |





| Term  | Description  |
|---|--|
| SCRA  | Securities Contracts (Regulation) Act, 1956, as amended from time to time  |
| SCRR  | Securities Contracts (Regulation) Rules, 1957, as amended from time to Time  |
| SCSBs   | Self-Certified Syndicate Banks   |
| SEBI  | The Securities and Exchange Board of India constituted under the SEBI Act, 1992  |
| SEBI Act  | Securities and Exchange Board of India Act 1992, as amended from time to time  |
| SEBI Insider Trading Regulations                            | SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time  |
| SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time  |
| SEBI Takeover Regulations                                   | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time   |
| SEBI Rules and Regulations                                  | SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time   |
| Sec.  | Section  |
| Securities Act  | The U.S. Securities Act of 1933, as amended  |
| S&P BSE SENSEX  | S&P Bombay Stock Exchange Sensitive Index  |
| SICA  | Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time   |
| SME   | Small and Medium Enterprises   |
| SPV   | Special Purpose Vehicle  |
| SSI   | Small Scale Industry   |
| Stamp Act   | The Indian Stamp Act, 1899, as amended from time to time   |
| State Government  | The Government of a State of India   |
| Stock Exchanges   | Unless the context requires otherwise, refers to, the NSE  |
| STT   | Securities Transaction Tax   |
| TAN   | Tax Deduction Account Number   |
| TDS   | Tax Deducted at Source   |
| Trade Marks Act   | Trade Marks Act, 1999  |
| TRS   | Transaction Registration Slip  |
| TIN   | Taxpayer Identification Number   |
| UIN   | Unique Identification Number   |
| U.S. GAAP   | Generally accepted accounting principles in the United States of America   |
| VCFs  | Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations.<br><br>In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations. |
| WDV   | Written Down Value   |
| w.e.f.  | With effect from   |

The words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.



## **PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **Certain Conventions**

All references in the Prospectus to “India” are to the Republic of India. All references in the Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

In this Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Konstelec Engineers Limited”, “Konstelec” “KEPL”, and “KEL”, and, unless the context otherwise indicates or implies, refers to Konstelec Engineers Limited. In this Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### **Use of Financial Data**

Unless stated otherwise, throughout this Prospectus, all figures have been expressed in Rupees and in Lakh. Unless stated otherwise, the financial data in the Prospectus is derived from our Restated consolidated Financial and Restated Standalone Financial statements prepared and Restated for the period / year ended on September 30, 2023, March 31, 2023, 2022, and 2021 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “*Restated Financial Information*” beginning on page 208 of this Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31<sup>st</sup> of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Business Overview*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and elsewhere in the Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s Restated Financial Information prepared in accordance with the applicable provisions of the Companies Act, Ind AS and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled “*Restated Financial Information of our Company*” beginning on page 208 of this Prospectus.

For additional definitions used in this Prospectus, see the section “*Definitions and Abbreviations*” on page 1 of this Prospectus. In the section titled “*Description of Equity Shares and Terms of the Articles of Association*”, on page 299 of the Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

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

All references to:

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

Our Company has presented certain numerical information in this Prospectus in “Lakhs” units. One Lakh represents 1,00,000. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal place.

### **Use of Industry & Market Data**

Unless stated otherwise, industry and market data and forecast used throughout the Prospectus was obtained from internal Company reports, data, 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 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, methodologies, and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled "*Basis for Issue Price*" on page 113 of the Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.



## **FORWARD – LOOKING STATEMENTS**

All statements contained in this Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Prospectus regarding matters that are not historical facts. We have included statements in the Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward-looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events 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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. Destruction in our service process.
2. Our ability to successfully implement our strategy, our growth and expansion, technological changes.
3. Failure to attract, retain and manage the transition of our management team and other skilled & unskilled employees;
4. Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
5. Ability to respond to technological changes;
6. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
7. Inability to successfully obtain registrations in a timely manner or at all;
8. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
9. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
10. Recession in the market;
11. Changes in laws and regulations relating to the industries in which we operate;
12. Effect of lack of infrastructure facilities on our business;
13. Our ability to successfully implement our growth strategy and expansion plans;
14. Our ability to meet our capital expenditure requirements;
15. Our ability to attract, retain and manage qualified personnel;
16. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
17. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
18. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
19. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
20. Conflicts of interest with affiliated companies, the promoter group and other related parties;
21. The performance of the financial markets in India and globally;
22. Any adverse outcome in the legal proceedings in which we are involved;
23. Our ability to expand our geographical area of operation;
24. Concentration of ownership among our Promoters.

For further discussion of factors that could cause our actual results to differ, see the Section titled “*Risk Factors*”; “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on page 29, 134 and 210 respectively of the 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 future gains or losses could materially differ from those that have been estimated.

There can be no assurance to 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 to be a guarantee of our future performance.



Neither our Company, our Directors, our Officers, Book Running Lead Manager and Underwriter 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 SEBI requirements, our Company, and the Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.



## SECTION II - SUMMARY OF PROSPECTUS

Our Company was originally incorporated as “Konstelec Engineers Private Limited” as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 05, 1995, issued by the Registrar of Companies, Mumbai. Subsequently Our Company was converted from a private limited company to public limited company pursuant to shareholders resolution passed in the Extra-Ordinary General Meeting of the company dated June 30, 2023 and consequently, the name of our Company was changed to “Konstelec Engineers Limited” and a fresh certificate of incorporation dated August 25, 2023 was issued to our Company by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U45203MH1995PLC095011. For details of change in name and registered office of our Company, please refer to chapter titled “History and Corporate Matters” beginning on page no. 172 of this Prospectus.

Konstelec Engineers Limited was incorporated on December 05, 1995 as a private Limited Company and started business operations as Design Engineering Company. Over the years, we have expanded our services, constantly upgraded our technologies, systems, and processes and diversified our business operations. As an EPC company, we specialize in delivering full-scale project management, procurement support, and detailed engineering services for various kinds of electrical infrastructure projects across India and abroad. With a skilled team, strong project execution capabilities, and a client-centric focus, we are committed for delivering high-quality, safe, and innovative solutions that meet our clients' specific needs. Our expertise covers the entire project lifecycle, ensuring timely delivery and successful outcomes for even the most complex projects.

At present, we are in the business of Engineering, Procurement, and Construction/ Commissioning (EPC) contractors and are engaged in the business of offering full range of EPC services in India and abroad. Our services find applications across several processing and various kinds of manufacturing industries such as oil & gas, refinery, steel, cement, pharmaceuticals, textile, hospital, health care and commercial complexes, domestically and internationally. We have designed, developed, and executed several complex and integrated projects requiring cutting-edge electrical, instrumentation and automation systems. Our key offerings include engineering design and drawings, procurement, operations and maintenance, project management and construction and commissioning. We provide one-stop solution to our clients for various kinds of engineering projects. Our expertise includes Electrical Installation, Solar Power Plant Setup, Instrumentation & Automation.

We are an EPC company and specialize in delivering full-scale project management, procurement support, and detailed engineering services for various kinds of electrical infrastructure projects across India and abroad. We acquire direct infrastructure project contracts through tender biddings or direct orders from the clients. For any contract we procure the products on behalf of the client and provide design, construction and allied services to our clients, as a bundle.

Our adaptability to market demands and technological advancements enable us to tackle projects of varying sizes and complexities. We are a licensed electrical contractor and have successfully completed over more than 200 Project of various size and complexities of which there were 45 Major Projects worth more than ₹ 400 Crores in India and abroad. As on August 31, 2023, we have an order book of more than 50 Major Projects worth around ₹ 565 Crores from our major projects suggesting strong order book which are at different stages of implementation.

We possess the requisite resources of DG sets, hydra/ crane, testing equipment's for civil/ electrical/ instruments, commercial vehicles, manpower strength etc. to execute our projects successfully. Among our distinguished clientele, we have the privilege of serving a number of esteemed clients such as Reliance Industries Limited, Engineers India Limited, JSW Steel, Indian Oil, BPCL, HPCL, CPCL, MRPL, ISRO, ACC, BARC, Dangote Industries Limited, Adani, NTPC, Tata Steel Ltd, Navin Fluorine International Ltd and IGPL, etc..

The growth we have achieved can be attributed to the visionary leadership and guidance of our promoters, Mr. Biharilal Ravilal Shah and Mr. Amish Biharilal Shah. Their extensive knowledge and over six decades of business experience in our industry have been instrumental in driving our efficiency and success. Additionally, our team comprises a diverse group of professionally trained and qualified engineers with versatile abilities. This exceptional team is adept at providing effective solutions to our customers across projects of various scales and complexities. Their collective expertise has been a driving force behind our accomplishments and continued growth.

We have in-house capabilities to deliver a project from conceptualization to completion with fast turnaround time from acquisition to launch to completion, which focuses on de-risking and improving return on investment.

We offer professional solutions, encompassing design and engineering services, to cater to the needs of our valued customers. Our team comprises highly skilled and dedicated professionals who are always prepared to deliver their utmost efficiency. At Konstelec, we leverage our technical expertise in the most optimal and cost-effective manner, ensuring the utmost reliability and availability of each project. With a proven track record of successfully executing various projects, we have cultivated a wealth of experience.

Our projects are executed by a professional and well-managed team with extensive techno-commercial knowledge and



experience in the field of Engineering, Procurement, and Construction (EPC). Their expertise enables us to effectively plan, implement, and deliver projects to the highest standards. With their vast experience, our team ensures the successful execution of projects, meeting the requirements of our clients and contributing to our company's overall growth and success.

We derive our revenue from following business verticals:

- a) Engineering Design & Consultancy Services
- b) Construction and commissioning
- c) Operation and maintenance
- d) Project Management

Our competent team enable us to deliver projects with precision, adhere to strict safety standards, and maintain exceptional quality, making us a reliable and trusted partner for our clients. Our services are consistent round the year. We are a quality conscious company. We constantly striving to expand our service portfolio and we always look forward to complementing projects of our clients.

## **SUMMARY OF INDUSTRY IN WHICH THE COMPANY IS OPERATING**

### **GLOBAL OUTLOOK**

Global growth has slowed to the extent that the global economy is perilously close to falling into recession—defined as a contraction in annual global per capita income—only three years after emerging from the pandemic-induced recession of 2020. Very high inflation has triggered unexpectedly rapid and synchronous monetary policy tightening around the world to contain it, including across major advanced economies. Although this tightening has been necessary for price stability, it has contributed to a significant worsening of global financial conditions, which is exerting a substantial drag on activity. This drag is set to deepen given the lags between changes in monetary policy and its economic impacts, and the fact that real rates are expected to continue to increase.

Asset prices have been in broad, synchronous decline, investment growth has weakened substantially, and housing markets in many countries are worsening rapidly. Shockwaves continue to emanate from the Russian Federation's invasion of Ukraine, especially in energy and other commodity markets. Against this backdrop, confidence has fallen precipitously. The world's three major engines of growth—the United States, the euro area, and China—are undergoing a period of pronounced weakness, with adverse spillovers for emerging market and developing economies (EMDEs), many of which are already struggling with weakening domestic conditions.

As a result of the sharp slowdown in global growth, per capita income is not expected to surpass 2019 levels until at least 2024 in about one-third of EMDEs. Per capita income growth is expected to be slowest where poverty is highest. In Sub-Saharan Africa—which accounts for about 60 percent of the world's poor - growth in per capita income over 2023-24 is forecast to average only 1.2 percent, far less than the pace that would be needed over the remainder of the decade to reach a 3 percent poverty rate by 2030.

Soaring inflation in 2022 reflected a combination of demand and supply factors (Ha, Kose, and Ohnsorge 2022; Shapiro 2022). On the demand side, the acceleration of growth during the initial rebound from the 2020 global recession, as well as the lagged effects of earlier macroeconomic support, contributed to persistent price pressures. Price increases were particularly large in sectors such as shipping and air travel, where compositional shifts in demand encountered ongoing capacity constraints and supply chain disruptions (Kalemli-Özcan et al. 2022). On the supply side, shortages of key commodities, exacerbated by Russia's invasion of Ukraine, contributed substantially to higher energy and food prices. In some countries, tight conditions and mismatches in labor markets further added to rising wages and higher input and production costs. Finally, many countries experienced large currency depreciations that passed through into higher import, producer, and consumer prices. The higher share of food in consumer spending has caused inflation to accelerate more in low-income countries compared to other EMDEs.

*(Source: Global Economic Prospects, January 2023)*

## **INDIAN ECONOMY**

### **Introduction**

The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the challenge of reigning in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022. However, the challenge of the depreciating rupee, although better performing than most other currencies, persists with the likelihood of further increases in policy rates by the US Fed. The



widening of the CAD may also continue as global commodity prices remain elevated and the growth momentum of the Indian economy remains strong. The loss of export stimulus is further possible as the slowing world growth and trade shrinks the global market size in the second half of the current year.

### **Macroeconomic and Growth Challenges in the Indian Economy**

The impact of the pandemic on India was seen in a significant GDP contraction in FY21. The following year, FY22, the Indian economy started to recover despite the Omicron wave of January 2022. This third wave did not affect economic activity in India as much as the previous waves of the pandemic did since its outbreak in January 2020. Mobility enabled by localised lockdowns, rapid vaccination coverage, mild symptoms and quick recovery from the virus contributed to minimising the loss of economic output in the January-March quarter of 2022. Consequently, output in FY22 went past its pre-pandemic level in FY20, with the Indian economy staging a full recovery ahead of many nations. The experience with the Omicron variant engendered a cautious optimism that it was possible to stay physically mobile and engage in economic activities despite the pandemic. FY23 thus opened with a firm belief that the pandemic was rapidly on the wane and that India was poised to grow at a fast pace and quickly ascend to the pre-pandemic growth path.

## **INFRASTRUCTURE SECTOR IN INDIA**

### **1. High Budgetary Allocation For Infrastructure**

- In Union Budget 2022-23, the government has given a massive push to the infrastructure sector by allocating Rs. 10 lakh crore (US\$ 130.57 billion) to enhance the infrastructure sector.
- The government expanded the 'National Infrastructure Pipeline (NIP)' to 9,335 projects. 217 projects worth Rs. 1.10 lakh crore (US\$ 15.09 billion) were completed as of 2020.

### **2. Increasing Private Sector Involvement**

- The private sector is emerging as a key player across various infrastructure segments, ranging from roads and communications to power and airports.
- Private investment into physical and social infrastructure is key to putting India in a high growth trajectory, which will make it a US\$ 5 trillion economy by 2024-25.
- Yearly private equity (PE) and venture capital (VC) investment in India is expected to surpass US\$ 65 billion in 2025.

### **3. Improvement In Logistics**

- In 2020, India's logistics sector was one of the largest worldwide worth US\$ 215 billion and increased at a CAGR of 10%.
- Indian logistics market is estimated to touch US\$ 320 billion by 2025.

(Source: <https://www.ibef.org/industry/infrastructure-sector-india/infographic>)

## **NAME OF PROMOTER**

Promoter of Our Company is Mr. Biharilal Ravilal Shah and Mr. Amish Biharilal Shah. For detailed information on our Promoter and Promoter's Group, please refer to Chapter titled "*Our Promoter and Promoter's Group*" on page no. 203 of this Prospectus.

## **SIZE OF THE ISSUE**

Our Company is proposing the public issue of 4100000 equity shares of face value of ₹ 10/- each of Konsteel Engineers Limited ("KEL/KEPL" or the "Company" or the "Issuer") for cash at a price of ₹ 70/- per equity share including a share premium of ₹ 60/- per equity share (the "issue price") aggregating to ₹ 2870.00 lakhs ("the issue"), of which 206000 equity shares of face value of ₹ 10/- each for cash at a price of ₹ 70/- per equity share including a share premium of ₹ 60/- per equity share aggregating to ₹ 144.20 lakhs will be reserved for subscription by market maker to the issue (the "market maker reservation portion"). The issue less the market maker reservation portion i.e. Net issue of 3894000 equity shares of face value of ₹ 10/- each at a price of ₹ 70/- per equity share including a share premium of ₹ 60/- per equity share aggregating to ₹ 2725.80 lakhs is herein after referred to as the "net issue". The issue and the net issue will constitute 27.15% and 25.79 %, respectively, of the post issue paid up equity share capital of our company. The face value of the equity shares is ₹ 10/- each. The price band will be decided by our company in consultation with the book running lead manager ("BRLM") and will be advertised in all editions of the English national newspaper, all editions of the Hindi national newspaper and regional language newspaper, each with wide circulation, at least 2 (two) working days prior to the bid/ issue opening date with the relevant financial ratios calculated at the floor price and the cap price and shall be made available to the emerge platform of National Stock Exchange of India Limited ("NSE Emerge", referred to as the "Stock Exchange") for the purpose of uploading on their website for further details kindly refer to chapter titled "*Terms of the*





Issue” beginning on page 260 of this Red Herring Prospectus.

## OBJECT OF THE ISSUE

| Particulars                         | Amount<br>(₹ in) Lakhs |
|-------------------------------------|------------------------|
| Gross Issue Proceeds                | 2870.00                |
| Less: Public Issue Related Expenses | 370.00                 |
| <b>Net Issue Proceeds</b>           | <b>2500.00</b>         |

## UTILIZATION OF NET ISSUE PROCEEDS

The Net Issue Proceeds will be utilized for following purpose:

| Sr. No. | Particulars                          | Amount<br>(₹ in) Lakhs | % of Gross Issue Proceeds |
|---------|--------------------------------------|------------------------|---------------------------|
| 1.      | To Meet Working Capital Requirements | 1,800.00               | 62.72                     |
| 2.      | General corporate purposes           | 700.00                 | 24.39                     |
|         | <b>Net Issue Proceeds</b>            | <b>2500.00</b>         | <b>87.11</b>              |

## MEANS OF FINANCE

We intend to finance our Objects of the Issue through Net Issue Proceeds which are as follows:

| Sr. No. | Particulars                          | Total Estimated Cost | Amount to be funded from the Net Issue Proceeds (₹ in Lakhs) | Amount to be funded from Internal Accruals & Borrowings | Amount already deployed (₹ in Lakhs) | Estimated Utilization of Net Proceeds (₹ in Lakhs) (Upto Financial year 2023-24)* |
|---------|--------------------------------------|----------------------|--|---|--------------------------------------|---|
| 1.      | To Meet Working Capital Requirements | 11,047.18            | 1,800.00   | 9,247.18  | 0.00                                 | 1,800.00  |
| 2.      | General Corporate Purpose            | 700.00               | 700.00   | 0.00  | 0.00                                 | 700.00  |

## SHAREHOLDING

The shareholding pattern of our Promoter, Promoter’s Group and Public before the Issue is as under:

| Sr. No.                 | Name of shareholders                                  | Pre issue            |                           | Post issue           |                           |
|-------------------------|---|----------------------|---------------------------|----------------------|---------------------------|
|                         |   | No. of equity shares | As a % of Issued Capital* | No. of equity shares | As a % of Issued Capital* |
| <b>Promoters</b>        |   |                      |                           |                      |                           |
| 1.                      | Mr. Biharilal Ravilal Shah                            | 66,76,950            | 60.70                     | 66,76,950            | 44.22                     |
| 2.                      | Mr. Amish Biharilal Shah                              | 20,34,318            | 18.49                     | 20,34,318            | 13.47                     |
|                         | <b>Total - A</b>                                      | <b>87,11,268</b>     | <b>79.19</b>              | <b>87,11,268</b>     | <b>57.69</b>              |
| <b>Promoters’ Group</b> |   |                      |                           |                      |                           |
| 1.                      | Mrs. Nirupama Shah                                    | 5,10,884             | 4.64                      | 5,10,884             | 3.38                      |
| 2.                      | Mrs. Dipti Jigar Shah                                 | 2,21,848             | 2.02                      | 2,21,848             | 1.47                      |
| 3.                      | Mrs. Rajul Shah                                       | 2,86,000             | 2.60                      | 2,86,000             | 1.89                      |
| 4.                      | Mr. Jigar Dhires Shah                                 | 352,000              | 3.20                      | 352,000              | 2.33                      |
|                         | <b>Total - B</b>                                      | <b>13,70,732</b>     | <b>12.46</b>              | <b>13,70,732</b>     | <b>9.08</b>               |
|                         | <b>Total Promoter and Promoter Group Shareholding</b> | <b>1,00,82,000</b>   | <b>91.65</b>              | <b>1,00,82,000</b>   | <b>66.77</b>              |
| <b>Public</b>           |   |                      |                           |                      |                           |
| 1.                      | Mr. Jatin Shah  | 3,85,000             | 3.50                      | 3,85,000             | 2.55                      |
| 2.                      | Mrs. Molly Antony                                     | 11,000               | Negligible                | 11,000               | Negligible                |
| 3.                      | Mr. Pravin Patel                                      | 11,000               | Negligible                | 11,000               | Negligible                |
| 4.                      | Mr. Sumesh Kochath Kuttan                             | 11,000               | Negligible                | 11,000               | Negligible                |
| 5.                      | Mr. Ganesh Shanbag                                    | 5,00,000             | 4.55                      | 5,00,000             | 3.31                      |



| Sr. No.                           | Name of shareholders | Pre issue            |                           | Post issue           |                           |
|-----------------------------------|----------------------|----------------------|---------------------------|----------------------|---------------------------|
|                                   |                      | No. of equity shares | As a % of Issued Capital* | No. of equity shares | As a % of Issued Capital* |
| 6.                                | Public               | -                    | -                         | 41,00,000            | 27.15                     |
| <b>Total - C</b>                  |                      | <b>9,18,000</b>      | <b>8.35</b>               | <b>50,18,000</b>     | <b>33.23</b>              |
| <b>Total Shareholding (A+B+C)</b> |                      | <b>1,10,00,000</b>   | <b>100.00</b>             | <b>1,51,00,000</b>   | <b>100.00</b>             |

\*Rounded off

## FINANCIAL DETAILS

Based on Restated Consolidated Financial Statements

(₹ in Lakhs)

| Sr. No. | Particulars                                       | For the period / year ended |                |                |                |
|---------|---|-----------------------------|----------------|----------------|----------------|
|         |   | September 30, 2023          | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| 1.      | Share Capital                                     | 1,100.00                    | 100.00         | 100.00         | 100.00         |
| 2.      | Net worth   | 6,647.68                    | 6,191.51       | 5,423.73       | 5,071.48       |
| 3.      | Revenue from operations                           | 9,305.27                    | 15340.49       | 10704.72       | 10489.43       |
| 4.      | Profit After Tax                                  | 456.16                      | 777.77         | 352.25         | 190.34         |
| 5.      | Earnings Per Share – Basic & Diluted (Post Bonus) | 4.15                        | 7.07           | 3.20           | 1.73           |
| 6.      | NAV per Equity Shares (Post Bonus)                | 60.43                       | 56.29          | 49.31          | 46.10          |
| 7.      | Total Borrowings                                  | 4,109.45                    | 3,507.15       | 2,650.59       | 2,548.12       |

## AUDITORS' QUALIFICATIONS

There is no Auditor qualification which have not been given effect to in the Restated Financial Statements.

## OUTSTANDING LITIGATIONS

There are no pending Litigation against our Company nor against our Promoter or Directors of the company except mentioned below:

**Litigations involving the Company: -**

(₹ in Lakhs)

| Nature of Cases                                 | No. of Outstanding Cases | Amount* in dispute/demanded to the extent ascertainable |
|---|--------------------------|---|
| <b>Criminal proceedings against the Company</b> | 1                        | -   |
| <b>Tax proceedings:</b>                         |                          |   |
| Direct Tax                                      | 16                       | 232.27  |
| Indirect Tax                                    | 17                       | 264.44  |
| <b>Total</b>                                    | <b>33</b>                | <b>496.71</b>   |

\*To the extent quantifiable

**Litigations involving our Promoter & Directors: - Nil**

**Litigations involving our Group Companies: - Nil**

## RISK FACTORS

An investment in equity involves a high degree of risk. Investors should carefully consider all the information in this Issue Document, including the risks and uncertainties described below, before making an investment in our equity shares. Any of the following risks as well as other risks and uncertainties discussed in this Offer Document could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or part of your investment. In addition, the risks set out in this Offer Document may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page no. 29 of this Prospectus.



## CONTINGENT LIABILITIES

Based on Restated Consolidated Financial Statements

(₹ in Lakhs)

| Particulars  | For the year ended |
|--|--------------------|
|  | September 30, 2023 |
| Custom Duty saved on import of Capital Goods under EPCG Scheme | -                  |
| Tax Liability  | 496.71             |
| Amount of Capital Commitments                                  | -                  |
| Corporate Guarantee Given by Company                           | -                  |
| <b>Total</b>   | <b>496.71</b>      |

Note :-Bank Guarantee has been given by the bank in the nature of performance and advance bank guarantee to the customers of the company and the amount is indeterminable.

## FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoter, members of the Promoter Group or 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 the period of six months (immediately preceding the date of this Prospectus).

## COST OF ACQUISITION

### Average Cost of Acquisition

| Sr. No. | Name of Promoter           | No. of Equity Shares acquired | Average Cost of Acquisition per equity share (in ₹) *# |
|---------|----------------------------|-------------------------------|--|
| 1.      | Mr. Biharilal Ravilal Shah | 6676950                       | Negative   |
| 2.      | Mr. Amish Biharilal Shah   | 2034318                       | 0.06   |

### AVERAGE COST OF ACQUISITION IN LAST ONE YEAR

| Sr. No. | Name of Promoter           | No. of Equity Shares held | Average Cost of Acquisition per equity share (in ₹) *# |
|---------|----------------------------|---------------------------|--|
| 1.      | Mr. Biharilal Ravilal Shah | 6024500                   | Negative   |
| 2.      | Mr. Amish Biharilal Shah   | 1882380                   | NIL  |

\*The average cost of acquisition of Equity Shares by our Promoter has been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sell of shares i.e. net of sale consideration is divided by net quantity of shares acquired.

(#Based on Certificate dated September 30, 2023 issued by Peer Reviewed Auditor M/s. Shaparia Mehta & Associates LLP Chartered Accountants.)

## PRE-IPO PLACEMENT

Our Company has not allotted shares under Pre-IPO Placement.

## ISSUE OF SHARES FOR CONSIDERATION OTHER THAN CASH

Except as disclosed in the chapter titled as Capital Structure, Our company has not allotted any equity shares for consideration other than Cash.

For further information, please refer to Chapter titled “Capital Structure” on page no. 65 of this Prospectus.

## SPLIT / CONSOLIDATION

No Split or Consolidation was happened during the last one year.

## EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

No exemption from complying any provision of Securities Law has been granted by SEBI.



## RELATED PARTY TRANSACTIONS

### Related Parties

| Particulars   | Related Parties   |
|---|---|
| Key Management Personnel  | 1. Biharilal. R. Shah<br>2. Amish. B. Shah<br>3. Jigar Shah (w.e.f 27th March 2023)<br>4. Molly Antony (w.e.f 01st August 2023)<br>5. Shatabdi Salve (w.e.f 01st August 2023) |
| Relative of Key Management Personnel  | 1. Nirupama. B. Shah - Wife of Biharilal R. Shah<br>2. Rajul. A. Shah - Wife of Amish B. Shah<br>3. Dipti Jigar Shah - Daughter of Biharilal R. Shah                          |
| Joint Venture   | Konstelec Hitech Engineers Pvt Ltd  |
| Enterprises over which key management personnel and relatives of such personnel is able to exercise significant influence | 1. KEPL EPC Nigeria Limited<br>2. CES Automation Engineers Private Limited<br>3. B.R. Shah HUF  |

### Related Party Transaction during the period / year:

(₹ in Lakhs)

| Particulars             | Relation  | Name                     | For the period ended 30 September 2023 | For the year ended 31 March 2023 | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|-------------------------|---|--------------------------|--|----------------------------------|----------------------------------|----------------------------------|
| <b>Income</b>           |   |                          |  |                                  |                                  |                                  |
| Revenue from operations | Enterprises over which key management personnel and relatives of such personnel is able to exercise significant influence | KEPL EPC Nigeria Limited | -                                      | 107.85                           | -                                | 29.64                            |
| <b>Expenses</b>         |   |                          |  |                                  |                                  |                                  |
| Remuneration /Salary    | Key Management Personnel  | Mr. B.R Shah             | 29.95                                  | 36.10                            | 36.10                            | 30.40                            |
|                         |   | Mr. Amish B. Shah        | 41.73                                  | 59.21                            | 59.21                            | 72.13                            |
|                         |   | Mr. Jigar D. Shah        | 13.93                                  |                                  |                                  |                                  |
|                         |   | Mrs. Molly Antony        | 6.02                                   |                                  |                                  |                                  |
|                         |   | Ms. Shatabdi Salve       | 0.25                                   |                                  |                                  |                                  |
|                         | Relative of Key Management Personnel  | Mrs. Nirupama B. Shah    | -                                      | 12.00                            | 9.00                             | 5.65                             |
|                         |   | Mrs. Rajul A. Shah       | 11.95                                  | 24.00                            | 18.01                            | 10.66                            |
| Subcontractor Expenses  | Enterprises over which key management personnel and relatives of such personnel is able to exercise significant influence | KEPL EPC Nigeria Limited | -                                      | -                                | 285.90                           | -                                |
|                         |   |                          |  |                                  |                                  | -                                |



| Particulars                            | Relation                             | Name                                | For the period ended 30 September 2023 | For the year ended 31 March 2023 | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|--|--------------------------------------|-------------------------------------|--|----------------------------------|----------------------------------|----------------------------------|
| Rent                                   | Key Management Personnel             | Mr. Amish B. Shah                   | -                                      | 2.16                             | 2.16                             | 3.00                             |
|  | Relative of Key Management Personnel | Mrs. Nirupama B. Shah               | -                                      | -                                | -                                | 3.08                             |
| Reimbursement of expenses              |                                      |                                     |  |                                  |                                  | -                                |
| <b>Loans</b>                           |                                      |                                     |  |                                  |                                  |                                  |
| Amount received during the year        | Key Management Personnel             | Mr. B.R Shah                        | 380.03                                 | 86.10                            | 36.00                            | 100.53                           |
|  |                                      | Mr. Amish B. Shah                   | 26.00                                  | 140.25                           | 45.00                            | -                                |
| Amount repaid during the year          | Key Management Personnel             | Mr. B.R Shah                        | 382.58                                 | 95.19                            | 39.45                            | 72.95                            |
|  |                                      | Mr. Amish B. Shah                   | 25.12                                  | 153.96                           | 31.17                            | -                                |
| Amount repaid during the year          | Joint venture                        | Konstelec Hi Tech Engineers Pvt Ltd | 0.74                                   | -                                | 0.10                             | 0.18                             |
| <b>Share Capital</b>                   |                                      |                                     |  |                                  |                                  |                                  |
| Shares Issued during the year          |                                      |                                     |  |                                  |                                  |                                  |
| Shares transferred In during the year  | Key Management Personnel             | Mr. Amish B. Shah                   | 3.30                                   | -                                | 3.04                             | -                                |
| Shares transferred In during the year  | Key Management Personnel             | Mr. Jigar Shah                      | 3.20                                   | -                                | -                                | -                                |
| Shares transferred In during the year  | Key Management Personnel             | Mrs. Molly Antony                   | 0.10                                   | -                                | -                                | -                                |
| Shares transferred In during the year  | Relative of Key Management Personnel | Mrs. Nirupama Shah                  | 0.60                                   | -                                | -                                | -                                |
| Shares transferred In during the year  | Relative of Key Management Personnel | Mrs. Rajul Shah                     | 2.60                                   | -                                | -                                | -                                |
| Shares transferred In during the year  | Relative of Key Management Personnel | Mrs. Dipti Jigar Shah               | -                                      | -                                | 2.02                             | -                                |
| Shares transferred Out during the year | Key Management Personnel             | B R Shah HUF                        | 10.00                                  | -                                | -                                | -                                |
| Shares transferred Out during the year | Key Management Personnel             | Mr. B.R Shah                        | 50.00                                  | -                                | -                                | -                                |
| Shares transferred Out during the year | Relative of Key Management Personnel | Mrs. Nirupama B. Shah               | -                                      | -                                | 5.06                             | -                                |



| Particulars                       | Relation  | Name                                | For the period ended 30 September 2023 | For the year ended 31 March 2023 | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|-----------------------------------|---|-------------------------------------|--|----------------------------------|----------------------------------|----------------------------------|
| <b>Balance Outstanding Assets</b> |   |                                     |  |                                  |                                  | -                                |
| Advance against expenses          | Key Management Personnel  | Mr. Amish B. Shah                   | 2.39                                   | 2.39                             | 0.83                             | 0.45                             |
|                                   | Relative of Key Management Personnel  | Mrs. Rajul A. Shah                  | -                                      | -                                | -                                | 0.31                             |
| Investment                        | Joint Venture   | Konstelec Hi Tech Engineers Pvt Ltd | 47.00                                  | 47.00                            | 47.00                            | 47.00                            |
| Receivable                        | Enterprises over which key management personnel and relatives of such personnel is able to exercise significant influence | KEPL EPC Nigeria Limited            | 208.10                                 | 219.50                           | 128.66156                        | 150.69                           |
| <b>Liabilities</b>                |   |                                     |  |                                  |                                  | -                                |
| Share Capital                     | Key Management Personnel  | Mr. B.R Shah                        | 667.70                                 | 75.25                            | 75.25                            | 75.25                            |
|                                   |   | Mr. Amish B. Shah                   | 203.43                                 | 15.19                            | 15.19                            | 12.15                            |
|                                   |   | Mr. Jigar D. Shah                   | 35.20                                  | -                                | -                                | -                                |
|                                   |   | Mrs. Molly Antony                   | 1.10                                   | -                                | -                                | -                                |
|                                   | Relative of Key Management Personnel  | Nirupama B. Shah                    | 51.09                                  | 4.04                             | 4.04                             | 9.10                             |
|                                   |   | Dipti Jigar Shah<br>Rajul Shah      | 22.18<br>28.60                         | 2.02<br>-                        | 2.02<br>-                        | -<br>-                           |
| Borrowings                        | Key Management Personnel  | Mr. B.R Shah                        | 13.72                                  | 16.27                            | 25.35                            | 28.80                            |
|                                   |   | Mr. Amish B. Shah                   | 2.00                                   | 1.12                             | 14.83                            | 1.00                             |
|                                   | Joint Venture   | Konstelec Hi Tech Engineers Pvt Ltd | 32.36                                  | 33.11                            | 33.11                            | 33.21                            |
| Rent payable                      | Key Management Personnel  | Mr. Amish B. Shah                   | 0.36                                   | 0.75                             | 1.36                             | 2.68                             |
|                                   | Relative of Key Management Personnel  | Nirupama B. Shah                    | -                                      | 3.52                             | 5.28                             | 5.40                             |
| Salary Payable                    | Key Management Personnel  | Mr. B.R Shah                        | 3.44                                   | 2.28                             | 2.27                             | -                                |
|                                   |   | Mr. Amish B. Shah                   | 4.64                                   | 3.45                             | 3.45                             | -                                |



| Particulars   | Relation  | Name                     | For the period ended 30 September 2023 | For the year ended 31 March 2023 | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---------------|---|--------------------------|--|----------------------------------|----------------------------------|----------------------------------|
| Other Payable | Relative of Key Management Personnel  | Mr. Jigar D Shah         | 2.51                                   | -                                | -                                | -                                |
|               |   | Mrs. Molly Antony        | 0.89                                   | -                                | -                                | -                                |
|               |   | Ms. Shatabdi Salve       | 0.25                                   | -                                | -                                | -                                |
|               |   | Mrs. Nirupama B. Shah    | -                                      | 0.88                             | 0.69                             | -                                |
|               |   | Mrs. Rajul A. Shah       | 1.61                                   | 1.53                             | 1.24                             | -                                |
|               | Enterprises over which key management personnel and relatives of such personnel is able to exercise significant influence | KEPL EPC Nigeria Limited | -                                      | -                                | -                                | 31.61                            |



### SECTION III - RISK FACTOR

*Any investment in equity securities involves a high degree of risk. Investors should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with Sections titled, "Business Overview", "The Issue", "Industry Overview", "Restated Financial Information", "Outstanding Litigation and Other Material Developments", and "Management's Discussion and Analysis of Financial Position and Results of Operations" beginning on page no. 134, 54, 124, 208, 223 and 210 respectively, as well as the other financial and statistical information contained in this Prospectus.*

*Any of the following risks, as well as the other risks and uncertainties discussed in this Prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial conditions and Prospectus.*

*This Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements because of certain factors, including the considerations described below and elsewhere in this Prospectus.*

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this Issuing unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the consequences to you of an investment in the Equity Shares.*

*The financial information in this section is, unless otherwise stated, derived from our Restated Standalone Financial Statements prepared in accordance with Indian GAAP, as per the requirements of the Companies Act, 2013, and SEBI (ICDR) Regulations.*

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

1. Some risks may not be material individually but may be material when considered collectively.
2. Some risks may have material impact qualitatively instead of quantitatively.
3. Some risks may not be material at present but may have a material impact in the future.

#### **INTERNAL RISK FACTORS:**

- 1. The Company is dependent on few numbers of customers for sales. The loss of any of this large customer may affect our revenues and profitability.**

Our top ten customers contribute 57.47%, 59.82%, 70.02%, and 85.16% of our total revenue from operations for the period / financial year ended on September 30, 2023, March 31, 2023, 2022 and 2021, respectively. Our Company is an integrated solution provider, offering a full-range of Engineering, Procurement, Construction/ Commissioning (EPC) services in India and abroad. Our business operations are highly dependent on our customers and the loss of any of our customers may adversely affect our sales and consequently on our business and results of operations. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future. Any decline in our quality standards, growing competition and any change in the demand, may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations.

However, the composition and revenue generated from these customers might change, as we continue to add new customers in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers, there can be no assurance that we will be able to maintain long term relationships with such customers or find new customers in time.

- 2. The Company is dependent on few suppliers for purchase of product. Loss of any of these large suppliers may affect our business operations.**





Our top ten suppliers contribute 64.11%, 46.54%, 51.54% and 45.40% of our total purchase for the period / financial year ended on September 30, 2023, March 31, 2023, 2022 and 2021, respectively based on consolidated restated financial statement. We cannot assure that we will be able to get the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue seek new suppliers for our product for better quality and price in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time.

**3. Majority of our revenue from operations are generated from India. Any adverse development affecting our operations in India could have an adverse impact on our business, financial condition and results of operations.**

We derive almost 90% of our revenue from operations from India and exports are only made in one country i.e. Nigeria. Such geographical concentration of our business in this region heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in this region which may adversely affect our business prospects, financial conditions and results of operations.

The concentration of our business in India subjects us to various risks, including but not limited to:

- Regional slowdown in Industrial activities;
- vulnerability to change of policies, laws and regulations or the political and economic environment; ➤ constraint on our ability to diversify across states; and
- perception by our potential clients that we are a regional construction company, which may hamper us from competing or securing orders for large and complex projects at the national level.

Further, factors such as competition, culture, regulatory regimes, business practices and customs, behaviour and preferences in the Countries and State where we may plan to expand our operations may differ from India, and our experience in the India may not be applicable to such other Countries. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national player, but also local players who have an established local presence, are more familiar with local regulations, business practices and customs, have stronger relationships with local contractors/service provider.

We may not be able to leverage our experience in these regions to expand our operations in other parts of India and outside India.”

**4. We have certain outstanding litigation against us, an adverse outcome of which may adversely affect our business, reputation and results of operations. One of the criminal case included in this Prospectus, the Company is not served with any summon/ notice, hence adverse outcome may affect our business reputation and results of operations.**

A summary of outstanding matters set out below includes details of pending litigation involving us, Directors, Promoter and Group Company, as at the date of this Prospectus.

**Litigations involving the Company: -**

(₹ in Lakhs)

| Nature of Cases                                 | No. of Outstanding Cases | Amount* in dispute/demanded to the extent ascertainable |
|---|--------------------------|---|
| <b>Criminal proceedings against the Company</b> | 1                        | -   |
| <b>Tax proceedings:</b>                         |                          |   |
| Direct Tax                                      | 16                       | 232.27  |
| Indirect Tax                                    | 17                       | 264.44  |
| <b>Total</b>                                    | <b>34</b>                | <b>496.71</b>   |

\*To the extent quantifiable

**Litigations involving our Promoter & Directors: - Nil**

**Litigations involving our Group Companies: - Nil**

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate



courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

A criminal case has been initiated by a labour enforcement officer against our Company. While there are currently no case papers, summons, or notices issued to our Company, the absence of clarity regarding the potential impact of the outcome or allegations poses uncertainty. An unfavourable outcome may have repercussions on our reputation, business operations and financial standing.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour or that no additional liabilities will arise out of these proceedings. In addition to the above, we could also be adversely affected by complaints, claims or legal actions brought by persons, including before consumer forums or sector-specific or other regulatory authorities in the ordinary course of business or otherwise, in relation to our business operations, our intellectual property, our branding or marketing efforts or campaigns or our policies. We may also be subject to legal action by our employees and/or former employees in relation to alleged grievances, such as termination of employment. We cannot assure you that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third persons against us.

For further details of certain material legal proceedings involving our Company, our Promoter, our directors, see “*Outstanding Litigations and Material Developments*” beginning on page 223 of this Prospectus.

**5. *We have experienced significant working capital requirements in past and may continue to experience in future also. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business, cash flows and results of operations.***

The business of our company is working capital intensive. The successful operation of our business heavily relies on significant working capital, which is essential for various aspects, including financing project operations, inventory management, and the purchase of raw materials and may continue to so in future also. However, changes in credit terms and payment delays can adversely impact our working capital, resulting in lower cash flows and increased funding requirements. Inadequate financing of our working capital needs may arise due to several factors, such as delays in disbursements under financing arrangements, higher interest rates, increased insurance costs, or borrowing and lending restrictions. Such circumstances could have a material adverse effect on our overall business, financial condition, and prospects.

Our present work orders often necessitate providing performance bank guarantees, letters of credit, and security deposits to secure contractual obligations with clients. Failure to provide sufficient collateral may limit our ability to enter into new contracts. Acquiring these financial instruments to secure contracts increases our working capital needs. However, we may encounter challenges in obtaining a sufficient number of letters of credit, bank guarantees, and performance bonds to meet our business requirements, potentially restricting our operations.

Furthermore, our working capital requirements may escalate if certain contracts lack advance payment terms or contain payment schedules that shift payments towards project completion, thereby imposing additional financial burdens. Another aspect influencing our working capital is the retention money withheld by clients, which is typically released after product testing or supply completion. Delays in receiving progress payments, release of retention money, or obtaining guarantees in the form of letters of credit from clients can significantly impact our working capital needs.

The combination of these factors places a substantial demand on our working capital, making its management and optimization a critical aspect of our business strategy. As such, we continually strive to enhance our financial management practices to effectively address working capital challenges. By closely monitoring credit terms, payment schedules, and contract agreements, we aim to mitigate risks associated with fluctuations in working capital requirements. Additionally, prudent financial planning, exploring diverse financing options, and maintaining strong relationships with financial institutions are key factors in managing our working capital efficiently. Despite our proactive measures, there can be no assurance that working capital fluctuations will not impact our business operations or financial performance. For details related to working capital requirement, please refer to chapter titled as “Object of the Issue” on page 105 of this Prospectus.

**6. *Non-compliance with increasingly stringent safety, health, environmental and labour laws and other applicable regulations, may adversely affect our business, results of operations, cash flows and financial condition. Further, we may not be able to renew or maintain our statutory and regulatory permits and approvals required to operate our business.***

Our business activities inherently involve various hazards and risks, making us subject to a range of laws and government regulations. These regulations are comprehensively detailed in the chapter titled “Government and Other Statutory Approvals” on page 231 of this Prospectus. They pertain to safety, health, environmental protection, and labour laws,



and they impose stringent controls on activities such as the storage, transport, handling, and disposal of hazardous substances, as well as employee exposure to these materials. Our operations are conducted in strict adherence to these laws and regulations to minimize any potential risks.

Our approach includes obtaining the requisite registrations and approvals as necessary, along with ongoing training for our personnel and the implementation of prescribed safety measures. As of the present date, there have been no instances of non-approval or disruption in work due to approval-related issues. However, it's important to note that the occurrence of any such event in the future could potentially have an adverse impact on our business, results of operations, cash flows, and financial condition. Therefore, we remain vigilant and committed to upholding the highest safety and regulatory standards to prevent any such adverse events.'

**7. *Our Consolidated Restated Financial Statements are reviewed and Signed by the Peer Review Auditors who is not Statutory Auditors of our Company as required under the provisions of ICDR.***

Although, our statutory auditor, M/s. Shah P M And Associates, Chartered Accountants, is holding valid peer review certificate, issued by the Peer Review Board of the Institute of Chartered Accountants of India, as on the date of this Prospectus, our Restated Financial Statements are reviewed and signed by M/s. Shaparia Mehta & Associates LLP, Chartered Accountants, the Peer Review Auditors who is not the Statutory Auditor of the company.

**8. *Our revenues from our projects are difficult to predict and are subject to seasonal variations.***

Our business operations may be adversely affected by severe weather, which may require us to evacuate personnel or curtail services, may result in damage to a portion of our fleet of equipment or facilities resulting in the suspension of operations, and may prevent us from delivering materials to our project sites in accordance with contract schedules or generally reduce our productivity. Our operations may also be adversely affected by difficult working conditions and extremely high temperatures during summer months and during the monsoon season, each of which may restrict our ability to carry on engineering activities and fully utilize our resources. These factors may make it difficult for us to prepare accurate internal financial forecasts. In addition, Business of our company is seasonal in monsoon and summer season, efficiency of engineering work reduces during monsoon and summer season. As a result, our revenues and profits may vary significantly during different financial periods, and certain periods are not indicative of our financial position for the year.

**9. *We may be unable to identify or acquire new projects and our bids for new projects may not always be successful, which may stunt our business growth. Further, any delay in the commencement or cancellation of the projects awarded to us may adversely affect our business, prospects, reputation, profitability, financial condition and results of operation.***

We engage in the business of executing complex Engineering, Procurement, Construction (EPC) projects for electrical and instrumentation projects, power substations, execution of high voltage level. We bid for projects on an ongoing basis. Infrastructure projects are typically awarded to us following a competitive bidding process and satisfaction of prescribed pre-qualification criteria. While service quality, health and safety records and personnel, as well as reputation and experience and sufficiency of financial resources are important considerations in final bid decisions, there can be no assurance that we would be able to meet such financial and technical qualification criteria, whether independently or together with other joint venture partners. Further, once the prospective bidders satisfy the pre-qualification requirements of the tender, the project is usually awarded on the basis of price competitiveness of the bid. We generally incur significant costs in the preparation and submission of bids, which are one-time non-reimbursable costs. We cannot assure you that we would bid where we have been pre-qualified to submit a bid or that our bids, when submitted or if already submitted, would be accepted. Our revenues are derived primarily from contracts awarded to us on a project-by-project basis, and a significant number of projects are undertaken on a non-recurring basis.

The absence of new contracts through bids would result in a substantial reduction in our revenue streams, leading to a decline in our financial performance. This could significantly impact our profitability, cash flow, and overall liquidity. Without the inflow of new projects, we may face challenges in meeting our financial obligations and sustaining our operations.

Furthermore, the failure to secure new contracts through bids may hinder our ability to expand our business and capitalize on growth opportunities. It could impede our capacity to invest in infrastructure, acquire necessary assets, and explore new markets. This lack of growth and diversification may limit our competitive advantage and hinder our ability to adapt to changing market dynamics. Also, the tender processes we engage in are subject to potential changes in qualification criteria, unforeseen delays, and uncertainties. There is no guarantee that the projects we intend to bid for will be tendered within a reasonable timeframe or even at all. If the announced projects we plan to bid on are not tendered within the expected timeframe or if the qualification criteria are modified in a way that prevents us from qualifying, it could have a material and adverse impact on our business, financial condition, cash flows, and operational results. The timing and awarding of new contracts are unpredictable, and our future financial performance and cash flows may vary significantly



depending on contract awards.

Given the nature of our business, the inability to obtain new contracts through bids presents a substantial risk to our financial condition. It may result in financial instability, reduced growth prospects, and limitations in our ability to maintain a strong market position. While we actively participate in bidding processes, there is no guarantee of success in securing new contracts. Accordingly, it is difficult to predict whether and when we will be awarded a new project. If we are unable to identify or acquire new projects matching our expertise or profit expectations or obtain the requisite consents from regulatory authorities or other relevant parties when required or at all, we may be subject to uncertainties in our business. The competitive nature of the industry, regulatory changes, and other external factors can impact the outcome of bidding processes. Therefore, the potential financial repercussions of not securing new contracts through the bidding process may have effect on business, financial conditions and of operations.

**10. *Any inaccuracies in estimating project risks, revenues, or costs could have a detrimental impact on our profitability and operational outcomes. The actual costs incurred during project execution may deviate substantially from our initial bid assumptions, creating difficulties in recouping additional expenses. Such discrepancies have the potential to significantly and adversely affect our operational results, cash flows, and overall financial condition.***

Under the work orders for our projects, we typically agree to receive a predetermined sum of money from clients, subject to contract variations that cover changes in the project requirements. However, some of our future projects may not include price escalation clauses, leaving us exposed to potential cost variations. As a result, the actual expenses incurred during these projects may significantly differ from the bid assumptions due to various factors. These factors include unanticipated increases in material, fuel, labor, or other input costs, unexpected conditions leading to delays and higher expenses, weather-related disruptions, and non-performance by suppliers.

If we are unable to pass on cost increases to clients due to limited or no price escalation provisions, our profitability may be adversely affected, and we could incur financial losses. Additionally, the inherent risks in the industry may result in lower profits than initially estimated or lead to cost and time overruns, potentially impacting our cash flows, overall business, financial health, and operational results.

The accurate estimation of risks, revenues, and costs for a project is critical to ensure profitability and operational success. Any inaccuracies in these estimates can have detrimental effects on our financial performance. During project execution, actual costs may vary significantly from the initial bid assumptions, making it challenging to recover additional expenses. Such deviations can have a material adverse impact on our operational results, cash flows, and overall financial condition.

**11. *We source a large part of our new orders from our relationships with corporates and other customers, both present and past. Any failure to maintain our long-standing relationships with our existing customers or forge similar relationships with new ones would have a material adverse effect on our business operations and profitability.***

We believe that our focus on completing projects in a timely manner and on quality has helped us build strong relationships with our customers and bolster our reputation in the industry in which we operate. In fact, all of the projects that we execute for private sector clients are sourced through nomination i.e. where customers with whom we have an existing relationship or new customers approach us directly for their proposed projects. Further, we have received additional projects from several of our existing customers despite increased competition in the region within which we operate. If any of our relationships with our existing customers were to be altered or terminated and we are unable to forge similar relationships with new customers in the future, our business, financial condition, results of operations, cash flows and business prospects could be materially and adversely affected.

**12. *Failure to successfully implement our business strategies may materially and adversely affect our business, prospects, financial condition and results of operations.***

We aim to implement our business strategies to ensure future business growth, which may be subject to various risks and uncertainties, including but not limited to the following:

- ***Maintaining Competitive Edge:*** We face the risk of cost overruns or delays in project execution, which could erode our competitive advantage and reputation. Failing to deliver projects in a timely manner or meeting quality specifications may hinder our growth prospects.
- ***Intensified Competition and Payment Issues:*** We operate in a competitive landscape, and intensified competition may affect our ability to secure contracts. Delays or non-payments by clients and associated legal proceedings may also pose financial and operational challenges.
- ***Bidding Strategy:*** The success of our projects depends on effective bidding strategies. If we fail to implement suitable bidding plans, it could impact our ability to win projects and generate revenue.
- ***Operational Efficiency:*** Inefficiency in utilizing our execution system, equipment bank, IT/ERP systems, and centralized procurement may affect project performance and operational results.



- **Financing Challenges:** Managing financing resources and obtaining funds at affordable costs are critical for our business growth. Failure to maintain financial discipline may affect our ability to undertake projects.
- **Regulatory and Political Environment:** Changes in laws, regulations, policies, or the political environment could impact our business operations and profitability.
- **Diversification and Business Segments:** Expanding into new states or business segments involves inherent risks, including market acceptance and operational challenges.
- **Talent Acquisition and Retention:** Skilled employees play a vital role in our success. Difficulty in recruiting and retaining talent could affect our operations and project execution.
- **Market Trends and Portfolio Optimization:** Failure to identify market trends or optimize our project portfolio may hinder our ability to acquire new projects and meet client expectations.
- **Cost and Rate Fluctuations:** Fluctuations in the costs of raw materials, fuel, labor, equipment, and interest rates may impact project economics and profitability.
- **Corrupt Practices:** The risk of fraud or improper conduct may adversely affect our reputation and financial standing.

Implementation of our strategies may be subject to a number of risks and uncertainties including the ones mentioned above, some of which are beyond our control. There can be no assurance that we will be able to execute our growth strategy on time and within the estimated costs, or that we will meet the expectations of our clients. In order to manage growth effectively, we must implement and improve operational systems, procedures and controls on a timely basis, which, as we grow and diversify, we may not be able to implement, manage or execute efficiently and in a timely manner or at all, which could result in delays, increased costs and diminished quality and may adversely affect our results of operations and our reputation. Any failure or delay in the implementation of any of our strategies may have a material adverse effect on our business, prospects, financial condition and results of operations.

**13. *Our current Order Book does not guarantee full realization of future income. Some orders may be subject to modifications, cancellations, delays, holds, or partial payments by customers, which could have adverse effects on our operational results.***

Our Order Book represents the value of secured contracts yet to be executed as of a specific date, providing insight into our future expected revenues. As on August 31, 2023, we have an order book of around Rs. 565 Crores which are at different stages of implementation. However, it is crucial to note that the calculation and presentation of the Order Book may vary from other companies, including our competitors. Successful execution of the Order Book depends on adhering to contractual obligations, including delivery schedules and quality requirements. Failure to meet these terms, whether actual or perceived, may result in modifications, cancellations, or delays of our current orders and potential penalties.

Additionally, project execution relies on the cooperation of customers and other service providers involved. Factors beyond our or our clients' control, such as permit delays or practical difficulties, may lead to project postponements or cancellations. Due to uncertainties in project execution, we cannot accurately predict when, if, or to what extent a project will be completed, impacting the income and profits derived from the contracts. Delays can also lead to payment delays or refusals, affecting expected margins.

There is a risk of default or non-payment by contracting parties, even if a project proceeds as scheduled. Delays, scope reductions, cancellations, execution difficulties, payment postponements, defaults, or disputes related to the Order Book or ongoing projects can adversely affect cash flow, operational revenues, and profitability. These inherent risks in our industry and contractual relationships must be recognized as they can significantly impact on our financial performance.

**14. *The construction, operation and maintenance of our transmission systems involves significant risks that may cause injury to people or property and that may lead to significant disruption to our business and consequent decreases in our revenues.***

‘The construction, operation, and maintenance of our transmission systems expose us to substantial risks that could result in injury to individuals or damage to property. These risks have the potential to cause significant disruptions to our business operations, ultimately leading to decreased revenues.

During the construction phase, it's crucial to acknowledge that various hazards and dangers are inherent. These include the potential for accidents at construction sites that may result in injuries to workers in site the premises. This is particularly relevant when considering the operation of heavy machinery, working at elevated heights, and the handling of construction materials, all of which carry inherent risks. For instance, in one unfortunate incident, a worker was on his way to the construction site in Rajasthan. As he entered the site, he met with a tragic accident as his bike skidded, causing him to come under a hydra machine, resulting in the loss of his life.



In response to this incident, the Company has taken several steps to address the situation. First and foremost, they have ensured that all the worker's rightful claims, including those related to provident fund (PF), gratuity, and the Employees' State Insurance Corporation (ESIC), have been appropriately processed. Furthermore, the Company has provided compensation to the worker's family members, offering some financial support during this challenging time.

In the operational phase, there are ongoing risks associated with the functioning of the transmission systems. Malfunctions, technical failures, or unforeseen events could result in disruptions to the transmission of power, impacting the smooth functioning of the systems and potentially causing damage to critical infrastructure.

Maintenance activities are also not without risks, as they involve working with electrical equipment and carrying out repairs and inspections in potentially hazardous environments. Failure to conduct adequate maintenance or address issues promptly could lead to operational inefficiencies, safety hazards, and possible revenue losses.

In the event of any major incidents or accidents, there may be legal and regulatory implications, as well as potential financial liabilities. Moreover, such incidents can tarnish our reputation and affect our ability to retain existing customers or attract new ones. We prioritize safety protocols, invest in comprehensive training for our personnel, and continuously monitor and update our infrastructure and operational practices. Despite compliance with requisite safety requirements and standards, due to the nature of the materials and circumstances our employees and contractors work under, we may be liable for certain costs, including costs for health-related claims, or removal or treatment of hazardous substances, including claims and litigation from our current or former employees for injuries arising from occupational exposure to materials or other hazards at our power substations and transmission facilities. This could subject us to significant disruption in our business and to legal and regulatory actions, which could materially adversely affect our business, prospects, financial condition, cash flows and results of operations.'

***15. We engage sub-contractors and other agencies in our business. The timely and successful completion of our projects in certain cases depends upon the cooperation of our sub-contractors, and any failure or delay in successful completion could adversely affect the quality of our developments and adversely affect our profitability, business and reputation.***

We rely on third parties for the implementation of projects where we have entered into arrangements with them for the supply of labour, equipment and raw material. Accordingly, the timing and quality of completion of our projects also depends on the availability and the skill of such sub-contractors. Typically, our projects are subject to specific completion schedule requirements with liquidated damages chargeable in the event that a project falls behind schedule. Thus, where we sub-contract any part of a project, the completion of the project in a timely manner often depends, in part, upon the performance of our sub-contractors. Delay or failure on the part of sub-contractors to complete their work on time, for any reason, could result in additional costs to us and damage to our reputation.

Additionally, the amount of such additional costs could have an adverse effect on our profit margins on the project. While we may seek to recover these amounts as claims from the relevant supplier, vendor, sub-contractor or other third party responsible for the delay or for providing non-conforming products or services, we cannot assure you that we will recover all or any part of these costs in all circumstances. Performance problems for existing and future projects could cause our actual results of operations to differ materially from those anticipated by us and could damage our reputation within our industry and consequently, have a detrimental effect on our customer base.

***16. Our reliance on raw material suppliers for our business operations exposes us to a variety of risks which could materially disrupt our operations.***

Timely and cost-effective execution of our projects is dependent on adequate and timely supply of raw materials, chief amongst them being Transformers, Panels, Tubes, Junction Box, Switches, Junction Boxes, Valves, Push Buttons, Power Tools, Motors, Lighting Poles, Inverters Etc.. We have not entered into any long term contracts or supply arrangements with any of the Company's suppliers and if, for any reason, the Company's primary suppliers should curtail or discontinue their delivery of such materials in the quantities needed, the Company's ability to meet its material requirements for construction contracts could be impaired, its construction schedules could be disrupted, and the Company may not be able to complete construction contracts as per schedule or at such costs that were anticipated. If the Company is unable to procure the requisite quantities of construction materials in time and at commercially acceptable prices, the performance of its financial results and business prospects could be adversely affected.

***17. Our projects require deployment of labour and depend on availability of labour. In case of unavailability of such labour, our business operations could be affected.***

Our project operations require deployment and our ability to retain labour. In case such labour workforce is unavailable, or we are unable to identify and retain such labour our business could be adversely affected. We cannot guarantee that we may be able to continue with the same on favourable terms or at all. Any such failure may impact the operations, business process and profitability. Additionally, there have been amendments in the labour and Employment related laws,



which may have a direct impact on our employee costs and consequently, on our margins. Further, latest amendments in labour laws in India may lead to increasing cost of compliance, wages, social security, Occupational Safety, Health and Working Conditions. We cannot assure you that we will continue to comply with all these labour related laws and that as we continue to grow our business in the future, our labour and employee costs coupled with operating compliances and expenses will not significantly increase. Our employees are not unionized currently. However, there is no assurance that our employees will not seek unionization in the future. In the event that employees at our project sites take any steps to unionise, it may become difficult for us to maintain flexible labour policies and may increase our costs and adversely affect our business.

Any strikes or lock-outs, work stoppages, slowdowns, shut downs, supply interruptions or costs or other factors beyond our control, may disrupt our operations and could negatively impact our financial performance or financial condition. Additionally, our inability to recruit employees, in particular skilled employees and retain our current workforce could have a material adverse effect on our business, financial condition and profitability. There can be no assurance that we will not experience slowdowns or shutdowns in the manner described above, or in any other manner, in the future, for reasons which are beyond our control. Any slowdown or shutdown will adversely impact our results of operations, market share and financial condition.

***18. Our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.***

As of August 31, 2023, the size of our workforce comprised more than 800 employees. Our operations depend upon the productivity of our workforce, which may be affected by labour disputes involving our sub-contractors or employees. We may experience business disruptions due to strikes, work stoppages or demands for wage increases. Labor unions may order their members to stop working at our construction sites or allege violations of employee rights, laws or agreements. Currently, we do not have any organized union activities. Activities at our work sites may be suspended and our projects may be significantly delayed if we fail to negotiate with the sub-contractors, employees or labour unions, or find acceptable solutions in a timely manner. Sometimes, we may engage independent contractors to assist us in undertaking our projects. It is possible that we may be held responsible for wage payments to the workers engaged by such independent contractors should they default on wage payments. Furthermore, under the Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA"), we may be required to recruit some of these workers as permanent employees. Any such labour disputes, union activities or requirements to fund wage payments or recruit permanent employees could adversely affect the construction progress of our projects and have a material and adverse effect on our business, financial condition and results of operations.

***19. Our success depends on our ability to attract and retain our key management personnel. If we are unable to do so, it would adversely affect our business and results of operations.***

Our future success substantially depends on the continued service and performance of the members of our senior management team and other key personnel in our business for management, running of our daily operations, and the planning and execution of our business strategy. There is intense competition for experienced senior management and other key personnel with technical and industry expertise in our business and if we lose the services of any of these or other key individuals and are unable to find suitable replacements in a timely manner, our ability to realize our strategic objectives could be impaired. We face specific disadvantages in our efforts to attract and retain our management. As a public sector undertaking, Government of India policies regulate and control the emoluments, benefits and perquisites that we pay to our employees, including our key managerial and technical personnel and these policies may not permit us to pay at market rates.

Additionally, we may not have in place the necessary systems and processes to develop key personnel internally. Our Company does not maintain any director's and officer's insurance policy or any keyman insurance policy. The loss of key members of our senior management or other key team members, particularly to competitors, could have an adverse effect on our business and results of operations. Our performance also depends on our ability to attract and train highly skilled personnel. If we are unable to do so, it would materially and adversely affect our business, prospects and results of operations.

***20. Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.***

Our Company has obtained insurance coverage in respect of certain risks. As a pre requisite condition in our work orders, we maintain all the insurance policies as required in the order book like workmen compensation policy, third party liability, contractor all risk policy (CAR) etc. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks. Our operations are subject to hazards inherent in project sites such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. Long periods of business disruption could result



in a loss of customers. Although we take precautions to minimize the risk of any significant operational problems at our engineering projects, and we have not experienced any such material incidents in the past, there can be no assurance that we will not face such disruptions in the future. For details related to insurance please refer to chapter titled as Business overview on page 134 of this Prospectus.

We may be exposed to various risks which we may not be able to foresee or may not have adequate insurance coverage. Our insurance coverage may not be adequate to cover such loss or damage to life and property, and any consequential losses arising due to such events will affect our operations and financial condition. Further, in addition to the above, any such fatal accident or incident causing damage or loss to life and property, even if we are fully insured or held not to be liable, could negatively affect our reputation, thereby making it more difficult for us to conduct our business operations effectively, and could significantly affect our business, availability of insurance coverage in the future and our results of operations. The occurrence of any one of the above events may result in us being named as a defendant in lawsuits asserting claims for substantial damages, including for personal injury and property damage and fines and/or penalties.

While we believe that the insurance coverage that we maintain is in accordance with industry standards, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, that is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and our cash flows, results of operations and financial performance could be adversely affected. In the event that our Company files a claim under the applicable insurance policy, there is no assurance that we will be able to recover all, or part of the losses incurred.

**21. *In addition to regular remuneration, other benefits and expense reimbursement our Promoters and Directors hold a vested interest in our Company; to the extent of their shareholding and associated dividend entitlements They also have a stake in transactions involving our company, whether with themselves individually or with our group companies/entities. Our Company in future may enter in related party transactions subject to necessary compliances.***

Our Promoters – Directors are interested in our Company to the extent of their shareholding and associated dividend entitlements thereon in our Company, in addition to regular remuneration or benefits and expenses reimbursement. Our Promoters and Directors are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Company/Entity. All transactions with related parties entered into by the company in past were at arm's length basis, in compliance with applicable provisions of Companies Act, 2013 and other applicable provisions. Our company, promoters and group companies may enter into such related party transaction in future as well which may be or may not be at Arms' Length Price and in Ordinary Course of Business.

If such future transactions are not on Arms' Length Price and in Ordinary Course of Business, our financial position may get affected to that extent. Additionally, our Company may enter in related party transactions in future subject to necessary compliances in accordance with relevant acts, rules and regulations. For details of transactions already executed by our Company with our Promoters, Directors and Group Companies/Entities during last three years, please refer to the "Annexure 33 – Related Party Disclosure" under the Chapter titled "Restated Financial Information" beginning on Page No. 208 of this Prospectus.

Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

**22. *Our Company has in the past has made certain inadvertent erroneous filings under Companies Act, 2013 with the RoC in its statutory filings. Any penalty or action taken by any regulatory authorities in future, for non-compliance with provisions of corporate and other law could impact the reputation and financial position of the Company to that extent.***

Our Company has in the past has made certain inadvertent erroneous filings under Companies Act, 2013 with the RoC in its statutory filings, amended from time to time, as mentioned below:

- Our company has paid dividend in past for which no separate bank account has been opened. As on date of Prospectus, our company has not received any notice from concerned RoC. However, there can be no assurance that no penalty will be levied. In case any such penalty is levied, it will have material adverse effect on our business, financial condition, cash flows, results of operations and prospects.
- CSR Provision of the Companies Act, 2013 is applicable to our company. Our company had an obligation to spend has spent ₹61.74 Lakhs till Financial Year ending March 31, 2022 towards CSR activities under the term of the relevant provision of the companies act, 2013. However, we were able to spend ₹56.41 Lakhs towards education of





weaker section in Financial Year 2022-23 against the said obligation. The unspent portion of the obligation i.e., ₹5.33 Lakhs remains unspent till date of this Prospectus.

Although No show cause notice has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same. Our company has applied for compounding with relevant authority. It cannot be assured, that there will not be such instances in the future, or our Company will not commit any further delays or defaults in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position

**23. *We operate our business from rented premises. Few of lease agreements are not renewed by the landlord and lease agreement for few leased properties are not in the name of the company.***

Our business operations are conducted from rented premises, including properties leased for labour stay and various project activities in proximity to our ongoing project sites. However, certain lease agreements have not been renewed by the landlords, and some agreements are not directly in the name of our company, although lease rent is consistently paid by us. Due to geographical limitations formal and proper agreements are not executed.

Several short terms leased properties lack formal or properly executed lease agreements. Despite this, there are no significant financial or operational implications on our projects or the overall functioning of the Company. If a lease is terminated or expires without renewal, we are adept at making alternative arrangements swiftly, ensuring minimal impact on our operations.

Upon termination, we are obligated to return the leased premises to the Lessor/Licensor unless a renewal is agreed upon. The uncertainty lies in the assurance of renewing agreements on commercially acceptable terms. If agreements are not renewed or terminated, we may need to vacate our registered offices and find alternative premises, potentially entering into new lease or leave-and-license agreements under less favorable terms. Such circumstances have the potential to disrupt our business, cause delays, and temporarily impact our operations and profitability adversely.”

**24. *Our adherence to strict quality requirements is essential as any failure to comply with these standards could result in the cancellation of existing and future orders. Moreover, unsatisfied clientele can significantly impact our business operations and future prospects.***

Adherence to quality standards is crucial for our business to maintain strong relationships with customers and ensure their satisfaction. Failure to achieve or sustain compliance with these standards can lead to adverse consequences, including a potential decrease in orders from our client's. Client's may prefer competitors who consistently meet quality requirements, which can harm our reputation and market position.

In the event of a degradation in quality, we may face legal disputes and commercial conflicts, further impacting our business and financial condition. Inadequate insurance coverage for potential liabilities may also expose us to financial risks, affecting our overall financial performance.

Maintaining positive and ongoing relationships with customers and strategic partners is essential for our business continuity. Any disruption or failure to maintain these relationships could have adverse effects on our business, financial condition, and operational results. Personal relations with clients and tender processes have been a significant source of contracts for us in the past fiscal years. To sustain this trend, we must diligently manage our reputation and ensure a track record of successful project execution. Failure to do so may result in losing opportunities to bid on limited tenders from both existing and potential clients, negatively impacting our growth prospects.

Moreover, the termination of existing contracts at the sole discretion of clients could be detrimental to our reputation and growth potential. Clients appointing other companies to complete balance work may lead to revenue losses and hinder our ability to secure future projects.

**25. *Our vision to expand into new geographical areas entails certain risks that we must address effectively.***

We intend to expand the geographical areas in which we undertake our projects. We have established a group company named 'KEPL EPC Nigeria Limited' in Nigeria. We intend to expand into emerging markets such as the Middle East and North Africa. However, currently, all our international projects have been limited to Nigeria, and there can be no guarantee that we will be able to effectively manage our entry into new geographical areas. We may face the risk that our competitors may be better known and more experienced in such newer markets, and they may enjoy better relationships with customers and international joint venture partners, gain early access to information regarding attractive projects and be better placed to bid for and be awarded such projects.



We face additional risks if we undertake projects in countries or regions, we have not worked in before, including obtaining the necessary materials and labour on acceptable terms, obtaining necessary governmental approvals and permits under unfamiliar regulatory regimes and identifying and collaborating with local business parties, contractors and suppliers with whom we have no previous relationship. We may not be successful in the same, and our inability to manage and implement our expansion strategies may disrupt our growth significantly.

**26. *Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.***

“Our business operations require us to obtain and renew, from time to time, certain approvals, licenses, registrations and permits under central, state, and local government rules in India, generally for carrying out our business. Most of these approvals are granted for a limited duration. While we are required to obtain several approvals for legally conducting our business operations and we submit the applications for renewal of such approvals, as and when required, during the course of our business operations, we cannot assure you that we will be able to obtain approvals in respect of such applications, or any application made by us in the future. If we fail to obtain such registrations and licenses or renewals, in a timely manner, we may not then be able to carry on certain operations of our business, which may have an adverse effect on our business, financial condition and results of operations. The approvals required by us are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged noncompliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure by us to comply with the applicable regulations in the future, or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business. In case we fail to comply with these requirements, or a regulator alleges non-compliance with these requirements, we may be subject to penalties and proceedings may be initiated against us. The introduction of additional government control or newly implemented laws and regulations, depending on the nature and extent thereof and our ability to make corresponding adjustments, may adversely affect our business, results of operations and financial conditions. These laws and regulations and the way in which they are implemented and enforced may change from time to time and there can be no assurance that future legislative or regulatory changes will not have an adverse effect on our business, financial condition, cash flows and results of operations.

We have submitted certain applications to regulatory authorities seeking approvals and licences like labour license for Kochi project. For further details, please refer to the section titled “Applications made by our Company, Pending Approvals in the chapter titled Government and Other Statutory Approvals” on page 231 of this Prospectus. Also, we have submitted applications to various authorities for change in name of licenses already granted which are currently under ‘Konstelec Engineers Private Limited’ to be changed to ‘Konstelec Engineers Limited’. We have received renewed PAN, Tan and GST registration under the changed name, but there are few GST registrations for some states i.e. Punjab, Gujarat, Jharkhand etc. and other labour licenses which are pending approval for change in name. There can be no assurance that the relevant authorities will issue such permits or approvals to us or that they will be issued on time. Further, these permits, licences and approvals are subject to several conditions, and we cannot assure you that we will be able to continuously meet the conditions, which may lead to cancellation, revocation, or suspension of relevant permits/licences/approvals. Failure on our part to renew or maintain such permits, licences or approvals may result in the interruption of our operations and may have a material impact on our business.

In the future, we may also be required to obtain new permits and approvals for our proposed operations. While we believe that we will be able to obtain such permits and approvals as and when required, there can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Failure by us to maintain or obtain the required permits or approvals, may result in the interruption of our operations or delay or prevent our expansion plans and may have a material and adverse effect on our business, financial condition and results of operations.”

**27. *Some of the statutory forms filed with the Registrar of Companies and corporate records are not traceable.***

We have been unable to locate the copies of certain of our corporate records like bank statements (for a period December 1995 to February 2005(Company has applied to its banker for retrieve the bank statement of such old period)), minutes binders (from December 1995 to 2015), statutory registers, prescribed forms filed by us with the Registrar of Companies (All incorporations forms are also not available in ROC physical search), Audited Financial Statement prior to year 2006). While we believe that these forms were duly filed on a timely basis, we have not been able to obtain copies of these documents. We cannot assure you that these form filings will be available in the future or that we will not be subject to any penalty imposed by the competent regulatory authority in this regard.



**28. *As we continue to grow, we may not be able to effectively manage our growth and the increased complexity of our business, which could negatively impact our brand and financial performance.***

Our growth strategies are ambitious and have the potential to place significant demands on our management, administrative, technological, operational, and financial infrastructure. As we expand our business, there is a risk that we may face challenges in maintaining the quality of our services. The success of our growth strategies is subject to various factors, including business developments, securing new projects, timely project completions, investment opportunities, and unforeseen contingencies. We acknowledge that there may be difficulties and delays in executing our growth plans due to factors beyond our control, such as the availability of human and capital resources, delayed or non-payment by clients, challenges in implementing bidding strategies, failure to accurately identify market trends, cost escalations for raw materials, fuel, and labour, and issues related to joint venture partnerships.

The execution of our projects may also be affected by delays arising from unanticipated circumstances or unforeseen risks, leading to potential delays and increased costs. We cannot guarantee that we will always meet the expectations of our clients or execute our growth strategy on time and within estimated costs. To effectively manage our growth, we recognize the need to implement and improve operational systems, procedures, and controls. However, as we expand and diversify, there is a possibility that we may face challenges in implementing, managing, or executing these initiatives efficiently and in a timely manner. Such challenges could result in delays, increased costs, and potential compromises in service quality, which may adversely affect our results of operations and reputation.

Moreover, if we raise additional funds for our growth through debt financing, it will increase our interest and debt repayment obligations, potentially limiting our access to cash flow from operations and other means of financing. The availability and costs of financing are subject to various economic and financial market conditions, investor confidence, and the success of our ongoing projects.

It is essential to acknowledge that our management may reassess current strategies, and any changes in our approach could impose significant strain on our resources and operations. There is also a risk that we may not achieve the targeted operational levels from our future projects. The successful execution of our growth strategies is not guaranteed, and there are inherent uncertainties associated with such endeavors. If we encounter challenges or fail to execute our growth plans effectively, it could materially and adversely impact our business, prospects, and results of operations.

**29. *“Our company has encountered challenges in meeting the designated timelines for filing employee provident fund returns, a circumstance that carries significant implications for our financial standing.***

There have been delays in filing EPF returns by our Company, typically ranging from 3-7 days in 1-2 months each year. After conducting an internal review, we have identified that the primary reasons for these delays are related to salary reconciliation and cash flow discrepancies. Inconsistencies in salary data and cash flow timing can occasionally lead to delays in processing EPF returns.

Our company has encountered challenges in meeting the designated timelines for filing employee provident fund returns, a circumstance that carries significant implications for our financial standing. Delays in the submission of these returns may result in financial penalties and potential legal consequences, exacerbating the financial impact on our operations. Non-compliance with the prescribed deadlines not only poses a direct financial risk through imposed penalties but also opens the door to a broader range of financial liabilities. Furthermore, delayed provident fund returns can adversely affect our relationship with regulatory authorities, potentially leading to increased scrutiny and further financial repercussions. It is imperative for the company to address this issue promptly, implementing robust internal controls and procedural improvements to ensure the timely and accurate submission of employee provident fund returns, mitigating both immediate financial risks and the potential long-term consequences associated with non-compliance.

To address this issue, we have implemented corrective measures to mitigate future delays. These measures include - Enhancing our salary reconciliation process to minimize discrepancies, implementing improved cash flow forecasting and management practices, strengthening communication and coordination within our team to expedite EPF return filing.”

**30. *We are exposed to significant risks on fixed-price or lump-sum turnkey contracts that could cause us to incur losses and adversely affect our business, results of operations and financial condition.***

A significant portion of our projects are undertaken on a fixed-price or lump-sum turnkey basis. These contracts involve agreeing to a predetermined fixed price for providing engineering, procurement, and construction services or delivering completed facilities in a ready-to-operate condition, subject to contract variations due to changes in the customer's project requirements. However, the actual expenses incurred during the execution of such contracts may substantially differ from the initial bid assumptions for various reasons, including but not limited to:



- Unanticipated changes in the engineering design of the project.
- Unforeseen increases in the cost of equipment, materials, or manpower.
- Delays associated with the delivery of equipment and materials to the project site.
- Unforeseen construction conditions, such as delays caused by the client's inability to obtain necessary environmental and other approvals, leading to increased costs.
- Delays caused by adverse local weather conditions.
- Commercial hardships or third-party breaches.
- Failures of suppliers or subcontractors to perform their obligations.
- Delays attributable to our own execution.

In the case of engineering and project management consultancy contracts, we assume various obligations, and any unanticipated costs or delays during contract execution may have compounding effects, leading to increased costs in other parts of the contract. Throughout the execution of the contract and up to the defect liability period, we are typically fully liable to compensate all parties concerned for any loss, damage, or destruction of work, structures, property, etc., including third-party risks arising due to our actions. We are also responsible for ensuring that we do not incur extra costs for our clients.

These variations and the inherent risks in the construction industry may result in our actual profits being different from the initial estimates, potentially leading to reduced profitability or even losses on certain projects.

**31. We face foreign exchange risks that could adversely affect our results of operations and cash flows.**

Our company export its products/services in Nigeria. We are exposed to foreign currency fluctuation risk. Our company has earned foreign inflow of USD 629600.22, USD 1558157.88 and USD 868815.75 for FY 2020-21, FY 2021-22 and FY 2022-23 respectively. Although, we closely follow our exposure to foreign currencies. We do not hedge our exposure to foreign currency as a result, our operations, cash flows and financial performance could be adversely affected in case these currencies fluctuate significantly. We may from time to time be required to make provisions for foreign exchange differences in accordance with accounting standards. For further details please refer to chapter titled as “Restated Financial Statement” on Page No.208 of this Prospectus. In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows. Any such losses on account of foreign exchange fluctuations may adversely affect our results of operations and cash flows. Certain markets in which we sell our products may be subject to foreign exchange repatriation and exchange control risks, which may result in either delayed recovery or even non-realization of revenue.

**32. We may be seriously affected by delays in the collection of receivables from our clients and may not be able to recover adequately on our claims.**

There may be delays in the collection of receivables from our customers or entities owned, controlled or funded by our customers or their related parties. Because of the nature of our contracts, we sometimes commit resources to projects prior to receiving adequate payments from clients in amounts sufficient to cover expenditures as they are incurred. From time to time, it may be difficult for us to collect payments owed to us by these clients. In addition, our clients may request extension of the payment terms otherwise agreed to under our contracts. As of September 30, 2023, out of total trade receivables, ₹ 2,170.52 Lakhs were outstanding for more than 6 months. We may claim for more payments from our clients for additional work and costs incurred in excess of the contract price or amounts not included in the contract price. These claims typically arise from changes in the initial scope of work or from delays caused by the clients. The costs associated with these changes or client caused delays include additional direct costs, such as labour and material costs associated with the performance of the additional work, as well as indirect costs that may arise due to delays in the completion of the project, such as increased labour costs resulting from changes in labour markets.

We may not always have the protection of escalation clauses in our projects or supplemental agreement in respect of the additional work to support our claims. Where we have escalation clauses in our agreements, we may seek to enforce our contractual rights. However, our clients may interpret such clauses restrictively and dispute our claims. These claims are thus often subject to lengthy arbitration, litigation or other dispute resolution proceedings. We cannot assure you that we may be able to recover, in part or full, any such present or future claims. Further, our debtors may have insufficient assets to pay the amounts owed to us even if such proceedings are decided in our favour. In addition, we may incur substantial costs in collecting against our debtors and such costs may not be recovered in full or at all from the debtors. As we often need to fulfill significant working capital requirements in our operations, delayed collection of receivables or inadequate



recovery on our claims could materially and adversely affect our business, cash flows, financial condition and results of operations.

Further, some of the projects that we are currently undertaking, and propose to undertake in the future, are projects with relatively longer gestation periods, which have inherent risks flowing from uncertainty in the business environment. Changes in the business environment and external economic factors can affect the creditworthiness of our clients. Unfavorable changes may lead to weakening of their creditworthiness which has a negative impact on their paying capacities. This can result in delayed payments made to us. Delays in our payments can adversely affect the cash flow position as well as the revenues or profits of our Company, consequently affecting its business and operations.

**33. A significant number of our project contracts prescribe a requirement for maintaining retention money during the defects liability period. Any dispute or failure to obtain a release of such retention monies in a timely manner or at all may have an adverse impact upon our profitability, results of operations and financial position.**

A significant number of the projects that we have undertaken, or currently undertake, prescribe a requirement for maintaining retention money during the defects liability period. The defects liability period typically commences upon the provision of the virtual or final completion certificate to us by our customers, and usually extends to a period of 12 to 18 months post the date of such certification. There can be no assurance that such retention money will be remitted by our clients to us on a timely basis or at all. We may make provisions for bad debts, which includes those arising from release of retention money. We may be unable to efficiently manage the level of bad debt arising from such payment practices. Any failure to obtain a release of such retention monies in a timely manner, or at all, may have an adverse impact upon our profitability, results of operations and financial position.

**34. We have experienced negative cash flows from operations in the recent past, and we may have negative cash flows in the future.**


Our cash flows from operating activities for the Fiscal 2023, 2022 and 2021 are set forth below:

**Rs. In Lakhs**

| Particulars  | September 30, 2023 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
|--|--------------------|----------------|----------------|----------------|
| Net cash generated from/(used in) operating activities | (516.80)           | (457.09)       | 43.01          | (333.91)       |

Cash flows of a company are a key indicator to show the extent of cash generated from the operations of a company 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 flows, it may adversely affect our business and financial operations.

**35. We may not be able to adequately protect or continue to use our intellectual property.**

The Trademark Application of our brand name “KONSTELEC” with the logo  used by our company in most of its products is pending for approval with the Registrar of Trademarks in India, under the Trademarks Act, 1999. For details of our intellectual property rights, see “Government and Other Statutory Approvals” on page 231 of this Prospectus. There can be no assurance that our trademark application will be accepted, and the trademark will be registered. Any other vendor in the similar line of business as ours may use the above-mentioned trademark and we may have a lesser recourse to initiate legal proceedings to protect our brand name. In the event we are not able to obtain registrations due to opposition by third parties or if any injunctive or other adverse order is issued against us in respect of our trademark for which we have applied for registration, we may not be able to use such trademark and / or avail the legal protection or prevent unauthorised use of such trademark by third parties, which may adversely affect our goodwill and business.

The registration of intellectual property including trademarks is a time-consuming process and there can be no assurance that any registration applications we may pursue will be successful and that such registration will be granted to us. If we fail to register the appropriate intellectual property, or our efforts to protect relevant intellectual property prove to be inadequate, the value attached to our brand and proprietary rights could deteriorate, which could have a material adverse effect on our business growth and prospects, financial condition, results of operations, and cash flows.

In particular, the use of similar trade names by third parties may result in confusion among our customers, and we are exposed to the risk that entities in India and elsewhere could pass off their services as our services, including imitation products, which may adversely affect our Company, resulting in a decrease in market share due to a decrease in demand for our services. It may not only result in loss of sales but also adversely affect our reputation and consequently our future sales and results of operations. In the event of such unauthorized use, we may be compelled to pursue legal action for the protection of our brand and intellectual property, which may divert our attention and resources thereby affecting our



business operations. Any litigation, whether or not it is resolved in our favour, could result in significant expense to us and divert the efforts of our technical and management personnel, which may adversely affect our business operations or financial results. For any of these reasons, despite our efforts, we may be unable to prevent third parties from infringing upon or misappropriating our intellectual property.

**36. *Some of our Group Companies and our Promoter Group Entities are engaged in similar line of business. Any conflict of interest in future may occur between our group company or our promoter group entities and us may adversely affect our business, prospects, results of operations and financial condition.***

Our Company is engaged in the business of Engineering, Procurement, and Construction/ Commissioning (EPC) contractors and are engaged in the business of offering full range of EPC services in India and abroad. Our group entity/company namely KEPL EPC Nigeria Limited and CES Automation Engineers Private Limited are also engaged in the similar line of business. Further we have not executed any Non-Compete Agreement with our Group Entity/Company undertaking not to engage in businesses similar to that of our Company.

As a result, conflicts of interests may arise in allocating business opportunities amongst our Company, our other Promoter, Group Entities/Company in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour our Group Entities/Company in which our Promoters have interests. There can be no assurance that our Promoters/Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our business, results of operations and financial condition. For further details please refer to chapter titled “*Financial Information of Our Group Companies/Entities*” beginning on page no. 243 of this Prospectus.

**37. *We are subject to the restrictive covenants of banks in respect of the Loan/Credit Limit and other banking facilities availed from them. Further as on the date of the Prospectus our Company has not received “No objection” certificate from our lenders to undertake this issue. Non receipt of such “No- Objection” certificate could lead to non-compliance of the terms of loan agreements entered into by our Company with said lenders.***

We have entered into agreements for availing debt facilities from lenders. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. In the event of default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business. In the event we breach any financial or other covenants contained in certain of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows.

Further, as on the date of the Prospectus, we have not received No Objection certificate from few lenders. We cannot assure you that such lenders will grant us consent and No- Objection certificate for this public Issue. Non-receipt of such consent and No-Objection certificate could lead to non-compliance of the terms of loan agreements entered into by our Company with the lenders.

**38. *If we are unable to service our debt obligations in a timely manner or to comply with various financial and other covenants and other terms and conditions of our financing agreements, it may adversely affect our business, prospects, results of operations and financial condition.***

As of September 30, 2023 our Company had total indebtedness in the form of short term and long-term borrowings of ₹ 4109.45 lakhs on consolidated restated basis. Our indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flows may be used towards repayment of our existing debt, which will reduce the availability of our cash flows to fund working capital, capital expenditures and other general corporate requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- fluctuations in market interest rates may affect the cost of our borrowings, as some of our indebtedness is at variable interest rates;
- there could be a material adverse effect on our business, financial condition and results of operations if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements; and

Many of our financing agreements also include various conditions and covenants that require us to obtain consent of the lenders prior to carrying out certain activities or entering into certain transactions. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. In the event of default or the breach of



certain covenants, our lender has the option to make the entire outstanding amount payable immediately. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business. For further details in this regard, please refer to note 55 & 56 under chapter titled “*Restated Financial Statement*” beginning on page 208 of this Prospectus.

**39. Our Company has availed unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.**

As on September 30, 2023, our Company has unsecured loans amounting to ₹ 482.88 lakhs from related parties & Others that are repayable on demand to them. Such loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lenders at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition. For further details of unsecured loans of our Company, please refer “Note 55 & 56” respectively under chapter titled “*Restated Financial Information*” beginning on page 208 of this Prospectus.

**40. Our lenders have charge over our movable and immovable properties in respect of finance availed by us.**

We have secured outstanding debt of ₹ 3626.59 lakhs as on September 30, 2023 and we have secured our lenders by creating charge over our movable and immovable properties. In the event we default in repayment of the loans availed by us and any interest thereof, our properties may be forfeited by lenders. For further information on the financing and loan agreements along with the total amounts outstanding, please refer to section titled “*Restated Financial Information*” on page 208 of this Prospectus.

**41. Our contingent liabilities as stated in our Restated Financial Statements could affect our financial condition.**

Our Contingent liabilities as on September 30, 2023 were ₹ 496.71 Lakhs. If these contingent liabilities materialize, fully or partly, the financial condition of our Company could be affected.

(₹ In lakhs)

| Particulars   | As at              |
|---|--------------------|
|   | September 30, 2023 |
| <b>(a) Contingent Liabilities</b>                           | 0.00               |
| a. Claims against the company not acknowledged as debts     | 0.00               |
| b. Related to taxation matter (Direct and Indirect)         | 496.71             |
| d. Other Money for which the company is contingently liable | 0.00               |
| <b>(b) Commitments</b>                                      | 0.00               |
| <b>Total</b>  | <b>496.71</b>      |

Note :-Bank guarantee has been given by the bank in the nature of performance and advance bank guarantee to the customers of the company and the amount is indeterminable.

For more information, regarding our contingent liabilities, please refer “*Note 25*” in chapter titled “*Restated Financial Information*” beginning on page 208 of this Prospectus.

**42. Changes in technology may render our current technologies obsolete or require us to make substantial investments.**

To remain competitive and efficient, modernization and technology upgradation are crucial for reducing costs and increasing output. Our business heavily relies on technology and machinery to deliver quality services. However, there is a risk of our technology and machinery becoming obsolete over time or not being upgraded timely, which can adversely impact our operations and financial condition, leading to a loss of competitive edge in the market. While we believe that we have implemented updated technology, we understand the importance of continuous improvement. We are committed to staying abreast of the latest technological standards and trends to enhance our capabilities. In the event of a new technology emerging in our industry, we may be required to invest in adopting that technology or upgrading our existing machinery and equipment to remain competitive.

The costs associated with upgrading technology and modernizing machinery are significant, and they can have a substantial impact on our finances and operations. These investments may lead to higher capital expenditures and can temporarily affect our profitability and cash flow. We must carefully assess the potential benefits and returns on such investments to ensure they align with our long-term growth objectives.

Our ability to successfully implement technology upgrades and modernization efforts depends on various factors, including availability of skilled technicians, compatibility of new technology with existing systems, and adequate financial resources. Delays or challenges in adopting new technology can hinder our operational efficiency and competitiveness in the market.



**43. Significant disruptions of information technology systems or breaches of data security could adversely affect our business.**

We depend upon information technology systems and third-party software, including internet-based systems, for our business operations, and these systems facilitate the flow of real-time information across departments and allows us to make information driven decisions and manage performance. The size and complexity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion and computer viruses. Any such disruption may result in the loss of key information and disrupt our operations. In addition, our systems are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorized persons. Such data security breaches could lead to the loss of trade secrets or other intellectual property, or could lead to the public exposure of personal information (including sensitive personal information) of our employees, customers and others. Although we have not experienced any significant disruptions to, or security breaches of, our information technology systems, we cannot assure you that we will not encounter such disruptions in the future and any such disruptions or security breaches could have an adverse effect on our business and reputation.

**44. We are dependent on our Promoters, our senior management and other key personnel, and the loss of, or our inability to attract or retain, such persons could affect our business, results of operations, financial condition and cash flows.**

Our performance depends largely on the efforts and abilities of our promoters, senior management and other key personnel. They have gained experience in this line of business and have over the years built relations with our customers and other persons who are connected with us and have been actively involved in the day to day operations and management, further we believe that the inputs and experience of our senior management, in particular, and other key personnel are valuable for project development and procurement activities, and our overall business operations and the strategic directions taken by our Company. For details in relation to the experience of our key management personnel, see “*Our Management*” on page 188 of this Prospectus. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an effect on our business, results of operations, financial condition and cash flows.

**45. The average cost of acquisition of Equity shares by our Promoters is lower than the Issue price.**

Our Promoter’s average cost of acquisition of Equity shares in our Company is lower than the Issue Price of Equity shares as given below:

| Sr. No | Name of Promoters          | No. of Equity Shares held | Average Cost of Acquisition per equity share (in ₹) |
|--------|----------------------------|---------------------------|---|
| 1.     | Mr. Biharilal Ravilal Shah | 6676950                   | Negative  |
| 2.     | Mr. Amish Biharilal Shah   | 2034318                   | 0.06  |

**46. We could be adversely affected due to misconduct or errors of our employees that are difficult to detect and any such incidents could adversely affect our financial condition, results of operations and reputation.**

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and damage our reputation. 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 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.

**47. Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.**

Our company faces potential risks related to incidents of theft or damage to inventory. While we have not encountered such situations in the past, we acknowledge that there is a possibility of experiencing inventory losses due to various factors such as employee theft, vendor fraud, and general administrative errors. These incidents could have a negative impact on the results of operations and financial condition. During the execution of the contract and up to defect liability period we are generally fully liable to compensate all concerned for any loss, damage, or destruction of work, structure, property etc. including third party risk arising due to causes attributable to us.

Despite implementing security measures and internal controls, there is no guarantee that we will completely avoid instances of fraud, theft, employee negligence, or security lapses in the future. Any such occurrence could lead to significant financial losses and affect our overall business performance.





Although we have insurance coverage against losses due to theft, fire, breakage, or damage caused by other casualties, the extent of coverage may not fully mitigate the financial impact of such incidents on our operations and financial condition. In some cases, the losses incurred may exceed the insurance coverage, resulting in additional financial strain for the company.

**48. *Our ability to pay any dividends will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures. Moreover, We might not sustain historical dividend levels moving forward.***

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 refer to the Section “*Dividend Policy*” on page 207 of the Prospectus. While we have paid dividends in the past, there can be no assurance as to whether we will pay dividends in the future and, if so, the level of such future dividends.

**49. *There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.***

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹ 10,000.00 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

**50. *Our Promoter and the Promoter Group will jointly continue to retain majority shareholding in our Company after the Issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders.***

Our promoter along with the promoter group will continue to hold collectively upto 91.65% of the Equity share capital of the company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholder’s vote. Such a concentration of the ownership may also have the affect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoter will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

**51. *Any variation in the utilization of the Net Proceeds as disclosed in this Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.***

We propose to utilize the Net Proceeds towards utilization for the working capital requirement and General Corporate Purposes of our Company. For further details of the proposed objects of the Issue, see Chapter titled as “*Objects of the Issue*” beginning on page 105. However, these objects of the Issue have not been appraised by any bank, financial institution or other independent agency. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, 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 circumstances that require us to vary the disclosed utilization of the Net Proceeds, 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. Further, our Promoters would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement to provide an exit opportunity to such dissenting shareholders of our Company may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Issue 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, if any, which may adversely affect our business and results of operations.



**52. Any future issuance of our Equity Shares may dilute prospective investors' shareholding, and sales of our Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.**

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**53. The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the Issue Price and you may not be able to sell your Equity Shares at or above the Issue Price.**

The Issue price of the equity shares have been based on many factor and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled "**Basis for Issue Price**" beginning on page 113 of the Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

**54. Our Promoters and Directors have provided personal guarantees for financing facilities availed by our Company and may in the future provide additional guarantees and any failure or default by our Company to repay such facilities in accordance with the terms and conditions of the financing agreements could trigger repayment obligations on them, which may impact their ability to effectively service their obligations as our Promoters and Directors and thereby, adversely impact our business and operations.**

Our Promoters and Directors have personally guaranteed the repayment of certain loan facilities taken by us. Our Promoters may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the guarantees provided by our Promoters and Directors may be invoked, which could negatively impact the reputation and net worth of our Promoters and Directors. In addition, our guarantors may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company.

Furthermore, in the event that our Promoters and Directors withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

**55. The Objects of the Issue for which funds are being raised, are based on our management estimates and the same have not been appraised by any bank or financial institution or any independent agency. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titled as "Objects of the Issue".**

The fund requirement and deployment, as mentioned in the chapter titled as "**Objects of the Issue**" on page 105 of this Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic



nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter titled ***“Objects of the Issue”*** on page 105 of this Prospectus is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation under chapter titled ***“Objects of the Issue”*** will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control and will be subject applicable rules and regulations. The occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

***56. Industry information included in this Prospectus has been derived from an industry sources. There can be no assurance that such third-party statistical, financial and other industry information is complete, reliable or accurate.***

This Prospectus includes information on Industry in which we operate from various sources. For further details, please see chapter titled ***“Industry Overview”*** beginning on page 124. The data has been furnished by independent agency on their websites and has no relationship with our Company, its Promoters, Directors, or the Book Running Lead Manager as on the date of this Prospectus. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

***57. Certain data mentioned in this Prospectus has not been independently verified.***

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

***58. In the event there is any delay in the completion of the Issue, or delay in schedule of implementation, there would be a corresponding delay in the completion of the objects of this Issue which would in turn affect our revenues and results of operations.***

The funds that we receive would be utilized for the objects of the Issue as has been stated in the chapter titled “Objects of The Issue” on Page no. 54 of this Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management’s estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, it may adversely affect our revenues and results of operations.

***59. We have not identified any alternate source of raising the funds required for the object of the Issue and the deployment of funds is entirely at our discretion and as per the details mentioned in the section titled “Objects of the Issue”.***

Our Company has not identified any alternate source of funding for our object of the Issue and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds or may result in borrowing funds on unfavourable terms, both of which scenarios may affect the business operation and financial performance of the company. Further the deployment of the funds raised in the issue will be entirely at the discretion of the management and any revision in the estimates may require us to reschedule our projected expenditure and may have a bearing on our expected revenues and earnings. For further details of Please refer chapter titled “Object for the Issue” beginning on page 105 of this Prospectus.

***60. Any future issuance of Equity Shares may dilute your shareholdings, and sale 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.

**61. 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 did not 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 and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. 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 could lead to imposition of huge penalties, if any including suspension of trading, imposed by Stock Exchange.

**EXTERNAL RISK FACTORS:**

**1. Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.**

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. For instance, the Government has proposed a comprehensive national goods and services tax ("GST") regime that will combine taxes and levies by the Central and state Governments into a unified rate structure. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any such future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

**2. Investor may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.**

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short-term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 10%, in excess of Rs. 1,00,000. Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. 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 to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

**3. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.**

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies. 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.

The Government of India has traditionally exercised, and continues to exercise, a significant 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. Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

**4. *An outbreak of other infectious or virulent diseases, if uncontrolled, may have an adverse effect on our business, results of operations and financial condition.***

An outbreak of other infectious or virulent diseases, such as severe acute respiratory syndrome, the COVID-19 virus, the H1N1 virus, avian influenza (bird flu), the Zika virus or the Ebola virus, if uncontrolled, may have a material adverse effect on the economies of certain countries and our operations. If any of our employees or the employees of our suppliers and/or customers are infected with such diseases or if a significant portion of our workforce refuses to work for fear of contracting an infectious disease, our Company, our suppliers and/or our customers may be required to shut down operations for a period of time, and this could adversely affect our business, results of operations and financial condition. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

**5. *Terrorist attacks or war or conflicts involving India or other countries could adversely affect consumer and business sentiment and the financial markets and adversely affect our business.***

Terrorist attacks and other acts of violence or war may adversely affect global equity markets and economic growth as well as the Indian economy and stock markets. Such acts negatively impact business and economic sentiment, which could adversely affect our business and profitability. Also, India has from time to time experienced, and continues to experience, social and civil unrest and hostilities with neighboring countries. Armed conflicts could disrupt communications and adversely affect the Indian economy. Such events could also create a perception that investments in Indian companies involve a high degree of risk. This, in turn, could have a material adverse effect on the market for securities of Indian companies, including our Equity Shares. The consequences of any armed conflicts are unpredictable and we therefore may not be able to foresee events that could have an adverse effect on our business.

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

Global economic and political factors that are beyond our control influence forecasts 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.

**7. *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's normal business activity. Any deterioration of India's 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.

**8. *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.

**9. *Instability in financial markets could materially and adversely affect the results of operations and financial condition.***



The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

**10. *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.

**11. *Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.***

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in effect 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 rupees proceeds from the 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 authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

**12. *A slowdown in economic growth in India may adversely affect our business, financial condition, cash flows, results of operations and prospects.***

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by centre or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investor's reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

**13. *Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter "Government and Other Statutory Approvals" on page 231 for details of the laws currently applicable to us. The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition, results of operations and cash flows.



In addition, unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and services tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. We are involved in various disputes with tax authorities. For details of these disputes, see “Outstanding Litigation and Material Developments” on page \_\_ Moreover, the central and state tax scheme in India is extensive and subject to change from time to time.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Ordinance, 2019, a new tax ordinance issued by India’s Ministry of Finance on September 20, 2019, prescribes a number of changes to the income tax rate applicable to companies in India. According to this new ordinance, companies can henceforth voluntarily opt for a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies. Any such future amendments may affect other benefits such as an exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would influence our profitability.

The Finance Act, 2022 (“Finance Act”), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax (“DDT”), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non- resident and are likely to be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Further, the Government of India has notified the Finance Act, 2023, which has introduced various amendments to taxation laws in India. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

**14. *The Equity Shares have never been publicly traded, and the Issue may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price.***

Prior to the issue, there has been no public market for the Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, there will be liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Issue. The market price of the Equity Shares after the Issue can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian and global machine tools industry, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India’s economic liberalisation and deregulation policies, and significant developments in India’s fiscal regulations. In addition, the Stock Exchanges may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Equity Shares. General or industry-specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance may also affect the price of the Equity Shares. In particular, the stock market as a whole in the past has experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to the companies’ operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

**15. *The requirements of being a publicly listed company may strain our resources.***

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by



shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and, or, we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition.

Any further issuance of Equity Shares, or convertible securities or other equity-linked instruments by us may dilute your shareholding. We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**16. *The sale of Equity Shares by our Promoters in future may adversely affect the market price of the Equity Shares.***

After the completion of the Issue, our Promoters will still own a significant percentage of our issued Equity Shares. The sale of a large number of the Equity Shares by our Promoters could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur, could adversely affect the market price of the Equity Shares. No assurance may be given that our Promoters will not dispose of, pledge or encumber their Equity Shares in the future.

**17. *There is no guarantee that our Equity Shares will be listed on the relevant stock exchange in a timely manner or at all.***

There is no guarantee that our Equity Shares will be listed on the relevant stock exchange in a timely manner or at all. In accordance with Indian law, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the relevant stock exchange within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.





## SECTION IV – INTRODUCTION THE ISSUE

Present Issue in terms of this Prospectus:

| Particulars                                  | Details   |
|--|---|
| Equity Shares Issued*                        | Issue of 4100000 Equity Shares of ₹ 10/- each at a price of ₹ 70/- per Equity Share each aggregating to ₹ 2870.00 Lakhs   |
| Of which:                                    |   |
| Reserved for Market Makers                   | 206000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share each aggregating to ₹ 144.20 Lakhs   |
| Net Issue to the Public                      | 3894000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share each aggregating to ₹ 2725.80 Lakhs   |
| Of which                                     |   |
| Allocation to Anchor Investors               | 1166000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share each aggregating to ₹ 816.20 Lakhs  |
| Allocation to Qualified Institutional Buyers | 778000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share each aggregating to ₹ 544.60 Lakhs   |
| Allocation to Non-Institutional Investors    | Not less than 586000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share each aggregating to ₹ 410.20 Lakhs                               |
| Allocation to Retail Individual Investors    | Not less than 1364000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share each aggregating to ₹ 945.80 Lakhs                              |
| Equity Shares outstanding prior to the Issue | 11000000 Equity Shares of ₹ 10/- each   |
| Equity Shares outstanding after the Issue    | 15100000 Equity Shares of ₹ 10/- each   |
| Use of Proceeds                              | For details, please refer chapter titled “ <i>Objects of The Issue</i> ” beginning on Page no. 105 of this Prospectus for information on use of Issue Proceeds. |

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

- (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) and Regulation 253 (1) 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 issued to the public for subscription.
- (2) The present Issue has been authorized pursuant to a resolution of our Board dated August 25, 2023 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on September 18, 2023.
- (3) 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 Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.
- (4) 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 Retail 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.
- (5) Subject to valid Bids being received at or above the Issue Price, undersubscription, 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.



**SUMMARY OF FINANCIAL INFORMATION**  
**ANNEXURE-A-RESTATED CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES**  
 (All amounts in rupees lakhs, except per share data and as stated otherwise)

| Particulars |   | As at 30<br>September 2023 | As at 31<br>March 2023 | As at 31<br>March 2022 | As at 31<br>March 2021 |
|-------------|---|----------------------------|------------------------|------------------------|------------------------|
| <b>A</b>    | <b>EQUITY AND LIABILITIES</b>   |                            |                        |                        |                        |
| <b>1</b>    | <b>Shareholders' funds</b>  |                            |                        |                        |                        |
|             | (a) Share capital   | 1,100.00                   | 100.00                 | 100.00                 | 100.00                 |
|             | (b) Reserves and surplus  | 5,547.68                   | 6,091.50               | 5,323.73               | 4,971.48               |
|             |   | <b>6,647.68</b>            | <b>6,191.50</b>        | <b>5,423.73</b>        | <b>5,071.48</b>        |
| <b>2</b>    | <b>Non-current liabilities</b>  |                            |                        |                        |                        |
|             | (a) Long-term borrowings  | 481.92                     | 600.21                 | 267.13                 | 278.46                 |
|             |   | <b>481.92</b>              | <b>600.21</b>          | <b>267.13</b>          | <b>278.46</b>          |
| <b>3</b>    | <b>Current liabilities</b>  |                            |                        |                        |                        |
|             | (a) Short-term borrowings   | 3,627.54                   | 2,906.94               | 2,383.46               | 2,269.66               |
|             | (b) Trade payables  | 3,532.16                   | 3,589.07               | 2,643.74               | 1,664.33               |
|             | (i) total outstanding dues of micro enterprises and small enterprises                       | 936.77                     | 778.99                 | 501.05                 | 75.57                  |
|             | (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 2,595.38                   | 2,810.09               | 2,142.69               | 1,588.77               |
|             | (c) Other current liabilities   | 1,446.15                   | 1,128.25               | 892.89                 | 864.40                 |
|             | (d) Short-term provisions   | 487.79                     | 197.01                 | 273.47                 | 215.69                 |
|             |   | <b>9,093.64</b>            | <b>7,821.28</b>        | <b>6,193.57</b>        | <b>5,014.08</b>        |
|             | <b>TOTAL</b>  | <b>16,223.23</b>           | <b>14,612.99</b>       | <b>11,884.44</b>       | <b>10,364.02</b>       |
| <b>B</b>    | <b>ASSETS</b>   |                            |                        |                        |                        |
| <b>1</b>    | <b>Non-current assets</b>   |                            |                        |                        |                        |
|             | (a) Property, Plant and Equipment and Intangible Assets                                     | 796.29                     | <b>837.25</b>          | <b>750.29</b>          | <b>776.44</b>          |
|             | (i) Property plant and Equipment  | 792.56                     | 832.46                 | 742.46                 | 766.33                 |
|             | (ii) Intangible Assets  | 3.72                       | 4.78                   | 7.83                   | 10.10                  |
|             | (b) Non-current investment  | 24.00                      | 156.64                 | 246.83                 | 189.39                 |
|             | (c) Deferred Tax Assets/(Deferred Tax Liabilities) (Net)                                    | 10.22                      | 0.48                   | 5.63                   | 8.53                   |
|             | (d) Other Non-Current Assets  | 74.57                      | 61.32                  | 55.24                  | 52.35                  |
|             | (e) Long-term loans and advances  | 84.78                      | 64.82                  | 15.28                  | 15.41                  |
|             |   | <b>989.86</b>              | <b>1,120.51</b>        | <b>1,073.27</b>        | <b>1,042.12</b>        |
| <b>2</b>    | <b>Current assets</b>   |                            |                        |                        |                        |
|             | (a) Inventories   | 0.00                       | 0.00                   | 0.00                   | 0.00                   |
|             | (b) Trade receivables   | 4,177.06                   | 5,317.25               | 5,127.67               | 3,269.74               |
|             | (c) Cash and bank balances  | 1,543.29                   | 1,212.20               | 987.77                 | 1,150.90               |
|             | (d) Short-term loans and advances   | 1,129.23                   | 1,228.41               | 1,101.81               | 1,419.70               |
|             | (e) Other Current Assets  | 8,383.79                   | 5,734.63               | 3,593.92               | 3,481.56               |
|             |   | <b>15,233.38</b>           | <b>13,492.49</b>       | <b>10,811.17</b>       | <b>9,321.90</b>        |
|             | <b>TOTAL</b>  | <b>16,223.23</b>           | <b>14,612.99</b>       | <b>11,884.44</b>       | <b>10,364.02</b>       |



**ANNEXURE-B- RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

**(All amounts in rupees lakhs, except per share data and as stated otherwise)**

| <b>Particulars</b> |   | <b>For the<br/>Period Ended<br/>30 September<br/>2023</b> | <b>For the<br/>year ended<br/>31 March<br/>2023</b> | <b>For the year<br/>ended<br/>31 March<br/>2022</b> | <b>For the year<br/>ended<br/>31 March<br/>2021</b> |
|--------------------|---|---|---|---|---|
| <b>1</b>           | Revenue from operations                   | 9,305.27  | 15,340.49   | 10,704.72   | 10,489.43   |
| <b>2</b>           | Other income                              | 128.78  | 159.56  | 197.59  | 127.72  |
| <b>3</b>           | <b>Total Income</b>                       | <b>9,434.05</b>   | <b>15,500.05</b>                                    | <b>10,902.31</b>                                    | <b>10,617.16</b>                                    |
| <b>4</b>           | <b>Expenses</b>                           |   |   |   |   |
|                    | (a) Purchases                             | 4,248.30  | 7,398.65  | 4,012.79  | 4,064.96  |
|                    | (b) Employee benefits expense             | 1,447.58  | 2,372.95  | 1,778.67  | 1,720.43  |
|                    | (c) Finance costs                         | 249.40  | 378.80  | 223.34  | 236.98  |
|                    | (d) Depreciation and amortization expense | 47.31   | 81.49   | 77.53   | 92.04   |
|                    | (e) Other expenses                        | 2,901.48  | 4,154.36  | 4,328.88  | 4,223.33  |
|                    | <b>Total expenses</b>                     | <b>8,894.07</b>   | <b>14,386.26</b>                                    | <b>10,421.21</b>                                    | <b>10,337.74</b>                                    |
| <b>5</b>           | <b>Profit before Tax</b>                  | <b>539.99</b>   | <b>1,113.80</b>                                     | <b>481.10</b>                                       | <b>279.42</b>                                       |
| <b>6</b>           | <b>Tax expense:</b>                       |   |   |   |   |
|                    | Current Tax                               | 156.74  | 330.87  | 125.95  | 85.80   |
|                    | Deferred Tax                              | -9.74   | 5.15  | 2.90  | 3.28  |
|                    | (Excess) Short provision for tax          | -63.17  | 0.00  | 0.00  | 0.00  |
| <b>7</b>           | <b>Profit for the year</b>                | <b>456.16</b>   | <b>777.77</b>                                       | <b>352.25</b>                                       | <b>190.34</b>                                       |



**ANNEXURE-C- RESTATED CONSOLIDATED STATEMENT OF CASH FLOW**  
(All amounts in rupees lakhs, except per share data and as stated otherwise)

| Sr. No. | Particulars  | For the Period Ended 30 September 2023 |                | For the Year Ended 31 March 2023 |                 | For the Year Ended 31 March 2022 |                | For the Year Ended 31 March 2021 |                 |
|---------|--|--|----------------|----------------------------------|-----------------|----------------------------------|----------------|----------------------------------|-----------------|
|         |  |  |                |                                  |                 |                                  |                |                                  |                 |
| (A)     | <b>Cash Flow from Operating Activities:</b>  |  |                |                                  |                 |                                  |                |                                  |                 |
|         | Profit before taxation   |  | 539.99         |                                  | 1,113.80        |                                  | 481.10         |                                  | 279.42          |
|         | <b>Adjustments for:</b>  |  |                |                                  |                 |                                  |                |                                  |                 |
|         | Depreciation   | 47.31                                  |                | 81.49                            |                 | 77.53                            |                | 92.04                            |                 |
|         | (Profit)/Loss on sale of Fixed Assets  | -                                      |                | (2.38)                           |                 | (0.89)                           |                | (0.06)                           |                 |
|         | (Profit)/Loss on sale of Investments   | (45.22)                                |                | (11.98)                          |                 | (93.64)                          |                |                                  |                 |
|         | Interest expense   | 232.81                                 |                | 348.76                           |                 | 218.08                           |                | 213.09                           |                 |
|         | Dividend income  | (0.22)                                 |                | (1.75)                           |                 | (2.13)                           |                | (1.28)                           |                 |
|         | Other adjustments pertaining to previous years   | -                                      |                |                                  |                 |                                  |                | (23.65)                          |                 |
|         | <b>Cash generated from operating activities</b>  | 234.68                                 |                | 414.14                           |                 | 198.94                           |                | 280.13                           |                 |
|         | <b>Adjustments for working capital:</b>  |  |                |                                  |                 |                                  |                |                                  |                 |
|         | Increase / (decrease) in trade payables  | (56.92)                                |                | 945.33                           |                 | 979.41                           |                | -1,407.06                        |                 |
|         | Increase / (decrease) in provisions  | 290.78                                 |                | (76.46)                          |                 | 57.79                            |                | 86.26                            |                 |
|         | Increase / (decrease) in other current liabilities   | 317.91                                 |                | 235.36                           |                 | 28.49                            |                | 337.08                           |                 |
|         | Decrease / (increase) in trade receivables   | 1,140.19                               |                | (189.58)                         |                 | (1,857.93)                       |                | 415.27                           |                 |
|         | Decrease / (increase) in loans and advances  | 79.23                                  |                | (176.15)                         |                 | 318.02                           |                | (151.86)                         |                 |
|         | Decrease / (increase) in other assets (including fixed deposits having original maturity more than 3 months) | (3,062.65)                             | -1,056.78      | (2723.53)                        | (1,570.88)      | (162.80)                         | (438.08)       | (173.15)                         | (613.33)        |
|         | <b>Cash used in operations</b>   |  | -516.80        |                                  | (457.08)        | -                                | 43.01          |                                  | (333.91)        |
|         | Income Tax Refund/ (Paid) (Net)  |  |                |                                  |                 |                                  | -              |                                  |                 |
|         | <b>Net cash generated from operating activities</b>  |  | <b>-516.80</b> |                                  | <b>(457.08)</b> |                                  | <b>43.01</b>   |                                  | <b>(333.91)</b> |
| (B)     | <b>Cash Flow From Investing Activities:</b>  |  |                |                                  |                 |                                  |                |                                  |                 |
|         | Sale of Fixed Assets   | -                                      |                | 4.79                             |                 | 3.07                             |                | 0.32                             |                 |
|         | Acquisition of fixed assets  | (6.35)                                 |                | (170.85)                         |                 | (53.55)                          |                | (123.67)                         |                 |
|         | Investment in Mutual Fund & Shares (Net)   | 177.85                                 |                | 102.17                           |                 | 36.20                            |                | (101.38)                         |                 |
|         | Dividend   | 0.22                                   | 171.72         | 1.75                             | (62.14)         | 2.13                             | (12.15)        | 1.28                             | (223.45)        |
|         | <b>Net cash utilised for investing activities</b>  |  | <b>171.72</b>  |                                  | <b>(62.14)</b>  |                                  | <b>(12.15)</b> |                                  | <b>(223.45)</b> |
| (C)     | <b>Cash Flow From Financing Activities:</b>  |  |                |                                  |                 |                                  |                |                                  |                 |
|         | Proceeds/(Repayment) of long-term borrowings (Net)   | (118.30)                               |                | 333.07                           |                 | (11.32)                          |                | 197.93                           |                 |
|         | Net increase / (decrease) in short term borrowings   | 720.59                                 |                | 523.49                           |                 | 113.79                           |                | 545.70                           |                 |
|         | Interest paid  | (232.81)                               |                | (348.76)                         |                 | (218.08)                         |                | (213.09)                         |                 |
|         | Dividend Paid (inclusive of Tax on Dividend)   | -                                      | 369.49         | (10.00)                          | 497.80          | 0.00                             | (115.60)       | 0.00                             | 530.54          |



## SECTION V –GENERAL INFORMATION

Our Company was originally incorporated as “Konstelec Engineers Private Limited” as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 05, 1995, issued by the Registrar of Companies, Mumbai. Subsequently Our Company was converted from a private limited company to public limited company pursuant to shareholders resolution passed in the Extra-Ordinary General Meeting of the company dated June 30, 2023 and consequently, the name of our Company was changed to “Konstelec Engineers Limited” and a fresh certificate of incorporation dated August 25, 2023 was issued to our Company by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U45203MH1995PLC095011. For details of change in name and registered office of our Company, please refer to chapter titled “History and Corporate Matters” beginning on page no. 172 of this Prospectus.

### BRIEF INFORMATION ON COMPANY AND ISSUE

| Particulars                              | Details   |
|--|---|
| Name of Issuer                           | Konstelec Engineers Limited   |
| Registered Office                        | 308, Creative Industrial Estate, Sundar Nagar Lane No. 2, Kalina, Santacruz (East), Mumbai- 400098, Maharashtra, India  |
| Telephone No.                            | +91 2243421551  |
| E-Mail                                   | compliance@konstelec.com  |
| Website                                  | www.konstelec.com   |
| Contact Person                           | Ms. Shatabdi Sudam Salve  |
| Date of Incorporation                    | December 05, 1995   |
| Company Identification Number            | U45203MH1995PLC095011   |
| Company Registration Number              | 095011  |
| Company Category                         | Company Limited by Shares   |
| Registrar of Company                     | ROC – Mumbai  |
| Address of the RoC                       | 100, Everest Building, Marine Drive, Mumbai-400 002, Maharashtra, India.  |
| Company Secretary and Compliance Officer | Ms. Shatabdi Sudam Salve<br>Konstelec Engineers Limited<br>Address: 308, Creative Industrial Estate, Sundar Nagar Lane No. 2, Kalina, Santacruz (East), Mumbai- 400098, Maharashtra, India<br><b>Telephone No.:</b> +91 2243421551; <b>Website:</b> <a href="http://www.konstelec.com">www.konstelec.com</a> ;<br><b>E-Mail:</b> <a href="mailto:compliance@konstelec.com">compliance@konstelec.com</a> |
| Designated Stock Exchange                | <b>SME Platform of National Stock Exchange of India Ltd</b><br><b>Address:</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051   |

| Issue Program   |                  |
|-----------------|------------------|
| Issue Opened on | January 19, 2024 |
| Issue Closed on | January 24, 2024 |

\*The Anchor Investor Bidding Date was one Working Day prior to the Bid/ Offer Opening Date, i.e. Thursday, January 18, 2024

#### Note:

Investors can contact the Company Secretary and Compliance officer in case of any pre issue or post issue related problems such as non-receipt of letter of allotment or credit of securities in depository’s beneficiary account or dispatch of refund order etc.

All grievances relating to the ASBA process and UPI Process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted or Sponsor Bank, as the case may be. The Applicant should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, PAN, UPI ID (in case of RII’s if applicable), date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.



Further, the Investors shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries/SCSB in addition to the information mentioned hereinabove.

### BOARD OF DIRECTORS OF OUR COMPANY

Presently our Board of Directors comprises of following Directors.

| Sr. No. | Name                         | Designation                    | DIN      | Address  |
|---------|------------------------------|--------------------------------|----------|--|
| 1.      | Mr. Biharilal Ravilal Shah   | Chairman cum Managing Director | 00337318 | 1003/04, Bhoomi Tower 'A' Wing, Opp. Jain Temple, off. Nehru Road, Santacruz (East) Mumbai-400 055   |
| 2.      | Mr. Amish Biharilal Shah     | Whole-Time Director            | 01415766 | A-1303, Sigma Emerald, Anand Nagar Vishal CHSL, Guranarayan Road Near Yes Bank, Santacruz (East), Mumbai 400055, Maharashtra                               |
| 3.      | Mr. Jigar Dhiresh Shah       | Whole Time Director            | 10082070 | 1302, Tadmor-4, Skyline Oasis, Premier Road, Next to ITI College, Ghatkopar (West), Mumbai-400086, Maharashtra, India.                                     |
| 4.      | Ms. Manisha Abhay Lalan      | Independent Director           | 10259129 | 183/45, Milap Cooperative Housing Society, Near Bank of Maharashtra, Sector 1, Charkop, Kandivali West, Mumbai, Kandivali West, 400067, Maharashtra, India |
| 5.      | Mrs. Amita Sachin Karia      | Independent Director           | 07068393 | 19th Floor, Darshan Vonalzo, Naushir Bharucha Marg. Slealer Road, Mumbai, Maharashtra-400007   |
| 6.      | Mr. Ranjan Brij Mohan Mathur | Independent Director           | 02842552 | RH2/d8/Sector 6, Near Hp Gas Near Esis Hospital, Vashi, Navi Mumbai, Sanpada, Thane, Thane, 400703, Maharashtra, India                                     |

For further details pertaining to the educational qualifications and experience of our directors, please refer to the chapter titled "Our Management" beginning on Page No. 188 of this Prospectus.

### DETAILS OF KEY MARKET INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

| BOOK RUNNING LEAD MANAGER TO THE ISSUE   | REGISTRAR TO THE ISSUE  |
|--|---|
|   |   |
| <b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b><br><b>SEBI Registration Number:</b> INM000012917<br><b>Address:</b> B/1311-1314, Shilp Corporate Park Near Rajpath Club, Rajpath Rangoli Road, S.G. Highway, Ahmedabad, Gujarat 380054<br><b>Telephone Number:</b> +91 79 4918 5784<br><b>Email Id:</b> <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a><br><b>Investors Grievance Id:</b> <a href="mailto:ig@beelinemb.com">ig@beelinemb.com</a><br><b>Website:</b> <a href="http://www.beelinemb.com">www.beelinemb.com</a><br><b>Contact Person:</b> Mr. Nikhil Shah<br><b>CIN:</b> U67190GJ2020PTC114322 | <b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b><br><b>SEBI Registration Number:</b> INR000003241<br><b>Address:</b> D-153A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi – 110020, India.<br><b>Tel. Number:</b> 011-40450193-197<br><b>Fax-</b> 011-26812683<br><b>Email Id:</b> <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a><br><b>Investors Grievance Id:</b> <a href="mailto:grievances@skylinerta.com">grievances@skylinerta.com</a><br><b>Website:</b> <a href="http://www.skylinerta.com">www.skylinerta.com</a><br><b>Contact Person:</b> Mr. Anuj Rana<br><b>CIN:</b> U74899DL1995PTC071324 |
| STATUTORY AUDITORS OF THE COMPANY  | PEER REVIEWED AUDITORS OF THE COMPANY   |
| <b>M/s. SHAH P M AND ASSOCIATES</b><br>Chartered Accountants<br><b>Address:</b> B-4, Damodar Krupa, 2'd Floor, Liberty Garden Cross Road No 2 & 3, Opp BMC Ward Office, Malad (West), Mumbai - 400064, Maharashtra, India.<br><b>Tel. No.:</b> +91 22 2888 4888<br><b>Contact Person:</b> Mr. Punit Shah<br><b>Email Id:</b> <a href="mailto:punit@spmca.co.in">punit@spmca.co.in</a><br><b>Membership No.:</b> 130284   | <b>M/s. Shaparia Mehta &amp; Associates LLP</b><br>Chartered Accountants<br><b>Address:</b> 804A, 8th Floor, Naman Midtown, Elphinston Rd, Senapati Bapat Marg, Mumbai, Maharashtra 400013<br><br><b>Tel. No.:</b> +91-22-62295100<br><b>Contact Person:</b> Mr. Sanjiv Mehta<br><b>Email Id:</b> <a href="mailto:office.smca@gmail.com">office.smca@gmail.com</a><br><b>Membership No.:</b> 034950   |



|  |   |
|--|---|
| <b>Firm Registration No:</b> 131576W<br><b>Peer review Number:</b> 015577  | <b>Firm Registration No:</b> 112350W / W-100051<br><b>Peer review Number:</b> 013393  |
| <b>LEGAL ADVISOR TO THE ISSUE</b>  | <b>BANKERS TO THE COMPANY</b>   |
| <b>MINDSPRIGHT LEGAL</b><br><b>Address:</b> 712-714, C-Wing, Trade World, Kamla City, Senapati Bapat Marg, Lower Parel (West), Mumbai-400013, Maharashtra, India.<br><b>Tel No.:</b> +91-22-42197000<br><b>Email:</b> <a href="mailto:legal@mindspright.co.in">legal@mindspright.co.in</a><br><b>Contact Person:</b> Ms. Richa Bhansali<br><b>Website:</b> <a href="http://mindspright.co.in">http://mindspright.co.in</a> | <b>ICICI BANK LIMITED</b><br><b>Address:</b> ICICI bank, 6- Floor Ackruti center Point, Andheri MIDC, Andheri East, 400069<br><b>Tel:</b> 7021245959<br><b>Mail:</b> <a href="mailto:deepakshi.gopal@icicibank.com">deepakshi.gopal@icicibank.com</a><br><b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a><br><b>Contact Person:</b> Deepakshi |
| <b>BANKERS TO THE COMPANY</b>  | <b>BANKERS TO THE COMPANY</b>   |
| <b>HDFC BANK LIMITED</b><br><b>Address:</b> 4th Floor, B Wing, Peninsula Business Park, Lower Parel, Mumbai<br><b>Tel:</b> +91 96918 53628<br><b>Mail:</b> <a href="mailto:aayushi.goyal@hdfc.com">aayushi.goyal@hdfc.com</a><br><b>Website:</b> <a href="http://www.hdfcbank.com">www.hdfcbank.com</a><br><b>Contact Person:</b> Aahish Goyal   | <b>BANK OF BARODA</b><br><b>Address:</b> Nitin Niwas, 47, M.G. Road, Vile Parle (East), Mumbai – 400057, India.<br><b>Tel:</b> +91 022 2618 1653<br><b>Mail:</b> <a href="mailto:vileas@bankofbaroda.com">vileas@bankofbaroda.com</a><br><b>Website:</b> <a href="http://www.bankofbaroda.com">www.bankofbaroda.com</a><br><b>Contact Person:</b> Mr Ram Narayan Jha  |
| <b>BANKERS TO THE ISSUE, REFUND BANKER AND SPONSOR BANK</b>  |   |
| <b>ICICI BANK LIMITED</b><br><b>Address:</b> ICICI bank, Capital Market Division, 163, 5 <sup>th</sup> Floor, H.T Parekh Marg, Backbay Reclamation, Church Gate, Mumbai - 400020<br><b>Tel:</b> 02268052185<br><b>Mail:</b> <a href="mailto:ipocmg@icicibank.com">ipocmg@icicibank.com</a><br><b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a><br><b>Contact Person:</b> Mr. Varun Badai           |   |

## DESIGNATED INTERMEDIARIES

### Self-Certified Syndicate Banks

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>

Investors are requested to refer the SEBI website for updated list of SCSBs and their designated branches.

Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>.

### BROKERS TO THE ISSUE

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

### REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS

The list of the Registrar to Issue and Share Transfer Agents (RTAs) eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>, as updated from time to time.

### COLLECTING DEPOSITORY PARTICIPANTS

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at



<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

#### STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Beeline Capital Advisors Private Limited is only Book Running Lead Manager to the issue, all the responsibility of the issue will be managed by them.

#### CREDIT RATING

As this is an issue of Equity Shares, there is no credit rating for this Issue.

#### IPO GRADING

Since the issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency.

#### FILING OF DRAFT RED HERRING PROSPECTUS / RED HERRING PROSPECTUS / PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

The Draft Red Herring Prospectus is being filed with National Stock Exchange of India Limited, 4<sup>th</sup> Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India.

A Draft Red Herring Prospectus will not be filed with SEBI nor will SEBI issue any observation on the draft offer document in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Further, a soft copy of the Prospectus along with due diligence certificate including additional confirmations shall be filed with SEBI. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered to the RoC Office situated at 5<sup>th</sup> Floor, 100, Everest Building, Netaji Subhash Road, Marine Drive, Mumbai 400 002, Maharashtra, India.

#### CHANGES IN AUDITORS IN LAST THREE YEARS

| Particulars   | Date of Change | Reason for change  |
|---|----------------|--|
| <b>M/s. Punit Shah &amp; Associates.</b><br>Chartered Accountants<br><b>Address:</b> B-4 Damodar Krupa, 2 <sup>nd</sup> Floor, Liberty Garden Cross Road No 2 & 3, Above Ashraya Hotel, Opp BMC Ward Office, Malad (West), Mumbai-400 064, Maharashtra, India.<br><b>Tel. No.:</b> +91 22 2888 4888<br><b>Email Id:</b> <a href="mailto:punitshah@gmail.com">punitshah@gmail.com</a><br><b>Membership No.:</b> 130284<br><b>Firm Registration No:</b> 131576W | June 25, 2018  | Resigned as statutory auditor of the company due to Change in constitution of proprietorship firm Punit Shah & Associates with effect from June 15, 2018 to partnership firm with name and style 'Punit Shah & Associates' as per approval letter dated June 25, 2018 issued by the Institute of Chartered Accountants of India. |
| <b>M/s. Punit Shah &amp; Associates.</b><br>Chartered Accountants<br><b>Address:</b> B-4 Damodar Krupa, 2 <sup>nd</sup> Floor, Liberty Garden Cross Road No 2 & 3, Above Ashraya Hotel, Opp BMC Ward Office, Malad (West), Mumbai-400 064, Maharashtra, India.<br><b>Tel. No.:</b> +91 22 2888 4888<br><b>Email Id:</b> <a href="mailto:punitshah@gmail.com">punitshah@gmail.com</a><br><b>Membership No.:</b> 130284<br><b>Firm Registration No:</b> 131576W | June 27, 2018  | Auditor appointed in case of casual vacancy for a period from April 1, 2017 to March 31, 2018.   |





| Particulars   | Date of Change     | Reason for change   |
|---|--------------------|---|
| <b>M/s. Punit Shah &amp; Associates.</b><br>Chartered Accountants<br><b>Address:</b> B-4 Damodar Krupa, 2 <sup>nd</sup> Floor, Liberty Garden Cross Road No 2 & 3, Above Ashraya Hotel, Opp BMC Ward Office, Malad (West), Mumbai-400 064, Maharashtra, India.<br><b>Tel. No.:</b> +91 22 2888 4888<br><b>Email Id:</b> <a href="mailto:punitjshah@gmail.com">punitjshah@gmail.com</a><br><b>Membership No.:</b> 130284<br><b>Firm Registration No:</b> 131576W           | September 29, 2018 | Re-appointed as Statutory Auditor of the company to hold office as the Statutory Auditors of the Company for a period from April 1, 2018 to March 31, 2023* |
| <b>M/s. Shah P M and Associates</b><br>Chartered Accountants<br><b>Address:</b> B-4, Damodar Krupa, 2 <sup>d</sup> Floor, Liberty Garden Cross Road No 2 & 3, Opp BMC Ward Office, Malad (West), Mumbai - 400064, Maharashtra, India.<br><b>Tel. No.:</b> +91 22 2888 4888<br><b>Contact Person:</b> Mr. Punit Shah<br><b>Email Id:</b> <a href="mailto:punit@spmca.co.in">punit@spmca.co.in</a><br><b>Membership No.:</b> 130284<br><b>Firm Registration No:</b> 131576W | September 18, 2023 | Appointed as Statutory Auditor of the company to hold office as the Statutory Auditors of the Company for a period FY 2023-24 to FY 2024-25.                |

\* Name of M/s. Punit Shah & Associates chartered accounts was changed to M/s. Shah P M and Associates w.e.f. March 20, 2019.

## TRUSTEES

As this is an issue of Equity Shares, the appointment of Trustees is not required.

## APPRAISAL AND MONITORING AGENCY

As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds ₹ 10,000/- Lakh. Hence, our Company is not required to appoint a monitoring agency in relation to the issue. However, Audit Committee of our Company will be monitoring the utilization of the Issue Proceeds.

The object of the issue and deployment of funds are not appraised by any independent agency/bank/financial institution.

## UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement has been entered on January 9, 2024. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

| Details of the Underwriter  | No. of shares underwritten* | Amount Underwritten (₹ in Lakh) | % of the total Issue Size Underwritten |
|---|-----------------------------|---------------------------------|--|
| <b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b><br><b>Address:</b> B 1311-1314 Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad - 380054, Gujarat, India.<br><b>Tel No:</b> +91 79 4918 5784<br><b>Email Id:</b> <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a><br><b>Investor Grievance Id:</b> <a href="mailto:ig@beelinemb.com">ig@beelinemb.com</a><br><b>Website:</b> <a href="http://www.beelinemb.com">www.beelinemb.com</a><br><b>Contact Person:</b> Mr. Nikhil Shah | 4100000                     | 2870.00                         | <b>100%</b>                            |

\* Including 206000 Equity Shares reserved for market maker.

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above-



mentioned Underwriter are sufficient to enable it to discharge its underwriting obligation in full. The abovementioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act with the Stock Exchanges.

#### **DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE**

Our Company and the Book Running Lead Manager have entered into an agreement dated January 9, 2024 with the following Market Maker to fulfil the obligations of Market Making:

##### **SPREAD X SECURITIES PRIVATE LIMITED**

**Address:** Shilp Corporate Park, B Block, 13th Floor, B-1309, Near Rajpath Club, Rajpath Rangoli Road, S. G. Highway, Ahmedabad – 380054, Gujarat, India

**Tel:** +91 79 6907 2018

**Email Id:** [info@spreadx.in](mailto:info@spreadx.in)

**Website:** [www.spreadx.in](http://www.spreadx.in)

**Contact Person:** Mrs. Khushbu Nikhilkumar Shah The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018 and the circulars issued by the NSE and SEBI in this regard from time to time.

Following is a summary of the key details pertaining to the proposed Market Making arrangement:

- 1) The Market Maker(s) (individually or jointly) 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(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- 2) 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(s) (individually or jointly) in that scrip provided that he/she sells his/her entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 4) After a period of One months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the 206000 Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 206000 Equity Shares would not be taken into consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
- 5) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
- 6) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 7) On the first day of the listing, there will be pre-opening session (call auction) and there after the 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. In case equilibrium price is not discovered the price band in the normal trading session shall be based on issue price.
- 8) The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 9) 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.
- 10) The Market Maker(s) shall have the right to terminate said arrangement by giving a one months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker 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, 2018. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers 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 five or as specified by the relevant laws and regulations applicable at that



particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

- 11) Risk containment measures and monitoring for Market Makers: SME Platform of National Stock Exchange of India Limited will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- 12) Punitive Action in case of default by Market Makers: NSE 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.

- 13) Price Band and Spreads: 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:

- i. 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.
- ii. 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 trading shall take place in TFT segment for first 10 days from commencement of trading. 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.

- 14) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:

| Issue Size               | Buy quote exemption threshold<br>(including mandatory initial<br>inventory of 5% of the Issue Size) | Re-Entry threshold for buy quote<br>(including mandatory initial inventory of<br>5% of the Issue Size) |
|--------------------------|---|--|
| Up to ₹ 20 Crore         | 25%   | 24%  |
| ₹ 20 Crore To ₹ 50 Crore | 20%   | 19%  |
| ₹ 50 Crore To ₹ 80 Crore | 15%   | 14%  |
| Above ₹ 80 Crore         | 12%   | 11%  |

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI / NSE from time to time.



## SECTION VI – CAPITAL STRUCTURE

The Equity Share Capital of our Company, before the issue and after giving effect to the issue, as on the date of filing of this RHP, is set forth below:

(₹ in Lakhs, except per share amount)

| S<br>r.<br>N<br>o. | Particulars  | Aggregate<br>Nominal value | Aggregate<br>value at issue<br>price |
|--------------------|--|----------------------------|--------------------------------------|
| 1.                 | <b>Authorised Share Capital</b><br>2,00,00,000 Equity Shares of face value of ₹ 10/- each  | 2000.00                    | -                                    |
| 2.                 | <b>Issued, Subscribed and Paid-up Equity Share Capital before the Issue</b><br>1,10,00,000 Equity Shares of face value of ₹ 10/- each  | 1100.00                    | -                                    |
| 3.                 | <b>Present Issue in terms of this RHP*</b>   |                            |                                      |
|                    | Issue of 4100000 Equity Shares of ₹ 10/- each at a price of ₹ 70/- per Equity Share.   | 410.00                     | 2870.00                              |
|                    | <i>Which comprises of</i>  |                            |                                      |
|                    | <b>Reservation for Market Maker Portion</b><br>206000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share reserved as Market Maker Portion   | 20.60                      | 144.20                               |
|                    | <b>Net Issue to Public</b><br>Net Issue to Public of 3894000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share to the Public   | 389.40                     | 2725.80                              |
|                    | <b>Net Issue to Public consists of</b>   |                            |                                      |
|                    | <b>Allocation to Anchor Investors:</b><br>1166000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share will be available for allocation to Anchor Investors.  | <b>116.60</b>              | 816.20                               |
|                    | <b>Allocation to Qualified Institutional Buyers:</b><br>778000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share will be available for allocation to for allocation to Qualified Institutional Buyers. | <b>77.80</b>               | 544.60                               |
|                    | 1364000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share will be available for allocation for Investors investing amount up to ₹ 2.00 Lakhs   | 136.40                     | 954.80                               |
|                    | 586000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share will be available for allocation for Investors investing amount above ₹ 2.00 Lakhs (Non-Retail Portion)                                       | 58.60                      | 410.20                               |
| 4.                 | <b>PAID UP EQUITY CAPITAL AFTER THE ISSUE</b><br>15100000 Equity Shares of ₹ 10/- each   | 1510.00                    | -                                    |
| 5.                 | <b>SECURITIES PREMIUM ACCOUNT</b>  |                            |                                      |
|                    | Before the Issue   | NIL                        |                                      |
|                    | After the Issue  | 2460.00                    |                                      |

\*The Present Issue of 4100000 Equity Shares in terms of this RHP has been authorized pursuant to a resolution of our Board of Directors dated August 25, 2023 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of the members held on September 18, 2023.

### CLASS OF SHARES

The company has only one class of shares i.e. Equity shares of ₹ 10/- each only and all Equity Shares are ranked pari-passu in all respect. All Equity Shares issued are fully paid-up as on date of the Red Herring Prospectus. Our Company does not have any partly paid-up equity shares as on the date of this Red Herring Prospectus. Our Company does not have any outstanding convertible instruments as on the date of this Red Herring Prospectus.

### NOTES TO THE CAPITAL STRUCTURE

#### 1. Changes in the Authorized Share Capital of our Company:

Since Incorporation of our Company, the authorized Equity Share capital of our Company has been changed in the manner set forth below:



| Sr. No. | Particulars of Change  | Cumulative no. of Equity Shares | Cumulative Authorized Share Capital (₹ in Lakhs) | Date of Meeting   | Whether AGM/ EGM |
|---------|--|---------------------------------|--|-------------------|------------------|
| 1.      | On incorporation   | 10,000                          | 1.00   | N.A.              | N.A.             |
| 2.      | Increase in authorized equity capital from ₹ 1.00 Lakhs to ₹ 10.00 Lakhs     | 1,00,000                        | 10.00  | February 05, 1998 | EGM              |
| 3.      | Increase in authorized equity capital from ₹ 10.00 Lakhs to ₹ 100.00 Lakhs   | 10,00,000                       | 100.00   | March 15, 2007    | EGM              |
| 4.      | Increase in authorized equity capital from ₹ 100.00 Lakhs to ₹ 2000.00 Lakhs | 2,00,00,000                     | 2000.00  | June 30, 2023     | EGM              |

## 2. History of Paid-up Share Capital:

Our existing Paid-up Equity Share Capital has been subscribed and allotted in the manner set forth below:

| Date of Allotment                    | Nature of Allotment                | No. of Equity Shares Allotted | Face value (In ₹) | Issue price (In ₹) | Nature of consideration | Cumulative Number of Equity Shares | Cumulative Paid-up Share Capital (₹ in Lakhs) | Cumulative Share Premium (In ₹ Lakhs) |
|--------------------------------------|------------------------------------|-------------------------------|-------------------|--------------------|-------------------------|------------------------------------|---|---------------------------------------|
| December 05, 1995 (On Incorporation) | Subscription to MoA <sup>(1)</sup> | 200                           | 10                | 10                 | Cash                    | 200                                | 0.02  | Nil                                   |
| June 30, 1997                        | Further Allotment <sup>(2)</sup>   | 9800                          | 10                | 10                 | Cash                    | 10,000                             | 1.00  | Nil                                   |
| September 5, 1998                    | Further Allotment <sup>(3)</sup>   | 10,100                        | 10                | 10                 | Cash                    | 20,100                             | 2.01  | Nil                                   |
| September 5, 1998                    | Further Allotment <sup>(4)</sup>   | 2,000                         | 10                | 100                | Cash                    | 22,100                             | 2.21  | 1.80                                  |
| September 5, 1998                    | Further Allotment <sup>(5)</sup>   | 1,500                         | 10                | 200                | Cash                    | 23,600                             | 2.36  | 4.65                                  |
| March 31, 1999                       | Further Allotment <sup>(6)</sup>   | 22,500                        | 10                | 10                 | Cash                    | 46,100                             | 4.64  | 4.65                                  |
| March 31, 1999                       | Further Allotment <sup>(7)</sup>   | 1,745                         | 10                | 200                | Cash                    | 47,845                             | 4.78  | 7.97                                  |
| March 31, 2000                       | Further Allotment <sup>(8)</sup>   | 40,000                        | 10                | 10                 | Cash                    | 87,845                             | 8.78  | 7.97                                  |
| February 24, 2005                    | Further Allotment <sup>(9)</sup>   | 12,155                        | 10                | 10                 | Cash                    | 1,00,000                           | 10.00   | 18.91                                 |
| March 31, 2007                       | Bonus Issue <sup>(10)</sup>        | 9,00,000                      | 10                | Nil                | Other than cash         | 10,00,000                          | 100.00  | Nil                                   |
| July 07, 2023                        | Bonus Issue <sup>(11)</sup>        | 1,00,00,000                   | 10                | Nil                | Other than cash         | 1,10,00,000                        | 1100.00                                       | Nil                                   |

<sup>(1)</sup> The details of Initial Subscription to Memorandum of Association of 200 Equity Shares on December 05, 1995, are as follows:

| Sr. No.      | Name of Allottee   | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|--------------|--------------------|-------------------------------|-----------------------------|------------------------------|
| 1.           | Mr. Biharilal Shah | 100                           | 10                          | 10                           |
| 2.           | Mrs. Nirupama Shah | 100                           |                             |                              |
| <b>Total</b> |                    | <b>200</b>                    | <b>-</b>                    | <b>-</b>                     |



(2) The details of allotment of 9,800 Equity Shares made on June 30, 1997 by way of Further Allotment, are as follows:

| Sr. No. | Name of Allottee     | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---------|----------------------|-------------------------------|-----------------------------|------------------------------|
| 1.      | Mr. Biharilal Shah   | 6150                          | 10                          | 10                           |
| 2.      | Mrs. Nirupama Shah   | 1400                          |                             |                              |
| 3.      | Mr. Bharat Shah      | 1500                          |                             |                              |
| 4.      | Mr. Prakash Tirodkar | 500                           |                             |                              |
| 5.      | Mr. Mahesh Shah      | 250                           |                             |                              |
|         | <b>Total</b>         | <b>9800</b>                   | -                           | -                            |

(3) The details of allotment of 10,100 Equity Shares made on September 05, 1998 by way of Further Allotment, are as follows:

| Sr. No. | Name of Allottee       | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---------|------------------------|-------------------------------|-----------------------------|------------------------------|
| 1.      | Mr. Biharilal Shah HUF | 10000                         | 10                          | 10                           |
| 2.      | Ms. Nirupama Shah      | 100                           |                             | 10                           |
|         | <b>Total</b>           | <b>10100</b>                  |                             | -                            |

(4) The details of allotment of 2,000 Equity Shares made on September 05, 1998 by way of Further Allotment, are as follows:

| Sr. No. | Name of Allottee | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---------|------------------|-------------------------------|-----------------------------|------------------------------|
| 1.      | Mr. Bharat Shah  | 2000                          | 10                          | 100                          |
|         | <b>Total</b>     | <b>2000</b>                   |                             |                              |

(5) The details of allotment of 1500 Equity Shares made on September 05, 1998 by way of Further Allotment, are as follows:

| Sr. No. | Name of Allottee          | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---------|---------------------------|-------------------------------|-----------------------------|------------------------------|
| 1.      | Mr. Prakash Tirodkar      | 1250                          | 10                          | 200                          |
| 2       | Ms. Usha Prakash Tirodkar | 250                           |                             |                              |
|         | <b>Total</b>              | <b>1500</b>                   |                             |                              |

(6) The details of allotment of 22,500 Equity Shares made on March 31, 1999 by way of Further Allotment, are as follows:

| Sr. No. | Name of Allottee             | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---------|------------------------------|-------------------------------|-----------------------------|------------------------------|
| 1.      | Mr. Biharilal Ravilal Shah   | 15000                         | 10                          | 10                           |
| 2       | Mrs. Nirupama Biharilal Shah | 7500                          |                             |                              |
|         | <b>Total</b>                 | <b>22,500</b>                 |                             |                              |

(7) The details of allotment of 1745 Equity Shares made on March 31, 1999 by way of Further Allotment, are as follows:

| Sr. No. | Name of Allottee            | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---------|-----------------------------|-------------------------------|-----------------------------|------------------------------|
| 1.      | Mr. Jatin Bharat Shah       | 150                           | 10                          | 200                          |
| 2       | Ms. Usha Prakash Tirodkar   | 600                           |                             |                              |
| 3       | Mr. Ashish Prakash Tirodkar | 120                           |                             |                              |
| 4       | Ms. Kirti Mahendra Shah     | 500                           |                             |                              |



| Sr. No. | Name of Allottee       | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---------|------------------------|-------------------------------|-----------------------------|------------------------------|
| 5       | Ms. Shaila Shah Mahesh | 375                           |                             |                              |
|         | <b>Total</b>           | <b>1745</b>                   |                             |                              |

(8) The details of allotment of 40,000 Equity Shares made on March 31, 2000 by way of Further Allotment, are as follows:

| Sr. No. | Name of Allottee   | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---------|--------------------|-------------------------------|-----------------------------|------------------------------|
| 1.      | Mr. Biharilal Shah | 40,000                        | 10                          | <b>10</b>                    |
|         | <b>Total</b>       | <b>40,000</b>                 |                             |                              |

(9) The details of allotment of 12,155 Equity Shares made on February 24, 2005 by way of Further Allotment, are as follows:

| Sr. No. | Name of Allottee         | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---------|--------------------------|-------------------------------|-----------------------------|------------------------------|
| 1.      | Mr. Amish Biharilal Shah | 12,155                        | 10                          | <b>10</b>                    |
|         | <b>Total</b>             | <b>12,155</b>                 |                             |                              |

(10) The details of allotment of 9,00,000 Equity Shares made on March 31, 2007 by way of Bonus issue, in ratio of 9:1 i.e., 9 Equity Shares for every 1 Equity Share held, are as follows:

| Sr. No. | Name of Allottee         | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---------|--------------------------|-------------------------------|-----------------------------|------------------------------|
| 1.      | Mr. Biharilal Shah       | 5,51,250                      | 10                          | Nil                          |
| 2       | Mrs. Nirupama Shah       | 81,900                        |                             |                              |
| 3       | Mr. Bharat Shah          | 31,500                        |                             |                              |
| 4       | Mr. Prakash Tirodkar     | 15,750                        |                             |                              |
| 5       | Mr. Mahesh Shah          | 2,250                         |                             |                              |
| 6       | Biharilal Shah HUF       | 90,000                        |                             |                              |
| 7       | Ms. Usha Tirodkar        | 7,650                         |                             |                              |
| 8       | Mr. Jatin b. Shah        | 1,350                         |                             |                              |
| 9       | Mr. Ashish Tirodkar      | 1,080                         |                             |                              |
| 10      | Ms. Kirti Shah           | 4,500                         |                             |                              |
| 11      | Ms. Shaila Shah          | 3,375                         |                             |                              |
| 12      | Mr. Amish Biharilal Shah | 1,09,395                      |                             |                              |
|         | <b>Total</b>             | <b>9,00,000</b>               |                             |                              |

(11) The details of allotment of 1,00,00,000 Equity Shares made on July 07, 2023 by way of Bonus issue, in ratio of 10:1 i.e., 10 Equity Shares for every 1 Equity Share held, are as follows:

| Sr. No. | Name of Allottee         | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---------|--------------------------|-------------------------------|-----------------------------|------------------------------|
| 1.      | Mr. Biharilal Shah       | 65,24,500                     | 10                          | Nil                          |
| 2       | Mr. Amish Biharilal Shah | 18,49,380                     |                             |                              |
| 3       | Mrs. Nirupama Shah       | 4,64,440                      |                             |                              |
| 4       | Mrs. Rajul Shah          | 2,60,000                      |                             |                              |
| 5       | Mr. Jigar Shah           | 3,20,000                      |                             |                              |
| 6       | Ms. Dipti Shah           | 2,01,680                      |                             |                              |
| 7       | Mr. Jatin Shah           | 3,50,000                      |                             |                              |
| 8       | Mr. Molly Antony         | 10,000                        |                             |                              |
| 9       | Mr. Pravin Patel         | 10,000                        |                             |                              |



| Sr. No. | Name of Allottee          | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---------|---------------------------|-------------------------------|-----------------------------|------------------------------|
| 10      | Mr. Sumesh Kochath Kuttan | 10,000                        |                             |                              |
|         | <b>Total</b>              | <b>1,00,00,000</b>            |                             |                              |

- Our Company has not issued equity shares for consideration other than cash since Incorporation, except for allotment of Bonus Equity Shares on March 31, 2007 in the ratio of 9:1 i.e. 9 (Nine Only) new Equity Shares for every 1(One) Equity Share held, and allotment of Bonus Equity Shares on July 07, 2023 in the ratio of 10:1 i.e. 10 (Ten Only) new Equity Shares for every 1(One) Equity Share held details of which are provided in Point 2 (10) and Point 2 (11) respectively of this chapter.
- Our Company has not allotted any Equity Shares pursuant to any scheme approved Sections 230 to 234 of the Companies Act, 2013.
- Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- Our Company has not made allotment at price lower than the Issue Price during past one year from the date of this RHP except allotment of bonus shares on July 07, 2023 detail of which are mentioned in sub point 11 of point 2 of this chapter:
- Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

#### 8. Our Shareholding Pattern:

The Shareholding Pattern of our Company before the issue as per Regulation 31 of the SEBI (LODR) Regulations, 2015, is given here below:

##### Declaration:

| Sr. No. | Particular   | Yes/No | Promoter and Promoter Group | Public Shareholder | Non-Promoter – Non-Public |
|---------|--|--------|-----------------------------|--------------------|---------------------------|
| 1.      | Whether the Company has issued any partly paid-up shares?                        | No     | No                          | No                 | No                        |
| 2.      | Whether the Company has issued any Convertible Securities?                       | No     | No                          | No                 | No                        |
| 3.      | Whether the Company has issued any Warrants?                                     | No     | No                          | No                 | No                        |
| 4.      | Whether the Company has any shares against which depository receipts are issued? | No     | No                          | No                 | No                        |
| 5.      | Whether the Company has any shares in locked-in? *                               | No     | No                          | No                 | No                        |
| 6.      | Whether any shares held by promoters are pledge or otherwise encumbered?         | No     | No                          | N.A.               | N.A.                      |
| 7.      | Whether company has equity shares with differential voting rights?               | No     | No                          | No                 | No                        |

\*All Pre-IPO Equity Shares of our Company will be locked-in prior to listing of shares on Emerge Platform of NSE.





(A) Table I - Summary Statement holding of Equity Shares

| Sr. No. (I) | Category of shareholder (II)   | Nos. 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 nos. Shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |
|-------------|--------------------------------|----------------------------|--|--|---|---|---|---|---------------|---------|-------------------------|---|--|----------------------------------|---------------------------------|---|---------------------------------|---|
|             |                                |                            |  |  |   |   |   | No of Voting (XIV) Rights                                     |               |         | Total as a % of (A+B+C) |   |  | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |
|             |                                |                            |  |  |   |   |   | Class (eg: X)   | Class (eg: Y) | Total   |                         |   |  |                                  |                                 |   |                                 |   |
| (A)         | Promoter & Promoter Group      | 6                          | 1008200                                      | 0  | 0   | 1008200                                       | 91.65   | 1008200   | 0             | 1008200 | 91.65                   | 0   | 91.65  | 0                                | 0.00                            | 0   | 0.00                            | 1008200   |
| (B)         | Public                         | 5                          | 918000                                       | 0  | 0   | 918000  | 8.35  | 918000  | 0             | 918000  | 8.35                    | 0   | 8.35   | 0                                | 0.00                            | 0   | 0.00                            | 533000  |
| (C)         | Non-Promoter- Non-Public       |                            |  |  |   |   |   |   |               |         |                         |   |  |                                  |                                 |   |                                 |   |
| (C1)        | Shares underlying DRs          | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0       | 0.00                    | 0   | 0.00   | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (C2)        | Shares held by Employee Trusts | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0       | 0.00                    | 0   | 0.00   | 0                                | 0.00                            | 0   | 0.00                            | 0   |



| Sr. No. (I)  | Category of shareholder (II) | Nos. 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 nos. Shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2) | Number of Locked in shares (XII) |          | Number of shares pledged or otherwise encumbered (XIII) |                 | Number of equity shares held in dematerialized form |                                 |
|--------------|------------------------------|----------------------------|--|--|---|---|---|---|---------------|-----------------|---|--|----------------------------------|----------|---|-----------------|---|---------------------------------|
|              |                              |                            |  |  |   |   |   | No of Voting (XIV) Rights                                     |               |                 |   |  | Total as a % of (A+B+C)          | No. (a)  | As a % of total shares held (b)                         | No. (a)         |   | As a % of total shares held (b) |
|              |                              |                            |  |  |   |   |   | Class (eg: X)   | Class (eg: Y) | Total           |   |  |                                  |          |   |                 |   |                                 |
|              | <b>Grand Total</b>           | <b>11</b>                  | <b>11000000</b>                              | <b>0</b>                                     | <b>0</b>  | <b>11000000</b>                               | <b>100.00</b>   | <b>11000000</b>   | <b>0</b>      | <b>11000000</b> | <b>100.00</b>   | <b>0</b>   | <b>0.00</b>                      | <b>0</b> | <b>0.00</b>   | <b>10615000</b> |   |                                 |
| <b>Note:</b> |                              |                            |  |  |   |   |   |   |               |                 |   |  |                                  |          |   |                 |   |                                 |
| 1.           | <b>C = C1+C2</b>             |                            |  |  |   |   |   |   |               |                 |   |  |                                  |          |   |                 |   |                                 |
| 2.           | <b>Grand Total = A+B+C</b>   |                            |  |  |   |   |   |   |               |                 |   |  |                                  |          |   |                 |   |                                 |



**(B) Table II - Statement showing shareholding pattern of the Promoters and Promoters' Group**

| Sr. No. (I) | Category of shareholder (II)        | Nos. Of shareholders | No. of fully paid-up equity shares held (IV) | No. Of Partly paid-up equity shares held (V) | No. Of shares underlying Depository Receipts | Total nos. shares held (VII) = (IV)+(V)+(VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities * (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |  |
|-------------|-------------------------------------|----------------------|--|--|--|--|---|---|---------------|----------|--------------------------|---|--|----------------------------------|---------------------------------|---|---------------------------------|---|--|
|             |                                     |                      |  |  |  |  |   | No of Voting (XIV) Rights                                     |               |          | Total as a % of* (A+B+C) |   |  | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |  |
|             |                                     |                      |  |  |  |  |   | Class (eg: X)   | Class (eg: Y) | Total    |                          |   |  |                                  |                                 |   |                                 |   |  |
| (1)         | <b>Indian</b>                       |                      |  |  |  |  |   |   |               |          |                          |   |  |                                  |                                 |   |                                 |   |  |
| (a)         | Individuals /Hindu undivided Family | 6                    | 10082000                                     | 0  | 0  | 10082000                                     | 91.65   | 10082000  | 0             | 10082000 | 91.65                    | 0   | 91.65  | 0                                | 0.00                            | 0   | 0.00                            | 10082000  |  |
| 1.          | Mr. Biharilal Ravilal Shah (P)      | 1                    | 6676950                                      | 0  | 0  | 6676950                                      | 60.70   | 6676950   | 0             | 6676950  | 60.70                    | 0   | 60.70  | 0                                | 0.00                            | 0   | 0.00                            | 6676950   |  |
| 2.          | Mr. Amish Biharilal Shah (P)        | 1                    | 2034318                                      | 0  | 0  | 2034318                                      | 18.49   | 2034318   | 0             | 2034318  | 18.49                    | 0   | 18.49  | 0                                | 0.00                            | 0   | 0.00                            | 2034318   |  |



| Sr. No. (I) | Category of shareholder (II) | Nos. Of shareholders | No. of fully paid-up equity shares held (IV) | No. Of Partly paid-up equity shares held (V) | No. Of shares underlying Depository Receipts | Total nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities * (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |
|-------------|------------------------------|----------------------|--|--|--|---|---|---|---------------|--------|--------------------------|---|--|----------------------------------|---------------------------------|---|---------------------------------|---|
|             |                              |                      |  |  |  |   |   | No of Voting (XIV) Rights                                     |               |        | Total as a % of* (A+B+C) |   |  | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |
|             |                              |                      |  |  |  |   |   | Class (eg: X)   | Class (eg: Y) | Total  |                          |   |  |                                  |                                 |   |                                 |   |
| 3.          | Mrs. Nirupama Shah (PG)      | 1                    | 510884                                       | 0  | 0  | 510884  | 4.64  | 510884  | 0             | 510884 | 4.64                     | 0   | 4.64   | 0                                | 0.00                            | 0   | 0.00                            | 510884  |
| 4.          | Mrs. Dipti Jigar Shah (PG)   | 1                    | 221848                                       | 0  | 0  | 221848  | 2.02  | 221848  | 0             | 221848 | 2.02                     | 0   | 2.02   | 0                                | 0.00                            | 0   | 0.00                            | 221848  |
| 5.          | Mrs. Rajul Shah (PG)         | 1                    | 286000                                       | 0  | 0  | 286000  | 2.60  | 286000  | 0             | 286000 | 2.60                     | 0   | 2.60   | 0                                | 0.00                            | 0   | 0.00                            | 286000  |
| 6.          | Mr. Jigar Dhires Shah (PG)   | 1                    | 352000                                       | 0  | 0  | 352000  | 3.20  | 352000  | 0             | 352000 | 3.20                     | 0   | 3.20   | 0                                | 0.00                            | 0   | 0.00                            | 352000  |



| Sr. No. (I) | Category of shareholder (II)            | Nos. Of shareholders | No. of fully paid-up equity shares held (IV) | No. Of Partly paid-up equity shares held (V) | No. Of shares underlying Depository Receipts | Total nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities * (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |
|-------------|---|----------------------|--|--|--|---|---|---|---------------|-----------------|--------------------------|---|--|----------------------------------|---------------------------------|---|---------------------------------|---|
|             |   |                      |  |  |  |   |   | No of Voting (XIV) Rights                                     |               |                 | Total as a % of* (A+B+C) |   |  | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |
|             |   |                      |  |  |  |   |   | Class (eg: X)   | Class (eg: Y) | Total           |                          |   |  |                                  |                                 |   |                                 |   |
| (b)         | Central Government/ State Government(s) | 0                    | 0  | 0  | 0  | 0   | 0.00  | 0   | 0             | 0               | 0.00                     | 0   | 0.00   | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (c)         | Financial Institutions / Banks          | 0                    | 0  | 0  | 0  | 0   | 0.00  | 0   | 0             | 0               | 0.00                     | 0   | 0.00   | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (d)         | Any Other (specify)                     | 0                    | 0  | 0  | 0  | 0   | 0.00  | 0   | 0             | 0               | 0.00                     | 0   | 0.00   | 0                                | 0.00                            | 0   | 0.00                            | 0   |
|             | <b>Sub-Total (A)(1)</b>                 | <b>6</b>             | <b>10082000</b>                              | <b>0</b>                                     | <b>0</b>                                     | <b>10082000</b>                               | <b>91.65</b>  | <b>10082000</b>   | <b>0</b>      | <b>10082000</b> | <b>91.65</b>             | <b>0</b>  | <b>10082000</b>  | <b>0</b>                         | <b>0.00</b>                     | <b>0</b>  | <b>0.00</b>                     | <b>10082000</b>                                     |
| (2)         | <b>Foreign</b>                          |                      |  |  |  |   |   |   |               |                 |                          |   |  |                                  |                                 |   |                                 |   |



| Sr. No. (I) | Category of shareholder (II)                                 | Nos. Of shareholders | No. of fully paid-up equity shares held (IV) | No. Of Partly paid-up equity shares held (V) | No. Of shares underlying Depository Receipts | Total nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities * (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |
|-------------|--|----------------------|--|--|--|---|---|---|---------------|-------|--------------------------|---|--|----------------------------------|---------------------------------|---|---------------------------------|---|
|             |  |                      |  |  |  |   |   | No of Voting (XIV) Rights                                     |               |       | Total as a % of* (A+B+C) |   |  | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |
|             |  |                      |  |  |  |   |   | Class (eg: X)   | Class (eg: Y) | Total |                          |   |  |                                  |                                 |   |                                 |   |
| (a)         | Individuals (Non-Resident Individuals /Foreign Individuals ) | 0                    | 0  | 0  | 0  | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00   | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (b)         | Government   | 0                    | 0  | 0  | 0  | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00   | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (c)         | Institutions   | 0                    | 0  | 0  | 0  | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00   | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (d)         | Foreign Portfolio Investor                                   | 0                    | 0  | 0  | 0  | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00   | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (e)         | Any Other (specify)  | 0                    | 0  | 0  | 0  | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00   | 0                                | 0.00                            | 0   | 0.00                            | 0   |



| Sr. No. (I)  | Category of shareholder (II)  | Nos. Of shareholders | No. of fully paid-up equity shares held (IV) | No. Of Partly paid-up equity shares held (V) | No. Of shares underlying Depository Receipts | Total nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities * (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |
|--|---|----------------------|--|--|--|---|---|---|---------------|-----------------|--------------------------|---|--|----------------------------------|---------------------------------|---|---------------------------------|---|
|  |   |                      |  |  |  |   |   | No of Voting (XIV) Rights                                     |               |                 | Total as a % of* (A+B+C) |   |  | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |
|  |   |                      |  |  |  |   |   | Class (eg: X)   | Class (eg: Y) | Total           |                          |   |  |                                  |                                 |   |                                 |   |
|  | <b>Sub-Total (A)(2)</b>   | <b>0</b>             | <b>0</b>                                     | <b>0</b>                                     | <b>0</b>                                     | <b>0</b>                                      | <b>0.00</b>   | <b>0</b>  | <b>0</b>      | <b>0</b>        | <b>0.00</b>              | <b>0</b>  | <b>0.00</b>  | <b>0</b>                         | <b>0.00</b>                     | <b>0</b>  | <b>0.00</b>                     | <b>0</b>  |
|  | <b>Total Shareholding of Promoters and Promoters' Group (A)=(A)(1)+(A)(2)</b>   | <b>6</b>             | <b>10082000</b>                              | <b>0</b>                                     | <b>0</b>                                     | <b>10082000</b>                               | <b>91.65</b>  | <b>10082000</b>   | <b>0</b>      | <b>10082000</b> | <b>91.65</b>             | <b>0</b>  | <b>91.65</b>   | <b>0</b>                         | <b>0.00</b>                     | <b>0</b>  | <b>0.00</b>                     | <b>10082000</b>                                     |
| <b>Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A.</b> |   |                      |  |  |  |   |   |   |               |                 |                          |   |  |                                  |                                 |   |                                 |   |
| <b>Note:</b>   |   |                      |  |  |  |   |   |   |               |                 |                          |   |  |                                  |                                 |   |                                 |   |
| 1.   | PAN of the Shareholders will be provided by our Company to the Stock Exchange but would not be displayed on website of Stock Exchange(s). |                      |  |  |  |   |   |   |               |                 |                          |   |  |                                  |                                 |   |                                 |   |



| Sr. No. (I) | Category of shareholder (II)  | Nos. Of shareholders | No. of fully paid-up equity shares held (IV) | No. Of Partly paid-up equity shares held (V) | No. Of shares underlying Depository Receipts | Total nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities * (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |
|-------------|---|----------------------|--|--|--|---|---|---|---------------|-------|---|--|----------------------------------|---------------------------------|---|---------------------------------|---|
|             |   |                      |  |  |  |   |   | No of Voting (XIV) Rights                                     |               |       |   |  | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |
|             |   |                      |  |  |  |   |   | Class (eg: X)   | Class (eg: Y) | Total |   |  |                                  |                                 |   |                                 |   |
| 2.          | The term “Encumbrance” has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. |                      |  |  |  |   |   |   |               |       |   |  |                                  |                                 |   |                                 |   |
| 3.          | P = Promoter<br>PG = Promoter Group   |                      |  |  |  |   |   |   |               |       |   |  |                                  |                                 |   |                                 |   |

\*Rounded off





(C) Table III - Statement showing shareholding pattern of the public shareholder

| Sr. No. (I) | Category of shareholder (II)   | Nos. 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 nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities* (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |   |
|-------------|--------------------------------|----------------------------|--|--|---|---|---|---|---------------|-------|--------------------------|---|---|----------------------------------|---------------------------------|---|---------------------------------|---|---|
|             |                                |                            |  |  |   |   |   | No of Voting (XIV) Rights                                     |               |       | Total as a % of* (A+B+C) |   |   | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |   |
|             |                                |                            |  |  |   |   |   | Class (eg: X)   | Class (eg: Y) | Total |                          |   |   |                                  |                                 |   |                                 |   |   |
| <b>B1</b>   | <b>Institutions (Domestic)</b> |                            |  |  |   |   |   |   |               |       |                          |   |   |                                  |                                 |   |                                 |   |   |
| (a)         | Mutual Funds                   | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   | 0 |
| (b)         | Venture Capital Funds          | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   | 0 |
| (c)         | Alternate Investment Funds     | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   | 0 |
| (d)         | Banks                          | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   | 0 |



| Sr. No. (I) | Category of shareholder (II)   | Nos. 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 nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities* (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |
|-------------|--------------------------------|----------------------------|--|--|---|---|---|---|---------------|-------|--------------------------|---|---|----------------------------------|---------------------------------|---|---------------------------------|---|
|             |                                |                            |  |  |   |   |   | No of Voting (XIV) Rights                                     |               |       | Total as a % of* (A+B+C) |   |   | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |
|             |                                |                            |  |  |   |   |   | Class (eg: X)   | Class (eg: Y) | Total |                          |   |   |                                  |                                 |   |                                 |   |
| (e)         | Insurance Companies            | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (f)         | Provident Funds/ Pension Funds | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (g)         | Asset reconstruction companies | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (h)         | Sovereign Wealth Funds         | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |



| Sr. No. (I) | Category of shareholder (II)  | Nos. 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 nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities* (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |
|-------------|-------------------------------|----------------------------|--|--|---|---|---|---|---------------|----------|--------------------------|---|---|----------------------------------|---------------------------------|---|---------------------------------|---|
|             |                               |                            |  |  |   |   |   | No of Voting (XIV) Rights                                     |               |          | Total as a % of* (A+B+C) |   |   | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |
|             |                               |                            |  |  |   |   |   | Class (eg: X)   | Class (eg: Y) | Total    |                          |   |   |                                  |                                 |   |                                 |   |
| (i)         | NBFCs registered with RBI     | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0        | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (j)         | Other Financial Institutions  | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0        | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (k)         | Any Other (specify)           | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0        | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
|             | <b>Sub Total B1</b>           | <b>0</b>                   | <b>0</b>                                     | <b>0</b>                                     | <b>0</b>  | <b>0</b>                                      | <b>0.00</b>   | <b>0</b>  | <b>0</b>      | <b>0</b> | <b>0.00</b>              | <b>0</b>  | <b>0</b>  | <b>0</b>                         | <b>0.00</b>                     | <b>0</b>  | <b>0.00</b>                     | <b>0</b>  |
| <b>B2</b>   | <b>Institutions (Foreign)</b> |                            |  |  |   |   |   |   |               |          |                          |   |   |                                  |                                 |   |                                 |   |
| (a)         | Foreign Direct Investment     | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0        | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |



| Sr. No. (I) | Category of shareholder (II)            | Nos. 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 nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities* (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |
|-------------|---|----------------------------|--|--|---|---|---|---|---------------|-------|--------------------------|---|---|----------------------------------|---------------------------------|---|---------------------------------|---|
|             |   |                            |  |  |   |   |   | No of Voting (XIV) Rights                                     |               |       | Total as a % of* (A+B+C) |   |   | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |
|             |   |                            |  |  |   |   |   | Class (eg: X)   | Class (eg: Y) | Total |                          |   |   |                                  |                                 |   |                                 |   |
| (b)         | Foreign Venture Capital Investors       | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (c)         | Sovereign Wealth Funds                  | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (d)         | Foreign Portfolio Investors Category I  | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (e)         | Foreign Portfolio Investors Category II | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |



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|-------------|--|----------------------------|--|--|---|---|---|---|---------------|----------|---|---|----------------------------------|----------|---|----------|---|---------------------------------|
|             |  |                            |  |  |   |   |   | No of Voting (XIV) Rights                                     |               |          |   |   | Total as a % of* (A+B+C)         | No. (a)  | As a % of total shares held (b)                         | No. (a)  |   | As a % of total shares held (b) |
|             |  |                            |  |  |   |   |   | Class (eg: X)   | Class (eg: Y) | Total    |   |   |                                  |          |   |          |   |                                 |
| (f)         | Overseas Depositories (holding DRs) (balancing figure) | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0        | 0.00  | 0   | 0.00                             | 0        | 0.00  | 0        | 0.00  | 0                               |
| (g)         | Any Other (specify)                                    | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0        | 0.00  | 0   | 0.00                             | 0        | 0.00  | 0        | 0.00  | 0                               |
|             | <b>Sub Total B2</b>                                    | <b>0</b>                   | <b>0</b>                                     | <b>0</b>                                     | <b>0</b>  | <b>0</b>                                      | <b>0.00</b>   | <b>0</b>  | <b>0</b>      | <b>0</b> | <b>0.00</b>   | <b>0</b>  | <b>0.00</b>                      | <b>0</b> | <b>0.00</b>   | <b>0</b> | <b>0.00</b>   | <b>0</b>                        |
| <b>B3</b>   | <b>Central Government/ State Government(s)</b>         |                            |  |  |   |   |   |   |               |          |   |   |                                  |          |   |          |   |                                 |



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|-------------|---|----------------------------|--|--|---|---|---|---|---------------|-------|--------------------------|---|---|----------------------------------|---------------------------------|---|---------------------------------|---|
|             |   |                            |  |  |   |   |   | No of Voting (XIV) Rights                                     |               |       | Total as a % of* (A+B+C) |   |   | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |
|             |   |                            |  |  |   |   |   | Class (eg: X)   | Class (eg: Y) | Total |                          |   |   |                                  |                                 |   |                                 |   |
| (a)         | Central Government / President of India | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (b)         | State Government / Governor             | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |



| Sr. No. (I) | Category of shareholder (II)   | Nos. 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 nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities* (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |          | Number of shares pledged or otherwise encumbered (XIII) |          | Number of equity shares held in dematerialized form |                                 |
|-------------|--|----------------------------|--|--|---|---|---|---|---------------|----------|---|---|----------------------------------|----------|---|----------|---|---------------------------------|
|             |  |                            |  |  |   |   |   | No of Voting (XIV) Rights                                     |               |          |   |   | Total as a % of* (A+B+C)         | No. (a)  | As a % of total shares held (b)                         | No. (a)  |   | As a % of total shares held (b) |
|             |  |                            |  |  |   |   |   | Class (eg: X)   | Class (eg: Y) | Total    |   |   |                                  |          |   |          |   |                                 |
| (c)         | Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0        | 0.00  | 0   | 0.00                             | 0        | 0.00  | 0        | 0.00  | 0                               |
|             | <b>Sub Total B3</b>  | <b>0</b>                   | <b>0</b>                                     | <b>0</b>                                     | <b>0</b>  | <b>0</b>                                      | <b>0.00</b>   | <b>0</b>  | <b>0</b>      | <b>0</b> | <b>0.00</b>   | <b>0</b>  | <b>0.00</b>                      | <b>0</b> | <b>0.00</b>   | <b>0</b> | <b>0.00</b>   | <b>0</b>                        |
| <b>B4</b>   | <b>Non-Institutions</b>  |                            |  |  |   |   |   |   |               |          |   |   |                                  |          |   |          |   |                                 |



| Sr. No. (I) | Category of shareholder (II)  | Nos. 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 nos. shares held (VII) = (IV)+(V)+(VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities* (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |
|-------------|---|----------------------------|--|--|---|--|---|---|---------------|-------|--------------------------|---|---|----------------------------------|---------------------------------|---|---------------------------------|---|
|             |   |                            |  |  |   |  |   | No of Voting (XIV) Rights                                     |               |       | Total as a % of* (A+B+C) |   |   | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |
|             |   |                            |  |  |   |  |   | Class (eg: X)   | Class (eg: Y) | Total |                          |   |   |                                  |                                 |   |                                 |   |
| (a)         | Associate Companies / Subsidiaries  | 0                          | 0  | 0  | 0   | 0  | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (b)         | Directors and their relatives (excluding independent directors and nominee directors) | 0                          | 0  | 0  | 0   | 0  | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (c)         | Key Managerial Personnel  | 1                          | 11000  | 0  | 0   | 11000  | 0.10  | 11000   | 0             | 11000 | 0.10                     | 0   | 0.10  | 0                                | 0.00                            | 0   | 0.00                            | 11000   |





| Sr. No. (I) | Category of shareholder (II)   | Nos. 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 nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities* (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |         | Number of shares pledged or otherwise encumbered (XIII) |         | Number of equity shares held in dematerialized form |                                 |
|-------------|--|----------------------------|--|--|---|---|---|---|---------------|-------|---|---|----------------------------------|---------|---|---------|---|---------------------------------|
|             |  |                            |  |  |   |   |   | No of Voting (XIV) Rights                                     |               |       |   |   | Total as a % of* (A+B+C)         | No. (a) | As a % of total shares held (b)                         | No. (a) |   | As a % of total shares held (b) |
|             |  |                            |  |  |   |   |   | Class (eg: X)   | Class (eg: Y) | Total |   |   |                                  |         |   |         |   |                                 |
| (d)         | Relatives of promoter (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category) | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00  | 0   | 0.00                             | 0       | 0.00  | 0       | 0   |                                 |



| Sr. No. (I) | Category of shareholder (II)  | Nos. 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 nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities* (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |
|-------------|---|----------------------------|--|--|---|---|---|---|---------------|-------|---|---|----------------------------------|---------------------------------|---|---------------------------------|---|
|             |   |                            |  |  |   |   |   | No of Voting (XIV) Rights                                     |               |       |   |   | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |
|             |   |                            |  |  |   |   |   | Class (eg: X)   | Class (eg: Y) | Total |   |   |                                  |                                 |   |                                 |   |
| (e)         | Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust' | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00  | 0   | 0.00                             | 0                               | 0.00  | 0                               | 0   |



| Sr. No. (I) | Category of shareholder (II)                                      | Nos. 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 nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities* (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |   |      |       |
|-------------|---|----------------------------|--|--|---|---|---|---|---------------|-------|---|---|----------------------------------|---------------------------------|---|---------------------------------|---|---|------|-------|
|             |   |                            |  |  |   |   |   | No of Voting (XIV) Rights                                     |               |       |   |   | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |   |      |       |
|             |   |                            |  |  |   |   |   | Class (eg: X)   | Class (eg: Y) | Total |   |   |                                  |                                 |   |                                 |   |   |      |       |
| (f)         | Investor Education and Protection Fund (IEPF)                     | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00  | 0   | 0.00                             | 0                               | 0.00  | 0                               | 0.00  | 0 |      |       |
| (g)         | Resident Individuals holding nominal share capital upto ₹ 2 Lakhs | 2                          | 22000  | 0  | 0   | 22000   | 0.20  | 22000   | 0             | 22000 | 0.20  | 0   | 0.20                             | 0                               | 0.00  | 0                               | 0.00  | 0 | 0.00 | 22000 |



| Sr. No. (I) | Category of shareholder (II)                                      | Nos. 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 nos. shares held (VII) = (IV)+(V)+(VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities* (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |
|-------------|---|----------------------------|--|--|---|--|---|---|---------------|--------|--------------------------|---|---|----------------------------------|---------------------------------|---|---------------------------------|---|
|             |   |                            |  |  |   |  |   | No of Voting (XIV) Rights                                     |               |        | Total as a % of* (A+B+C) |   |   | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |
|             |   |                            |  |  |   |  |   | Class (eg: X)   | Class (eg: Y) | Total  |                          |   |   |                                  |                                 |   |                                 |   |
| (h)         | Resident Individuals holding share capital in excess of ₹ 2 Lakhs | 2                          | 885000                                       | 0  | 0   | 885000                                       | 8.05  | 885000  | 0             | 885000 | 8.05                     | 0   | 8.05  | 0                                | 0.00                            | 0   | 0.00                            | 500000  |
| (i)         | Non Resident Indians (NRIs)                                       | 0                          | 0  | 0  | 0   | 0  | 0.00  | 0   | 0             | 0      | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (j)         | Foreign Nationals   | 0                          | 0  | 0  | 0   | 0  | 0.00  | 0   | 0             | 0      | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (k)         | Foreign Companies   | 0                          | 0  | 0  | 0   | 0  | 0.00  | 0   | 0             | 0      | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |



| Sr. No. (I) | Category of shareholder (II) | Nos. 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 nos. shares held (VII) = (IV)+(V)+(VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities* (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |
|-------------|------------------------------|----------------------------|--|--|---|--|---|---|---------------|-------|--------------------------|---|---|----------------------------------|---------------------------------|---|---------------------------------|---|
|             |                              |                            |  |  |   |  |   | No of Voting (XIV) Rights                                     |               |       | Total as a % of* (A+B+C) |   |   | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |
|             |                              |                            |  |  |   |  |   | Class (eg: X)   | Class (eg: Y) | Total |                          |   |   |                                  |                                 |   |                                 |   |
| (l)         | Bodies Corporate             | 0                          | 0  | 0  | 0   | 0  | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
| (m)         | <b>Any Other (specify)</b>   | 0                          | 0  | 0  | 0   | 0  | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
|             | HUF                          | 0                          | 0  | 0  | 0   | 0  | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
|             | Non-Resident Indian (NRI)    | 0                          | 0  | 0  | 0   | 0  | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
|             | LLP                          | 0                          | 0  | 0  | 0   | 0  | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
|             | Bodies Corporate             | 0                          | 0  | 0  | 0   | 0  | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |
|             | Clearing Members             | 0                          | 0  | 0  | 0   | 0  | 0.00  | 0   | 0             | 0     | 0.00                     | 0   | 0.00  | 0                                | 0.00                            | 0   | 0.00                            | 0   |



| Sr. No. (I)  | Category of shareholder (II)  | Nos. 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 nos. shares held (VII) = (IV)+(V)+(VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities* (as a percentage of diluted share capital) (XI)=(VI I)+(X) as a % of (A+B+C 2) | Number of Locked in shares (XII) |          | Number of shares pledged or otherwise encumbered (XIII) |          | Number of equity shares held in dematerialized form |                                 |
|--|---|----------------------------|--|--|---|--|---|---|---------------|---------------|---|---|----------------------------------|----------|---|----------|---|---------------------------------|
|  |   |                            |  |  |   |  |   | No of Voting (XIV) Rights                                     |               |               |   |   | Total as a % of* (A+B+C)         | No. (a)  | As a % of total shares held (b)                         | No. (a)  |   | As a % of total shares held (b) |
|  |   |                            |  |  |   |  |   | Class (eg: X)   | Class (eg: Y) | Total         |   |   |                                  |          |   |          |   |                                 |
|  | <b>Sub Total B4</b>   | <b>5</b>                   | <b>918000</b>                                | <b>0</b>                                     | <b>0</b>  | <b>918000</b>                                | <b>8.35</b>   | <b>918000</b>   | <b>0</b>      | <b>918000</b> | <b>8.35</b>   | <b>0</b>  | <b>8.35</b>                      | <b>0</b> | <b>0.00</b>   | <b>0</b> | <b>0.00</b>   | <b>533000</b>                   |
|  | <b>B=B1+B2+B3+B4</b>  | <b>5</b>                   | <b>918000</b>                                | <b>0</b>                                     | <b>0</b>  | <b>918000</b>                                | <b>8.35</b>   | <b>918000</b>   | <b>0</b>      | <b>918000</b> | <b>8.35</b>   | <b>0</b>  | <b>8.35</b>                      | <b>0</b> | <b>0.00</b>   | <b>0</b> | <b>0.00</b>   | <b>533000</b>                   |
| Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):   |   |                            |  |  |   |  |   |   |               |               |   |   |                                  |          |   |          |   |                                 |
| Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. |   |                            |  |  |   |  |   |   |               |               |   |   |                                  |          |   |          |   |                                 |
| <b>Note:</b>   |   |                            |  |  |   |  |   |   |               |               |   |   |                                  |          |   |          |   |                                 |
| 1.   | PAN would not be displayed on website of Stock Exchange(s).   |                            |  |  |   |  |   |   |               |               |   |   |                                  |          |   |          |   |                                 |
| 3.   | W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available |                            |  |  |   |  |   |   |               |               |   |   |                                  |          |   |          |   |                                 |



**(D) Table IV - Statement showing shareholding pattern of the Non-Promoter- Non-Public shareholder**

| Sr. No. (I) | Category of shareholder (II)   | Nos. 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 nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of 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 shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities* (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form |
|-------------|--|----------------------------|--|--|---|---|---|---|---------------|-------|-------------------------|---|---|----------------------------------|---------------------------------|---|---------------------------------|---|
|             |  |                            |  |  |   |   |   | No of Voting (XIV) Rights                                     |               |       | Total as a % of (A+B+C) |   |   | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |
|             |  |                            |  |  |   |   |   | Class (eg: X)   | Class (eg: Y) | Total |                         |   |   |                                  |                                 |   |                                 |   |
| (A)         | Custodian/DR Holder - Name of DR Holders (If Available)                              | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00                    | 0   | 0   | 0.00                             | 0                               | 0.00  | 0                               | 0   |
| (B)         | Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014) | 0                          | 0  | 0  | 0   | 0   | 0.00  | 0   | 0             | 0     | 0.00                    | 0   | 0   | 0.00                             | 0                               | 0.00  | 0                               | 0   |



|  |          |          |          |          |          |             |          |          |          |             |          |          |          |             |          |             |          |
|--|----------|----------|----------|----------|----------|-------------|----------|----------|----------|-------------|----------|----------|----------|-------------|----------|-------------|----------|
| <b>Total Non-Promoter-Non Public Shareholding (C)= (C)(1)+(C)(2)</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0.00</b> | <b>0</b> | <b>0.00</b> | <b>0</b> |
|--|----------|----------|----------|----------|----------|-------------|----------|----------|----------|-------------|----------|----------|----------|-------------|----------|-------------|----------|

|              |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|--------------|---|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| <b>Note:</b> |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1.           | PAN would not be displayed on website of Stock Exchange(s).   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 2.           | The above format needs to disclose name of all holders holding more than 1% of total number of shares   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 3.           | W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |





**(E) Table V - Statement showing details of significant beneficial owners**

| Sr. No. | Details of the significant beneficial owner (I) |     |             | Details of the registered owner (II) |     |             | Particulars of the shares in which significant beneficial interest is held by the beneficial owner (III) |  | Date of creation/acquisition of significant beneficial interest (IV) |
|---------|---|-----|-------------|--------------------------------------|-----|-------------|--|--|--|
|         | Name  | PAN | Nationality | Name                                 | PAN | Nationality | Number of Shares   | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) |  |
| N/A     |   |     |             |                                      |     |             |  |  |  |



9. The shareholding pattern of our Promoters and Promoters' Group and public before and after the Issue:

| Sr. No.   | Name of shareholders       | Pre issue            |                           | Post issue           |                           |
|---|----------------------------|----------------------|---------------------------|----------------------|---------------------------|
|   |                            | No. of equity shares | As a % of Issued Capital* | No. of equity shares | As a % of Issued Capital* |
| <b>Promoters</b>                                      |                            |                      |                           |                      |                           |
| 1.  | Mr. Biharilal Ravilal Shah | 66,76,950            | 60.70                     | 66,76,950            | 44.22                     |
| 2.  | Mr. Amish Biharilal Shah   | 20,34,318            | 18.49                     | 20,34,318            | 13.47                     |
| <b>Total - A</b>                                      |                            | <b>87,11,268</b>     | <b>79.19</b>              | <b>87,11,268</b>     | <b>57.69</b>              |
| <b>Promoters' Group</b>                               |                            |                      |                           |                      |                           |
| 1.  | Mrs. Nirupama Shah         | 5,10,884             | 4.64                      | 5,10,884             | 3.38                      |
| 2.  | Mrs. Dipti Jigar Shah      | 2,21,848             | 2.02                      | 2,21,848             | 1.47                      |
| 3.  | Mrs. Rajul Shah            | 2,86,000             | 2.60                      | 2,86,000             | 1.89                      |
| 4.  | Mr. Jigar Dhires Shah      | 3,52,000             | 3.20                      | 3,52,000             | 2.33                      |
| <b>Total - B</b>                                      |                            | <b>13,70,732</b>     | <b>12.46</b>              | <b>13,70,732</b>     | <b>9.08</b>               |
| <b>Total Promoter and Promoter Group Shareholding</b> |                            | <b>1,00,82,000</b>   | <b>91.65</b>              | <b>1,00,82,000</b>   | <b>66.77</b>              |
| <b>Public</b>   |                            |                      |                           |                      |                           |
| 1.  | Mr. Jatin Shah             | 3,85,000             | 3.50                      | 3,85,000             | 2.55                      |
| 2.  | Mrs. Molly Antony          | 11,000               | Negligible                | 11,000               | Negligible                |
| 3.  | Mr. Pravin Patel           | 11,000               | Negligible                | 11,000               | Negligible                |
| 4.  | Mr. Sumesh Kochath Kuttan  | 11,000               | Negligible                | 11,000               | Negligible                |
| 5.  | Mr. Ganesh Shanbag         | 5,00,000             | 4.55                      | 5,00,000             | 3.31                      |
| 6.  | Public                     | -                    | -                         | 41,00,000            | 27.15                     |
| <b>Total - C</b>                                      |                            | <b>9,18,000</b>      | <b>8.35</b>               | <b>50,18,000</b>     | <b>33.23</b>              |
| <b>Total Shareholding (A+B+C)</b>                     |                            | <b>1,10,00,000</b>   | <b>100.00</b>             | <b>1,51,00,000</b>   | <b>100.00</b>             |

\*Rounded off

10. Details of Major Shareholders:

(A) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the Prospectus:

| Sr. No.      | Name of shareholders       | No. of Equity Shares held* | % of Pre-issue paid up Capital# |
|--------------|----------------------------|----------------------------|---------------------------------|
| 1.           | Mr. Biharilal Ravilal Shah | 6676950                    | 60.70                           |
| 2.           | Mr. Amish Biharilal Shah   | 2034318                    | 18.49                           |
| 3.           | Mrs. Nirupama Shah         | 510884                     | 4.64                            |
| 4.           | Mr. Ganesh Shanbag         | 500,000                    | 4.55                            |
| 5.           | Mr. Jatin Shah             | 385,000                    | 3.50                            |
| 6.           | Mr. Jigar Shah             | 352000                     | 3.20                            |
| 7.           | Mrs. Rajul Shah            | 2,86,000                   | 2.60                            |
| 8.           | Mrs. Dipti Jigar Shah      | 2,21,848                   | 2.02                            |
| <b>Total</b> |                            | <b>1,09,67,000</b>         | <b>99.70</b>                    |

\*The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Prospectus.

#Rounded off

(B) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date ten days prior to the date of this RHP:

| Sr. No. | Name of shareholders       | No. of Equity Shares held* | % of Pre-issue paid up Capital# |
|---------|----------------------------|----------------------------|---------------------------------|
| 1.      | Mr. Biharilal Ravilal Shah | 6676950                    | 60.70                           |
| 2.      | Mr. Amish Biharilal Shah   | 2034318                    | 18.49                           |
| 3.      | Mrs. Nirupama Shah         | 510884                     | 4.64                            |
| 4.      | Mr. Ganesh Shanbag         | 500,000                    | 4.55                            |



| Sr. No.      | Name of shareholders  | No. of Equity Shares held* | % of Pre-issue paid up Capital# |
|--------------|-----------------------|----------------------------|---------------------------------|
| 5.           | Mr. Jatin Shah        | 385,000                    | 3.50                            |
| 6.           | Mr. Jigar Shah        | 352000                     | 3.20                            |
| 7.           | Mrs. Rajul Shah       | 2,86,000                   | 2.60                            |
| 8.           | Mrs. Dipti Jigar Shah | 2,21,848                   | 2.02                            |
| <b>Total</b> |                       | <b>1,09,67,000</b>         | <b>99.70</b>                    |

\*The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Prospectus.

#Rounded off

**(C) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on One year prior to the date of this RHP:**

| Sr. No.      | Name of shareholders       | No. of Equity Shares held | % of then paid-up Capital# |
|--------------|----------------------------|---------------------------|----------------------------|
| 1.           | Mr. Biharilal Ravilal Shah | 652450                    | 65.25                      |
| 2.           | Mr. Amish Biharilal Shah   | 151938                    | 15.19                      |
| 3.           | Biharilal Shah HUF         | 100000                    | 10.00                      |
| 4.           | Mrs. Nirupama Shah         | 40444                     | 4.04                       |
| 5.           | Mr. Jatin Bharat Shah      | 35000                     | 3.50                       |
| 6.           | Mrs. Dipti Jigar Shah      | 20168                     | 2.02                       |
| <b>Total</b> |                            | <b>1000000</b>            | <b>100</b>                 |

\*The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Prospectus.

#Rounded off

**(D) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on Two years prior to the date of this RHP:**

| Sr. No.      | Name of shareholders  | No. of Equity Shares held | % of then paid-up Capital* |
|--------------|---|---------------------------|----------------------------|
| 1.           | Mr. Biharilal Ravilal Shah<br>(In joint. With Nirupama Shah)    | 652450                    | 65.25                      |
| 2.           | Mr. Amish Biharilal Shah<br>(In. joint. With Rajul shah)        | 121550                    | 12.16                      |
| 3.           | Biharilal Shah HUF  | 100000                    | 10.00                      |
| 4.           | Mrs. Nirupama Biharilal Shah<br>(In joint. with Biharilal Shah) | 91000                     | 9.10                       |
| 5.           | Mr. Bharat Ravilal Shah<br>(in joint. With Jatin shah)          | 35000                     | 3.50                       |
| <b>Total</b> |   | <b>1000000</b>            | <b>100.00</b>              |

\*The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Prospectus.

#Rounded off

- 11.** There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, and right issue or in any other manner during the period commencing from the date of this RHP until the Equity Shares of our Company have been listed or refund of application monies in pursuance of this RHP.

As on the date of filing this RHP, our Company does not have any such plan for altering the capital structure by way of split or consolidation of the denomination of the shares, or issue of specified securities on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement. Further, our Company may alter its capital structure by way of split / consolidation of the denomination of Equity Shares or issue of equity shares on a preferential basis or issue of bonus or rights or further public issue of equity shares or qualified institutions



placement, within a period of six months from the date of opening of the present issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or for 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. Shareholding of the Promoters of our Company:**

| BIHARILAL RAVILAL SHAH       |   |                         |                                 |                             |  |                                 |                         |                          |
|------------------------------|---|-------------------------|---------------------------------|-----------------------------|--|---------------------------------|-------------------------|--------------------------|
| Date of Allotment / Transfer | Nature of Issue Allotment / Transfer      | Number of Equity shares | Cumulative No. of Equity Shares | Face Value (in ₹) Per Share | Issue/ Transfer Price (in ₹) Per Share | Total Consideration Paid (in ₹) | % of Pre-Issue Capital* | % of Post issue Capital* |
| December 05, 1995            | Subscription to Memorandum of Association | 100                     | 100                             | 10                          | 10                                     | 0.01                            | Negligible              | Negligible               |
| June 30, 1997                | Further Allotment                         | 6150                    | 6250                            | 10                          | 10                                     | 0.62                            | 0.06                    | 0.04                     |
| March 31, 1999               | Further Allotment                         | 15000                   | 21,250                          | 10                          | 10                                     | 1.50                            | 0.14                    | 0.10                     |
| March 31, 2000               | Further Allotment                         | 40000                   | 61250                           | 10                          | 10                                     | 4.00                            | 0.36                    | 0.26                     |
| March 31, 2007               | Allotment under Bonus Issue               | 551250                  | 612500                          | 10                          | Nil                                    | 0.00                            | 5.01                    | 3.65                     |
| March 23, 2009               | Transfer from Prakash Shanker Tirodkar    | 17500                   | 6,30,000                        | 10                          | 125                                    | 21.88                           | 0.16                    | 0.12                     |
| March 23, 2009               | Transfer from Mahesh Ravilal Shah         | 2500                    | 632500                          | 10                          | 125                                    | 3.13                            | 0.02                    | 0.02                     |
| March 23, 2009               | Transfer from Usha Prakash Tirodkar       | 8500                    | 641000                          | 10                          | 125                                    | 10.63                           | 0.08                    | 0.06                     |
| March 23, 2009               | Transfer from Jatin Bharat Shah           | 1500                    | 642500                          | 10                          | 125                                    | 1.88                            | 0.01                    | 0.01                     |
| March 23, 2009               | Transfer from Ashish Prakash Tirodkar     | 1200                    | 643700                          | 10                          | 125                                    | 1.50                            | 0.01                    | 0.01                     |
| March 23, 2009               | Transfer from Kiriti Mahesh Shah          | 5000                    | 648700                          | 10                          | 125                                    | 6.25                            | 0.05                    | 0.03                     |
| March 23, 2009               | Transfer from Shaila Mahesh shah          | 3750                    | 652450                          | 10                          | 125                                    | 4.69                            | 0.03                    | 0.02                     |
| June 23, 2023                | Gift from B R Shah HUF (Division of HUF)  | 32000                   | 684450                          | 10                          | Nil                                    | 0.00                            | 0.29                    | 0.21                     |
| June 26, 2023                | Gift to Mr. Jigar Dhires shah             | -32000                  | 652450                          | 10                          | Nil                                    | 0.00                            | -0.29                   | (0.21)                   |
| July, 07, 2023               | Allotment under Bonus Issue               | 6524500                 | 7176950                         | 10                          | Nil                                    | 0.00                            | 59.31                   | 43.21                    |



| BIHARILAL RAVILAL SHAH       |                                      |                         |                                 |                             |  |                                 |                         |                          |
|------------------------------|--------------------------------------|-------------------------|---------------------------------|-----------------------------|--|---------------------------------|-------------------------|--------------------------|
| Date of Allotment / Transfer | Nature of Issue Allotment / Transfer | Number of Equity shares | Cumulative No. of Equity Shares | Face Value (in ₹) Per Share | Issue/ Transfer Price (in ₹) Per Share | Total Consideration Paid (in ₹) | % of Pre-Issue Capital* | % of Post issue Capital* |
| September 28, 2023           | Transfer to Mr. Ganesh Shanbag       | -500000                 | 6676950                         | 10                          | 56                                     | 280.00                          | -4.55                   | (3.31)                   |
| <b>Total</b>                 |                                      | <b>6676950</b>          |                                 |                             |  | <b>Negative</b>                 |                         |                          |

| AMISH BIHARILAL SHAH         |  |                         |                                 |                             |  |                                 |                         |                          |
|------------------------------|--|-------------------------|---------------------------------|-----------------------------|--|---------------------------------|-------------------------|--------------------------|
| Date of Allotment / Transfer | Nature of Issue Allotment / Transfer     | Number of Equity shares | Cumulative No. of Equity Shares | Face Value (in ₹) Per Share | Issue/ Transfer Price (in ₹) Per Share | Total Consideration Paid (in ₹) | % of Pre-Issue Capital* | % of Post issue Capital* |
| February 24, 2005            | Further Allotment                        | 12155                   | 12155                           | 10                          | 10                                     | 121550                          | 0.11                    | 0.08                     |
| March 31, 2007               | Allotment under Bonus Issue              | 109395                  | 121550                          | 10                          | Nil                                    | -                               | 0.99                    | 0.72                     |
| January 26, 2022             | Transfer from Nirupama Biharilal Shah    | 30388                   | 151938                          | 10                          | Nil                                    | Nil                             | 0.28                    | 0.20                     |
| June 23, 2023                | Gift from B R Shah HUF (Division of HUF) | 33000                   | 184938                          | 10                          | Nil                                    | Nil                             | 0.30                    | 0.22                     |
| July 07, 2023                | Allotment under Bonus Issue              | 1849380                 | 2034318                         | 10                          | Nil                                    | -                               | 16.81                   | 12.25                    |
| <b>Total</b>                 |  | <b>2034318</b>          |                                 |                             |  | <b>121550</b>                   |                         |                          |



13. The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

| Sr. No. | Name of Promoters          | No. of Equity Shares held | Average Cost of Acquisition per Equity Share (in ₹)* |
|---------|----------------------------|---------------------------|--|
| 1.      | Mr. Biharilal Ravilal Shah | 6676950                   | Negative   |
| 2.      | Mr. Amish Biharilal Shah   | 2034318                   | 0.06   |

\*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire and against Shares allotted to them as reduced by amount received on sell of shares i.e. net of sale consideration is divided by net quantity of shares acquired Calculated by net acquisition cost incurred by amalgamated companies for Equity Shares if any.

14. We have 11 (Eleven) shareholders as on the date of filing of this RHP.
15. As on the date of this RHP, our Promoters and Promoters' Group hold total 1,00,82,000 Equity Shares representing 91.65% of the pre-issue paid up share capital of our Company.
16. There were no shares purchased/sold by the Promoter(s) and Promoter Group, directors of our Company and their relatives during the last six months from the date filing this RHP except for transfer of 500000 equity shares by Mr. Biharilal Ravilal Shah on September 28, 2023 for cash price of Rs. 56 per equity shares.
17. The members of the Promoters' Group, our directors and the relatives of our directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing this RHP.
18. Details of Promoter's Contribution locked in for three years:

Our Promoters have given written consent to include 3020000 Equity Shares subscribed and held by them as a part of Minimum Promoters' Contribution constituting 20.00% of the post issue Paid-up Equity Shares Capital of our Company ("Minimum Promoters' contribution") in terms of Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018 and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters' Contribution, and to be marked Minimum Promoters' Contribution as locked-in.- **Noted for Compliance**

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, Minimum Promoters' Contribution as mentioned above shall be locked-in for a period of three years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.

**Explanation:** The expression "date of commencement of commercial production" means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilized as stated in the offer document, is expected to commence.

We further confirm that Minimum Promoters' Contribution of 20.00% of the post Issue Paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoters' Contribution has been brought into to the extent of not less than the 20.00% of the Post Issue Capital and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoters' Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.



The details of Minimum Promoters' Contribution are as follows:

| BIHARILAL RAVILAL SHAH |                              |                                |                      |            |                             |   |                                     |                                      |                |
|------------------------|------------------------------|--------------------------------|----------------------|------------|-----------------------------|---|-------------------------------------|--------------------------------------|----------------|
| Date of Allotment      | Date when made fully paid up | Nature of Allotment / Transfer | No. of Equity Shares | Face Value | Issue Price/ Transfer price | Source of Contribution*                   | % of Pre-Issue Equity Share Capital | % of Post Issue Equity Share Capital | Lock in Period |
| July 07, 2023          | July 07, 2023                | Bonus Issue                    | 1510000              | 10         | Nil                         | Capitalization of Reserves (Bonus Shares) | 13.73                               | 10.00                                | 3 Years        |
| <b>TOTAL</b>           |                              |                                | <b>1510000</b>       |            |                             |   | <b>13.73</b>                        | <b>10.00</b>                         |                |

On July 07, 2023 total of 6524500 Bonus Equity shares were allotted to Mr. Biharilal Ravilal Shah. However, for the Purpose of Minimum Promoter Contribution 1510000 Equity Shares are offered which will be lock in for a Period of 3 year.

| AMISH BIHARILAL SHAH |                              |                                |                      |            |                             |   |                                     |                                      |                |
|----------------------|------------------------------|--------------------------------|----------------------|------------|-----------------------------|---|-------------------------------------|--------------------------------------|----------------|
| Date of Allotment    | Date when made fully paid up | Nature of Allotment / Transfer | No. of Equity Shares | Face Value | Issue Price/ Transfer price | Source of Contribution*                   | % of Pre-Issue Equity Share Capital | % of Post Issue Equity Share Capital | Lock in Period |
| July 07, 2023        | July 07, 2023                | Bonus Issue                    | 1510000              | 10         | Nil                         | Capitalization of Reserves (Bonus Shares) | 13.73                               | 10.00                                | 3 Years        |
| <b>TOTAL</b>         |                              |                                | <b>1510000</b>       |            |                             |   | <b>13.73</b>                        | <b>10.00</b>                         |                |

On July 07, 2023 total of 1849380 Bonus Equity shares were allotted to Mr. Amish Biharilal Shah. However for the Purpose of Minimum Promoter Contribution 1510000 Equity Shares are offered which will be lock in for a Period of 3 year.





All the Equity Shares held by the Promoters / members of the Promoters' Group are already in dematerialized form as on date of this RHP.

In terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, we confirm that the Minimum Promoters' Contribution of 20.00% of the Post Issue Capital of our Company as mentioned above does not consist of:

Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;

resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the company or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;

- The Equity Shares held by the Promoters and offered for Minimum Promoters' contribution which are subject to any pledge with any creditor;
- Equity Shares acquired FDR by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Initial Public offer;
- As per Regulation 237 (1) if the Shares are issued to the promoters during the preceding One Year at a price less than the Price at which specified securities are being Issue to the public in initial public offer is ineligible for minimum promoters' contribution.
- However as per clause (c) of sub regulation (1) of Regulation 237 of SEBI (ICDR), 2018 specified securities allotted to promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: - **Not Applicable**

Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible - **Not Applicable**

#### **19. Lock in of Equity Shares held by Promoters in excess of Minimum Promoters' contribution:**

In addition to Minimum Promoters' Contribution which shall be locked-in for three years, the balance 56,91,268 Equity Shares held by Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018.

#### **20. Lock in of Equity Shares held by Persons other than the Promoters:**

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, 2288732 Equity shares held by the Persons other than Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

#### **21. Inscription or recording of non-transferability:**

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. - **Not Applicable as all existing Equity Shares are held in dematerialized form**

#### **22. Pledge of Locked in Equity Shares:**

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters and locked in may be pledged as a collateral security for a loan granted by a scheduled commercial bank or public financial institution or a systemically important non-banking finance company or housing finance company, subject to following:

- In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of Equity Shares is one of the terms of sanction of the loan.

However, lock in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock in period stipulated has expired.

#### **23. 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 Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' 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.
24. Our Company, our Directors and the Book Running Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.
  25. As on date of this RHP, there are no partly paid-up Equity Shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up Equity Shares.
  26. Neither the Book Running Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of this RHP.
  27. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.
  28. There are no safety net arrangements for this public issue.
  29. As on the date of filing this RHP, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
  30. As per RBI regulations, OCBs are not allowed to participate in this Issue.
  31. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we may consider raising bridge financing facilities, pending receipt of the Net Proceeds.
  32. There are no Equity Shares against which depository receipts have been issued.
  33. As on date of this RHP, other than the Equity Shares, there are no other class of securities issued by our Company.
  34. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
  35. An applicant cannot make an application for more than number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
  36. Since present issue is a Book Built Issue, the allocation in the net Issue to the public category in terms of Regulation 253(1) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows:
    - (a). not less than thirty-five per cent to Retail Individual Investors;
    - (b). not less than fifteen per cent to Non-Institutional Investors;
    - (c). not more than fifty per cent to Qualified Institutional Buyers, five per cent of which shall be allocated to mutual fundsProvided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in any other category.  
Provided further that in addition to five per cent allocation available in terms of clause (c), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.
  37. No incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise shall be offered by any person connected with the distribution of the issue to any person for making an application in the Initial Public Offer, except for fees or commission for services rendered in relation to the issue.
  38. Our Promoters and the members of our Promoters' Group will not participate in this Issue.
  39. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoters' Group between the date of filing this RHP and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
  40. Except as stated below, none of our other Directors or Key Managerial Personnel and Senior Management hold Equity Shares in our Company:



| Sr. No. | Name                         | Designation                            | No. of Equity Shares held | % of Pre-Issue Equity Share Capital | % of Post Issue Equity Share Capital |
|---------|------------------------------|--|---------------------------|-------------------------------------|--------------------------------------|
| 1.      | Mr. Biharilal Ravilal Shah   | Chairman cum Managing Director         | 6676950                   | 60.70                               | 44.22                                |
| 2.      | Mr. Amish Biharilal Shah     | Whole Time Director                    | 2034318                   | 18.49                               | 13.47                                |
| 3.      | Mr. Jigar Dhiresh Shah       | Whole time Director                    | 352000                    | 3.20                                | 2.33                                 |
| 4.      | Ms. Manisha Abhay Lalan      | Independent Director                   | Nil                       | Nil                                 | Nil                                  |
| 5.      | Mr. Ranjan Brij Mohan Mathur | Independent Director                   | Nil                       | Nil                                 | Nil                                  |
| 6.      | Mrs. Amita Sachin Karia      | Independent Director                   | Nil                       | Nil                                 | Nil                                  |
| 7.      | Ms. Shatabdi Salve           | Company Secretary & Compliance Officer | Nil                       | Nil                                 | Nil                                  |
| 8.      | Mrs. Molly Antony            | Chief Financial Officer                | 11000                     | 0.10                                | Negligible                           |
| 9.      | Mr. Pravin Patel             | Vice President                         | 11000                     | 0.10                                | Negligible                           |
| 10.     | Ms. Deepali Jain             | Design Head                            | Nil                       | Nil                                 | Nil                                  |
| 11.     | Mr. Jatin Shah               | HR and IT Head                         | 3,85,000                  | 0.10                                | Negligible                           |
| 12.     | Mr. Sumesh Kochath Kuttan    | Senior Project Manager                 | 11000                     | 0.10                                | Negligible                           |



## SECTION VII PARTICULARS OF THE ISSUE OBJECT OF THE ISSUE

The Issue constitutes a public Issue of 4100000 Equity Shares of our Company at an Issue Price of ₹ 70/- per Equity Share.

### FRESH ISSUE

The Issue Proceeds from the Fresh Issue will be utilized towards the following objects:

1. To Meet Working Capital Requirements
  2. General corporate purposes
  3. To meet Public Issue Expenses
- (Collectively referred as the "objects")*

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the Emerge Platform of NSE. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main object of the company is to carry on in India and elsewhere, the business of electrical, civil, mechanical engineers, to undertake work of laying of electrical power transmission & communication lines, to undertake work of erection of plant and machineries, to undertake projects in the aforesaid disciplines on turnkey basis including the work of project consultancy wherever required.

Konstelec Engineers Limited was incorporated on December 05, 1995 as a private Limited Company and started business operations as Design Engineering Company. Over the years, we have expanded our services, constantly upgraded our technologies, systems, and processes and diversified our business operations. As an EPC company, we specialize in delivering full-scale project management, procurement support, and detailed engineering services for various kinds of electrical infrastructure projects across India and abroad. With a skilled team, strong project execution capabilities, and a client-centric focus, we are committed for delivering high-quality, safe, and innovative solutions that meet our clients' specific needs. Our expertise covers the entire project lifecycle, ensuring timely delivery and successful outcomes for even the most complex projects.

At present, we are in the business of Engineering, Procurement, and Construction/ Commissioning (EPC) contractors and are engaged in the business of offering full range of EPC services in India and abroad. Our services find applications across several processing and various kinds of manufacturing industries such as oil & gas, refinery, steel, cement, pharmaceuticals, textile, hospital, health care and commercial complexes, domestically and internationally. We have designed, developed, and executed several complex and integrated projects requiring cutting-edge electrical, instrumentation and automation systems. Our key offerings include engineering design and drawings, procurement, operations and maintenance, project management and construction and commissioning. We provide one-stop solution to our clients for various kinds of engineering projects. Our expertise includes Electrical Installation, Solar Power Plant Setup, Instrumentation & Automation.

The objects clause of our Memorandum enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association.

### REQUIREMENTS OF FUNDS

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be ₹ 2500.00 Lakhs (the "Net Issue Proceeds").

The following table summarizes the requirement of funds:

| Particulars                         | Amount<br>(₹ in Lakhs) |
|-------------------------------------|------------------------|
| Gross Issue Proceeds                | 2870.00                |
| Less: Public Issue Related Expenses | 370.00                 |
| <b>Net Issue Proceeds</b>           | <b>2500.00</b>         |



## UTILIZATION OF NET ISSUE PROCEEDS

The Net Issue Proceeds will be utilized for following purpose:

| Sr. No.                   | Particulars                          | Amount<br>(₹ in Lakhs) | % of Gross Issue*<br>Proceeds |
|---------------------------|--------------------------------------|------------------------|-------------------------------|
| 1.                        | To Meet Working Capital Requirements | 1,800.00               | 62.72                         |
| 2.                        | General corporate purposes           | 700.00                 | 24.39                         |
| <b>Net Issue Proceeds</b> |                                      | <b>2500.00</b>         | <b>87.11</b>                  |

## MEANS OF FINANCE

We intend to finance our Objects of the Issue through Issue Proceeds which are as follows:

| Sr. No.      | Particulars                          | Amount Required<br>(₹ in Lakhs) | From IPO Proceeds | Internal Accruals/Equity/<br>Reserves | Balance from Long/Short<br>Term Borrowing |
|--------------|--------------------------------------|---------------------------------|-------------------|---------------------------------------|---|
| 1.           | To Meet Working Capital Requirements | 11,047.18                       | 1,800.00          | 5,139.82                              | 4,107.36                                  |
| 2.           | General corporate purposes           | 700.00                          | 700.00            | 0.00                                  | 0.00                                      |
| 3.           | Public Issue Expenses                | 370.00                          | 370.00            | 0.00                                  | 0.00                                      |
| <b>Total</b> |                                      | <b>12,117.18</b>                | <b>2870.00</b>    | <b>5,139.82</b>                       | <b>4,107.36</b>                           |

Based on above, we hereby confirm that we are in compliance with provision Regulation 230(1) (e) of the SEBI ICDR Regulations and Clause 9 (C) of Part A of Schedule VI of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals).

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in Internal / external circumstances or costs or other financial conditions and other factors. 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. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

We further confirm that no part proceed of the Issue shall be utilized for repayment of any Part of secured loan outstanding as on date of Prospectus. As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the Section titled "Risk Factors" beginning on page no. 29 of this Prospectus.

## DETAILS OF USE OF ISSUE PROCEEDS

### 1. WORKING CAPITAL REQUIREMENTS:

Our company requires incremental working capital for FY 2023-24. Net Working Capital requirement of our Company as



on September 30, 2023 on restated basis was ₹ 8,432.61 Lakhs as against that of ₹ 7,517.10 Lakhs, ₹ 6,130.08 Lakhs and ₹ 5,625.39 Lakhs as on March 31, 2023, March 31, 2022 and March 31, 2021 respectively. The Net Working capital requirements for the FY 2023-24 is estimated to be ₹ 11,047.18 Lakhs. The Company will meet the requirement to the extent of ₹ 3,800.00 Lakhs from Borrowing, ₹ 307.36 Lakhs from Unsecured Loans, ₹ 1,800.00 Lakhs from the Net Proceeds of the Issue and balance will be utilized from internal accruals at an appropriate time as per the requirement.

Basis of estimation of working capital requirement and estimated working capital requirement;

(Amount in ₹ Lakhs)

| Particulars                               | Projected        | On Restated Standalone Basis |                  |                 |                 |
|---|------------------|------------------------------|------------------|-----------------|-----------------|
|   | 31-Mar-24        | 30-Sept-23                   | 31-Mar-23        | 31-Mar-22       | 31-Mar-21       |
| <b>Current Assets</b>                     |                  |                              |                  |                 |                 |
| Trade receivables                         | 8,192.27         | 4,177.06                     | 5,317.25         | 5,127.67        | 3,269.74        |
| Cash and Bank Balance*                    | 95.31            | 65.44                        | 41.03            | 62.43           | 147.31          |
| Loans and Advances                        | 2,128.43         | 1,128.29                     | 1,227.44         | 1,100.83        | 1,418.76        |
| Other Assets                              | 6,643.01         | 8,527.87                     | 5,845.50         | 3,649.16        | 3,533.91        |
| <b>Total Current Assets (A)</b>           | <b>17,059.02</b> | <b>13,898.66</b>             | <b>12,431.22</b> | <b>9,940.09</b> | <b>8,369.72</b> |
| <b>Current Liabilities</b>                |                  |                              |                  |                 |                 |
| Trade payables                            | 4,754.17         | 3,532.16                     | 3,589.07         | 2,643.74        | 1,664.33        |
| Other liabilities (Including Non-Current) | 1,091.14         | 1,446.15                     | 1,128.25         | 892.89          | 864.40          |
| Short-term provisions                     | 166.53           | 487.74                       | 196.79           | 273.38          | 215.60          |
| <b>Total Current Liabilities (B)</b>      | <b>6,011.84</b>  | <b>5,466.05</b>              | <b>4,914.12</b>  | <b>3,810.01</b> | <b>2,744.33</b> |
| <b>Net Working Capital (A-B)</b>          | <b>11,047.18</b> | <b>8,432.61</b>              | <b>7,517.10</b>  | <b>6,130.08</b> | <b>5,625.39</b> |
| <b>Sources of Funds</b>                   |                  |                              |                  |                 |                 |
| Short Term Borrowing                      | 3,800.00         | 2,928.54                     | 2,616.17         | 2,159.40        | 2,158.81        |
| Unsecured Loan                            | 307.36           | 498.08                       | 130.45           | 73.29           | 63.01           |
| Internal Accruals/Existing Net worth      | 5,139.82         | 5,006.00                     | 4,770.48         | 3,897.39        | 3,403.56        |
| Proceeds from IPO                         | 1,800.00         | 0.00                         | 0.00             | 0.00            | 0.00            |
| <b>Total</b>                              | <b>11,047.18</b> | <b>8,432.61</b>              | <b>7,517.10</b>  | <b>6,130.08</b> | <b>5,625.39</b> |

Source: Based on the Certificate received by M/s. Shaparia Mehta & Associates LLP Chartered Accountants vide their certificate dated January 10, 2024 having UDIN: 24034950BKCAXY9074.

\* Cash and bank balance does not include Deposits held with bank as margin money or security against the borrowings, guarantees and letter of credit.

#### Justification / Assumptions for working capital requirements

| Particulars           | Holding level (in Months/ Days) |                          |                            |                            |                          | Justification for Holding   |
|-----------------------|---------------------------------|--------------------------|----------------------------|----------------------------|--------------------------|---|
|                       | FY23-24 (Projected)             | 30-Sept-23 (Restated)    | FY22-23 (Restated)         | FY 21-22 (Restated)        | FY 20-21 (Restated)      |   |
| <b>Current Assets</b> |                                 |                          |                            |                            |                          |   |
| Trade Receivables     | 4.53 Months (132-138 Days)      | 3.06 Months (90-95 Days) | 4.09 Months (120-125 Days) | 4.71 Months (140-145 Days) | 1.96 Months (55-60 Days) | Trade receivables are amount owed to Company by customers following sale of services and goods on credit. Our Company has estimated average trade receivable cycle to be 4.55 Months (Approximately 132-138 Days) in FY 2023-24 to meet expected turnover for FY 2023-24 and to streamline credit |



| Particulars                | Holding level (in Months/ Days) |                          |                          |                          |                          | Justification for Holding   |
|----------------------------|---------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---|
|                            | FY23-24 (Projected)             | 30-Sept-23 (Restated)    | FY22-23 (Restated)       | FY 21-22 (Restated)      | FY 20-21 (Restated)      |   |
|                            |                                 |                          |                          |                          |                          | period given to our customers.  |
| <b>Current Liabilities</b> |                                 |                          |                          |                          |                          |   |
| Trade Payables             | 3.11 Months (90-95 Days)        | 2.48 Months (72-78 Days) | 2.69 Months (77-82 Days) | 2.55 Months (75-80 Days) | 1.09 Months (30-35 Days) | Trade payables include dues to micro and small enterprises and other creditors. Trade Payable Cycle is estimated to be at 3.11 Months (Approximately 90-95 Days) days which is based on trade payable cycle of FY 2022-23 and expected credit period from vendors of the company. |

Apart from above there are other working capital requirements such as Cash and Cash Equivalents, Other Current assets, loans and advances, short term provisions and other current liabilities. Details of which are given below:

|                       |  |
|-----------------------|--|
| Cash and Bank Balance | Cash and Bank Balance include balances in current account with scheduled bank, Bank Balance in Credit & Wallet balance and cash in hand. Cash and Cash Equivalent balance is estimated based on previous years outstanding amount and for expected Business requirement of company.  |
| Loans and Advances    | Loans and advances mainly include Earnest Money Deposit, Prepaid Expenses, Loan to employees, Advance to creditors, Balance with Govt Authority and Loans & Advances to Employee. Loans and advances is estimated based on previous years outstanding amount and for expected Business requirement of company.                             |
| Other Assets          | Other Current Assets mainly include Unbilled Revenue. Other Current Assets is for expected Business requirement of company. Unbilled revenue constitutes work done by our company in for which invoicing will be done in next months.  |
| Other liabilities     | Other Liabilities mainly include Advance from customers, statutory liabilities, Security deposits, Balance payable to public bodies, Interest accrued but not due and Gratuity payables to employees. Other current liabilities are estimated based on previous years outstanding amount and for expected Business requirement of company. |
| Short-term provisions | Short-term provisions mainly include Provision for Bonus, Leave, CSR Expenses, Gratuity, income tax, future loss on contracts and provision of other expenses. Short-term provisions is estimated based on previous years outstanding amount and for expected Business requirement of company.   |

**Justification for Increased Working Capital requirement in FY 2023-24 compared to FY 2022-23**

Our Company is engaged in the business of Engineering, Procurement, and Construction/ Commissioning (EPC) contractors and are engaged in the business of offering full range of EPC services in India and abroad. Our services find



applications across several processing and various kinds of manufacturing industries such as oil & gas, refinery, steel, cement, pharmaceuticals, textile, hospital, health care and commercial complexes, domestically and internationally. Our need for incremental working capital is briefly explained below:

**Longer Project Duration:** Approximately, project duration for complete work is between 12-18 months. Such long duration of projects requires higher working capital as cost of labor, materials and overheads needed to be covered in such duration against which the final amount of project is received by our company after certification of completed work, which creates higher working capital requirement for our business. Further depending upon the size and complexity of the project, working capital requirement of each project may differ accordingly.

**Composite Supply:** Our company derives 89.40%, 72.86%, 73.08% and 86.33% of the total revenue from operations from composite supplies during the period / Financial Year ended September 30, 2023, 2022-23, 2021-22 and 2020-21 respectively. Under Composite supply, we provide products as well as our EPC & other contracted services. Composite supply type of work order includes goods and services both as a part of work order. We procure the required items from organised as well as unorganised players bases on the requirement, size and nature of respective project. We have to pay for purchase of products which are to be used in the composite supply to our clients, which tie up our significant working capital portion as the full realization of such supply will be done only after final certification of the whole project.

To summaries our working capital requirement, the nature of our business depends on the number of projects that we complete in a timely manner with qualitative work, we need to procure high quality products from vendors in addition of bearing other overheads such as rent, labor, and other operational expenses required on day-to-day basis. Further, in order to provide surety and security to respective client, we need to provide some type of liquid collateral security, which also tie up our funds for working capital.

## 2. GENERAL CORPORATE PURPOSE:

We propose to utilize ₹ 700.00Lakhs of the Net Proceeds towards general corporate purposes as approved by the Board, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the gross proceeds Issue Proceeds, in compliance with the SEBI ICDR Regulations. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purpose subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- acquisition/hiring of land/property for building up corporate house,
- hiring human resources including marketing people or technical people in India or abroad,
- we may also enter into strategic alliances with other body corporates for expansion of our business in abroad or in India.
- funding growth opportunities;
- servicing our repayment obligations (principal and interest) under our existing & future financing arrangements;
- capital expenditure, including towards expansion/development/refurbishment/renovation of our assets;
- working capital;
- meeting expenses incurred by our Company in the ordinary course of business or other uses or contingencies; and/or
- strategic initiatives and
- On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

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, meeting operating expenses, initial development costs for projects other than the identified projects, and the 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.

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 this Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

## 3. ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately ₹ 370.00 lakhs. The expenses of this include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:





| Expenses  | Expenses<br>(Rs. In Lakh) | Expenses<br>(% of Total<br>Issue expenses) | Expenses<br>(% of Gross<br>Issue Proceeds) |
|---|---------------------------|--|--|
| Book Running Lead Manger Fees including Underwriting Commission               | 25.00                     | 6.76                                       | 0.87                                       |
| Fees Payable to Registrar to the Issue  | 1.00                      | 0.27                                       | 0.03                                       |
| Fees Payable to legal advisor to the Issue                                    | 3.00                      | 0.81                                       | 0.10                                       |
| Fees Payable Advertising, Marketing Expenses and Printing Expenses            | 15.00                     | 4.05                                       | 0.52                                       |
| Fees Payable to Regulators including Stock Exchanges and other Intermediaries | 7.75                      | 2.09                                       | 0.27                                       |
| Fees payable to Peer Review Auditor   | 2.00                      | 0.54                                       | 0.07                                       |
| Fees Payable to Market Maker (for Three Years)                                | 12.00                     | 3.24                                       | 0.42                                       |
| Escrow Bank Fees  | 21.00                     | 5.68                                       | 0.73                                       |
| Other Expenses  | 283.25                    | 76.55                                      | 9.87                                       |
| <b>Total Estimated Issue Expenses</b>   | <b>370.00</b>             | <b>100.00</b>                              | <b>12.89</b>                               |

**Notes:**

- Up to January 06, 2024, Our Company has deployed/incurred expense of ₹ 9.88 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals duly certified by Statutory Auditor M/s. Shah P M And Associates, Chartered Accountants vide its certificate dated January 12, 2024, bearing UDIN: 24137282BKBLTY8728.
- Any expenses incurred towards aforesaid issue related expenses during the period from April 01, 2023 to till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue:
- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:
 

Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)

Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)

^Percentage of the amounts received against the Equity Shares Allotted (i.e., the product of the number of Equity Shares Allotted and the Issue Price).
- The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
- Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
- SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
- Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.
- Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed 50,000/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds 50,000/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.

The processing fees for applications made by Retail Individual 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/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.



## SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

| Sr. No. | Particulars                          | Total Estimated Cost | Amount to be funded from the Net Issue Proceeds (₹ in Lakhs) | Amount to be funded from Internal Accruals & Borrowings | Amount already deployed (₹ in Lakhs) | Estimated Utilization of Net Proceeds (₹ in Lakhs) (Upto Financial year 2023-24)* |
|---------|--------------------------------------|----------------------|--|---|--------------------------------------|---|
| 3.      | To Meet Working Capital Requirements | 11,047.18            | 1,800.00   | 9,247.18  | 0.00                                 | 1,800.00  |
| 4.      | General Corporate Purpose            | 700.00               | 700.00   | 0.00  | 0.00                                 | 700.00  |

\* To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; our Company shall deploy the Net issue Proceeds in the subsequent Financial Years towards the Object. Due to Business exigency, Use of issue may be interchangeable.

## APPRAISAL REPORT

None of the objects for which the Issue Proceeds will be utilised have been financially appraised by any financial institutions / banks.

## BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance the existing ongoing project facility requirements until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance our existing/ongoing projects will be repaid from the Net Proceeds of the Issue.

## INTERIM USE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investments in equity and/or real estate products and/or equity linked and/or real estate linked products.

## MONITORING UTILIZATION OF FUNDS

There is no requirement for the appointment of a monitoring agency, as the Issue size is less than ₹ 10,000 Lakhs. Our Board will monitor the utilization of the proceeds of the Issue and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Board the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

## 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 Promoters 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**

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.



## BASIS FOR ISSUE PRICE

The issue price has been determined by the issuer in consultation with the Book Running Book Running Lead Manager. The financial data presented in this section are based on our Company's Consolidated Restated Financial Statements. Investors should also refer to the sections/chapters titled "Risk Factors" and "Restated Financial Information" on page no. 29 and 208, respectively of this Prospectus to get a more informed view before making the investment decision.

### QUALITATIVE FACTORS

For details of qualitative factors, please refer to the paragraph "Our Competitive Strengths" in the chapter titled "Business Overview" beginning on page no. 134 of this Prospectus.

### QUANTITATIVE FACTORS

#### 1. Basic & Diluted Earnings Per Share (EPS):

$$\text{Basic earnings per share (₹)} = \frac{\text{Restated Consolidated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding}}$$

$$\text{Diluted earnings per share (₹)} = \frac{\text{Restated Consolidated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares}}$$

#### Weighted Average EPS

| Financial Year/Period               | Basic and Diluted EPS (in ₹) | Weights |
|-------------------------------------|------------------------------|---------|
| Financial Year ended March 31, 2021 | 1.73                         | 1       |
| Financial Year ended March 31, 2022 | 3.20                         | 2       |
| Financial Year ended March 31, 2023 | 7.07                         | 3       |
| <b>Weighted Average</b>             | <b>4.89</b>                  |         |
| Period ended September 30, 2023*    | 4.15                         |         |

\* Not Annualized

Notes:

- *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e., sum of (EPS x Weight) for each year / Total of weights.*
- *Basic and diluted EPS are based on the Restated Consolidated Financial Information.*
- *The face value of each Equity Share is ₹10.*
- *The number of shares is adjusted by Increase in share Capital through issue of Bonus shares on July 07, 2023 in the ratio of 10:1 i.e., 10 (Ten) Equity Shares for every 1 (One) Equity Share held*

#### Simple Average EPS

| Financial Year/Period               | Basic and Diluted EPS (in ₹) | Weights |
|-------------------------------------|------------------------------|---------|
| Financial Year ended March 31, 2021 | 1.73                         | 1       |
| Financial Year ended March 31, 2022 | 3.20                         | 1       |
| Financial Year ended March 31, 2023 | 7.07                         | 1       |
| <b>Simple Average</b>               | <b>4.00</b>                  |         |
| Period ended September 30, 2023*    | 4.15                         |         |

\* Not annualized.

Notes:



- *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. sum of (EPS x Weight) for each year / Total of weights.*
- *Basic and diluted EPS are based on the Restated Financial Information.*
- *The face value of each Equity Share is ₹10.*

*The number of shares is adjusted by Increase in share Capital through issue of Bonus shares on July 07, 2023 in the ratio of 10:1 i.e., 10 (Ten) Equity Shares for every 1 (One) Equity Share held.*

## 2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ 70/-:

$$\text{Price to Earnings Ratio(P/E)} = \frac{\text{Issue Price}}{\text{Restated Earnings Per Share}}$$

| Particulars   | EPS (in ₹)  |  | P/E at the Issue Price(No. of times) |
|---|-------------|--|--------------------------------------|
| Based on EPS of Financial Year ended March 31, 2023 | 7.07        |  | 9.90                                 |
| <b>Based on Weighted Average EPS</b>                | <b>4.89</b> |  | 14.31                                |
| Based on Simple Average EPS                         | 4.0         |  | 17.50                                |
| Based on Period ended September 30, 2023            | 4.15        |  | 16.87                                |

## Industry PE:

| Particulars | P/E Ratio |
|-------------|-----------|
| Highest     | 27.77     |
| Lowest      | 27.77     |
| Average     | 27.77     |

(Based on Peer Data presented in point 5 below)

## 3. Return on Net Worth:

$$\text{Return on Net Worth (\%)} = \frac{\text{Restated Consolidated Profit After Tax attributable to Equity Shareholders} * 100}{\text{Consolidated Net Worth}}$$

| Financial Year/Period               | Return on Net Worth (%) | Weights |
|-------------------------------------|-------------------------|---------|
| Financial Year ended March 31, 2021 | 3.75%                   | 1       |
| Financial Year ended March 31, 2022 | 6.49%                   | 2       |
| Financial Year ended March 31, 2023 | 12.56%                  | 3       |
| <b>Weighted Average</b>             | <b>9.07%</b>            |         |
| Period ended September 30, 2023*    | 6.86%                   |         |

\* Not Annualized

Notes:

- *Weighted average = Aggregate of year-wise weighted Consolidated Net Worth divided by the aggregate of weights i.e. [(Net Worth x Weight) for each year] / [Total of weights]*
- *Return on Net Worth (%) = Consolidated Net profit after tax without giving impact of exceptional items, as restated / Consolidated Net worth as restated as at period/year end.*
- *Net worth means the aggregate value of the paid-up share capital of the Company and all reserves created out of profits and securities premium account reduced by preliminary expenses, if any as per Restated Consolidated Financial Statement of Assets and Liabilities of the Company*

## 4. Net Asset Value per Equity Share:

Restated Consolidated Net Worth as at the end of the



$$\text{Restated Net Asset Value per equity share (₹)} = \frac{\text{year}}{\text{Number of Equity Shares outstanding}}$$

| Particular                                       | Amount (in ₹) |
|--|---------------|
| Financial Year ended March 31, 2021 (Post Bonus) | 46.10         |
| Financial Year ended March 31, 2022 (Post Bonus) | 49.31         |
| Financial Year ended March 31, 2023 (Post Bonus) | 56.29         |
| Period ended September 30, 2023                  | 60.43         |
| <b>NAV per Equity Share after the Issue</b>      | <b>63.03</b>  |
| Issue Price per Equity Share                     | 70.00         |

Notes:

- Issue Price per equity share has been determined by our Company, in consultation with the Book Running Lead Managers.
- Net asset value per share = Consolidated Net worth as restated / Number of equity shares as at period/ year end.
- The number of shares is adjusted by Increase in share Capital through issue of Bonus shares on July 07, 2023 in the ratio of 10:1 i.e., 10 (Ten) Equity Shares for every 1 (One) Equity Share held

#### 5. Comparison of Accounting Ratios with Peer Group Companies:

| Name of the company         | Standalone / Consolidated | Face Value (₹) | Current Market Price (₹)@ | EPS (₹) Basic | P/E Ratio | RoNW (%) | NAV per Equity Share (₹) | Revenue from operations (₹ in Lakhs) |
|-----------------------------|---------------------------|----------------|---------------------------|---------------|-----------|----------|--------------------------|--------------------------------------|
| Konstelec Engineers limited | Consolidated              | 10.00          | 70.00                     | 7.07          | 9.90      | 12.56%   | 56.29                    | 15,340.49                            |
| <b>Peer Group*</b>          |                           |                |                           |               |           |          |                          |                                      |
| Skipper Limited ^           | Consolidated              | 1.00           | 96.20                     | 3.46          | 27.77     | 4.63%    | 74.75                    | 1,98,030                             |

#### Notes:

- (1) The EPS, P/E Ratio, NAV, RoNW and revenue from operations of Konstelec Engineers Limited are taken as per Restated Consolidated Financial Statement for the Financial Year 2022-23.
- (2) P/E Ratio has been computed based on the closing market price of equity shares on the NSE on March 31, 2023 divided by the Basic EPS.
- (3) RoNW is computed as Consolidated Net Profit after Tax divided by the Consolidated closing net worth. Net worth has been computed as sum of share capital and reserves and surplus reduced by preliminary expenses, if any.
- (4) NAV is computed as the Consolidated closing net worth divided by the closing outstanding number of equity shares.

@ Current Market Price (CMP) is taken as the closing price of respective scripts as on March 31, 2023 at NSE, as applicable. For our Company, Current Market Price is taken same as issue price of equity share.

^ The Figures as at March 31, 2023 and are taken from the financial results uploaded on respective Stock Exchange(s)

6. The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is 7.00 times the face value of equity share.

The Issue Price of ₹ 70/- is determined by our Company in consultation with the Book Running Lead Manager is justified based on the above accounting ratios. For further details, please refer to the section titled “Risk Factors” and chapters titled “Business Overview” and “Restated Financial Information” beginning on page nos. 29, 134 and 208 respectively of this Prospectus.

#### KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS (“KPIs”)

Key Performance Indicators (KPIs) are imperative to the Financial and Operational performance evaluation of the company. However, KPIs disclosed below shall not be considered in isolation or as substitute to the Restated Financial information. In the opinion of our Management the KPIs disclosed below shall be supplementary tool to the investor for evaluation of the company

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 30, 2023 and the



members of the Audit Committee have verified the details of all KPIs pertaining to the 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 the Prospectus. Further, the KPIs herein have been certified by M/s. Shaparia Mehta & Associates LLP, by their certificate dated January 10, 2024.

The KPIs of our Company have been disclosed in the sections “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” starting on pages 134 and 210, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” beginning on page 1.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI (ICDR) Regulations, 2018.

Set forth below are KPIs which have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of various verticals of the Company that have a bearing for arriving at the Basis for the Issue Price.

### FINANCIAL KPIs OF OUR COMPANY

| Particulars                               | For the period / year ended on |                |                |                |
|---|--------------------------------|----------------|----------------|----------------|
|   | September 30, 2023             | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Revenue from Operations (₹ in Lakhs)      | 9305.27                        | 15340.49       | 10704.72       | 10489.43       |
| Growth in Revenue from Operations (YoY %) | -                              | 43.31          | 2.05           | -              |
| Gross Profit (₹ in Lakhs)                 | 5056.97                        | 7941.84        | 6691.93        | 6424.47        |
| Gross Profit Margin (%)                   | 54.35                          | 51.77          | 62.51          | 61.25          |
| EBITDA (₹ in Lakhs)                       | 707.91                         | 1414.54        | 584.38         | 480.71         |
| EBITDA Margin (%)                         | 7.61                           | 9.22           | 5.46           | 4.58           |
| Profit After Tax (₹ in Lakhs)             | 456.16                         | 777.77         | 352.25         | 190.34         |
| PAT Margin (%)                            | 4.90                           | 5.07           | 3.29           | 1.81           |
| RoE (%)                                   | 7.11                           | 13.39          | 6.71           | 3.81           |
| RoCE (%)                                  | 7.73                           | 16.81          | 9.00           | 6.89           |
| Net Fixed Asset Turnover (In Times)       | 11.39                          | 19.33          | 14.02          | 13.79          |
| Net Working Capital Days                  | 241                            | 135            | 158            | 150            |
| Operating Cash Flows (₹ in Lakhs)         | (516.80)                       | (457.08)       | 43.01          | (333.91)       |

Source: The Figure has been certified by M/s. Shaparia Mehta & Associates LLP Chartered Accountants vide their certificate dated January 10, 2024 having UDIN: 24034950BKCAXX2370.

#### Notes:

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- Growth in Revenue from Operations (%) 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.
- Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed, Construction Expenses, Purchase of stock in trade goods, Changes in inventories of finished goods, work-in-progress and stock in trade.
- Gross Profit Margin (%) is calculated as Gross Profit divided by Revenue from Operations.
- EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), finance costs and depreciation and amortization expenses reduced by other income.
- EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
- Profit After Tax Means Profit for the period/year as appearing in the Restated Financial Statements.
- PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.



- 9) RoE (Return on Equity) (%) is calculated as net profit after tax for the year / period divided by Average Shareholder Equity.
- 10) RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes divided by average capital employed. Capital Employed includes Tangible Net worth, Long-Term Borrowing, Short-Term Borrowing and Deferred Tax Liability/(Deferred Tax Asset).
- 11) Net Fixed Asset Turnover is calculated as Net Turnover divided by Average Fixed Assets which consists of property, plant and equipment and capital work-in-progress.
- 12) Net Working Capital Days is calculated as working capital (current assets minus current liabilities) as at the end of the period / year divided by revenue from operations multiplied by number of days in a period / year.
- 13) Operating cash flows means net cash generated from operating activities as mentioned in the Restated Financial Statements.

#### OPERATIONAL KPIs OF THE COMPANY:

| Particulars                                | For the Period / Year ended on |                |                |                |
|--|--------------------------------|----------------|----------------|----------------|
|  | September 30, 2023             | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| <b>Top Suppliers of the company (in %)</b> |                                |                |                |                |
| Top 1 Supplier                             | 26.22%                         | 12.33%         | 12.44%         | 8.92%          |
| Top 3 Suppliers                            | 40.88%                         | 27.48%         | 29.72%         | 20.46%         |
| Top 5 Suppliers                            | 51.33%                         | 33.65%         | 38.91%         | 29.84%         |
| Top 10 Suppliers                           | 64.11%                         | 46.54%         | 51.54%         | 45.40%         |
| <b>Top Customers of the company (in %)</b> |                                |                |                |                |
| Top 1 Customer                             | 22.26%                         | 8.42%          | 10.05%         | 29.40%         |
| Top 3 Customers                            | 35.92%                         | 23.80%         | 29.87%         | 47.89%         |
| Top 5 Customers                            | 44.21%                         | 37.20%         | 45.14%         | 64.72%         |
| Top 10 Customers                           | 57.47%                         | 59.82%         | 70.02%         | 85.16%         |

Source: The Figure has been certified by M/s. Shaparia Mehta & Associates LLP; Chartered Accountants vide their certificate dated January 10, 2024 having UDIN: 24034950BKCAXX2370.

#### Explanation for KPI metrics

| KPI                                  | Explanations   |
|--------------------------------------|--|
| Revenue from Operations (₹ in Lakhs) | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business. |
| Growth in Revenue from Operations    | Growth in Revenue from Operations provides information regarding the growth of our business for the respective period.   |
| Gross Profit (₹ in Lakhs)            | Gross Profit provides information regarding the profits from manufacturing of products by the Company.   |
| Gross Profit Margin (%)              | Gross Profit Margin is an indicator of the profitability on sale of products manufactured by the Company.  |
| EBITDA (₹ in Lakhs)                  | EBITDA provides information regarding the operational efficiency of the business.  |
| EBITDA Margin (%)                    | EBITDA Margin is an indicator of the operational profitability and financial performance of our business.  |
| Profit After Tax (₹ in Lakhs)        | Profit after tax provides information regarding the overall profitability of the business.   |
| PAT Margin (%)                       | PAT Margin is an indicator of the overall profitability and financial performance of our business.   |
| RoE (%)                              | RoE provides how efficiently our Company generates profits from average shareholders' funds.   |
| RoCE (%)                             | ROCE provides how efficiently our Company generates earnings from the average capital employed in the business.  |
| Net Fixed Asset Turnover (In Times)  | Net Fixed Asset turnover ratio is indicator of the efficiency with which our Company is able to leverage its assets to generate revenue from operations.   |





| KPI  | Explanations   |
|--|--|
| Net Working Capital Days                                     | Net working capital days indicates the working capital requirements of our Company in relation to revenue generated from operations. |
| Operating Cash Flows (₹ in Lakhs)                            | Operating cash flows provides how efficiently our company generates cash through its core business activities.                       |
| Revenue split between different verticals of company         | This metric enables us to track the progress of our revenues in the different verticals of the company.                              |
| Contribution to revenue from operations of top 1 / 3 / 5 /10 | This metric enables us to track the contribution of our key customers to our revenue and also assess any concentration risks.        |

#### COMPARISON OF FINANCIAL KPIS OF OUR COMPANY AND OUR LISTED PEERS:

| Particulars                           | Konstelec Engineers Limited    |                |                |                | Skippers Limited               |                |                |                |
|---------------------------------------|--------------------------------|----------------|----------------|----------------|--------------------------------|----------------|----------------|----------------|
|                                       | For the Period / Year ended on |                |                |                | For the Period / Year ended on |                |                |                |
|                                       | September 30, 2023             | March 31, 2023 | March 31, 2022 | March 31, 2021 | September 30, 2023             | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Revenue from Operations (₹ in Lakhs)  | 9305.27                        | 15340.49       | 10704.72       | 10489.43       | 132695.40                      | 198030.00      | 170708.00      | 158150.70      |
| Growth in Revenue from Operations (%) | NA                             | 43.31          | 2.05           | NA             | NA                             | 16.01          | 7.94           | NA             |
| Gross Profit (₹ in Lakhs)             | 5056.97                        | 7941.84        | 6691.93        | 6424.47        | 56231.40                       | 71347.60       | 56183.80       | 55250.10       |
| Gross Profit Margin (%)               | 54.35                          | 51.77          | 62.51          | 61.25          | 42.38                          | 36.03          | 32.91          | 34.94          |
| EBITDA (₹ in Lakhs)                   | 707.91                         | 1414.54        | 584.38         | 480.71         | 13686.00                       | 19540.60       | 16436.60       | 14406.20       |
| EBITDA Margin (%)                     | 7.61                           | 9.22           | 5.46           | 4.58           | 10.31                          | 9.87           | 9.63           | 9.11           |
| Profit After Tax (₹ in Lakhs)         | 456.16                         | 777.77         | 352.25         | 190.34         | 3603.70                        | 3556.60        | 2514.70        | 2143.40        |
| PAT Margin (%)                        | 4.90                           | 5.07           | 3.29           | 1.81           | 2.72                           | 1.80           | 1.47           | 1.36           |
| RoE (%)                               | 7.11                           | 13.39          | 6.71           | 3.81           | 4.59                           | 4.74           | 3.49           | 3.07           |
| RoCE (%)                              | 7.73                           | 16.81          | 9.00           | 6.89           | 8.03                           | 11.70          | 9.77           | 9.24           |
| Net Fixed Asset Turnover (In Times)   | 11.39                          | 19.33          | 14.02          | 13.79          | 1.83                           | 2.88           | 2.55           | 2.52           |
| Net Working Capital Days              | 241                            | 135            | 158            | 150            | 79                             | 65             | 65             | 73             |
| Operating Cash Flows (₹ in Lakhs)     | (516.80)                       | (457.08)       | 43.01          | (333.91)       | (7660.60)                      | 28419.10       | 1727.70        | 20851.00       |

Source: The Figure has been certified by M/s. Shaparia Mehta & Associates LLP; Chartered Accountants vide their certificate dated January 10, 2024 having UDIN: 24034950BKCAXX2370.

#### Comparison of Operational KPIS for the Company with that of Company's listed Peers:

| Particulars                                | Konstelec Engineers Limited    |                |                |                | Skippers Limited               |                |                |                |
|--|--------------------------------|----------------|----------------|----------------|--------------------------------|----------------|----------------|----------------|
|  | For the Period / Year ended on |                |                |                | For the Period / Year ended on |                |                |                |
|  | September 30, 2023             | March 31, 2023 | March 31, 2022 | March 31, 2021 | September 30, 2023             | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| <b>Top Suppliers of the company (in %)</b> |                                |                |                |                |                                |                |                |                |
| Top 1 Supplier                             | 26.22%                         | 12.33%         | 12.44%         | 8.92%          | NA                             | NA             | NA             | NA             |
| Top 3 Suppliers                            | 40.88%                         | 27.47%         | 29.72%         | 20.47%         | NA                             | NA             | NA             | NA             |
| Top 5 Suppliers                            | 51.33%                         | 33.65%         | 38.91%         | 29.84%         | NA                             | NA             | NA             | NA             |
| Top 10 Suppliers                           | 64.11%                         | 46.54%         | 51.54%         | 45.40%         | NA                             | NA             | NA             | NA             |
| <b>Top Customers of the company (in %)</b> |                                |                |                |                |                                |                |                |                |



| Particulars      | Konstelec Engineers Limited    |                |                |                | Skippers Limited               |                |                |                |
|------------------|--------------------------------|----------------|----------------|----------------|--------------------------------|----------------|----------------|----------------|
|                  | For the Period / Year ended on |                |                |                | For the Period / Year ended on |                |                |                |
|                  | September 30, 2023             | March 31, 2023 | March 31, 2022 | March 31, 2021 | September 30, 2023             | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Top 1 Customer   | 22.26%                         | 8.42%          | 10.05%         | 29.40%         | NA                             | NA             | NA             | NA             |
| Top 3 Customers  | 35.92%                         | 23.80%         | 29.87%         | 47.89%         | NA                             | NA             | NA             | NA             |
| Top 5 Customers  | 44.21%                         | 37.20%         | 45.14%         | 64.72%         | NA                             | NA             | NA             | NA             |
| Top 10 Customers | 57.47%                         | 59.82%         | 70.02%         | 85.16%         | NA                             | NA             | NA             | NA             |

Source: The Figure has been certified by M/s. Shaparia Mehta & Associates LLP; Chartered Accountants vide their certificate dated January 10, 2024 having UDIN: 24034950BKCAXX2370.

#### WEIGHTED AVERAGE COST OF ACQUISITION:

**a) The Price per share of our Company based on the primary/ new issue of shares (equity / convertible securities).**

There have been no issuance of Equity Shares or convertible securities, excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days.

**b) The price per share of our Company is based on the secondary sale / acquisition of shares (equity / convertible securities).**

The Details of secondary sale / acquisition of whether equity shares or convertible securities, where the promoter, 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 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 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 are disclosed below:

| Sr No  | Date of Transfer   | Name of Transferor/ Transferee  | Number of Security | Nature of Consideration | Face Value per Equity Shares (in ₹) | Transfer Price per Equity Shares (in ₹) | Total Consideration (₹ in Lakhs) |
|--|--------------------|---|--------------------|-------------------------|-------------------------------------|---|----------------------------------|
| 1.   | June 01, 2023      | Transfer of Shares from Biharilal Shah HUF to Mrs. Molly Antony         | 1000               | Cash                    | ₹ 10                                | ₹ 614.00                                | 6.14                             |
| 2.   | June 01, 2023      | Transfer of Shares from Biharilal Shah HUF to Mr. Pravin Patel          | 1000               | Cash                    | ₹ 10                                | ₹ 614.0                                 | 6.14                             |
| 3.   | June 01, 2023      | Transfer of Shares from Biharilal Shah HUF to Mr. Sumesh Kochath Kuttan | 1000               | Cash                    | ₹ 10                                | ₹ 614.00                                | 6.14                             |
| 4.   | September 28, 2023 | Transfer of Shares from Biharilal Ravilal Shah to Mr. Ganesh Shanbag    | 500000             | Cash                    | ₹ 10                                | ₹ 56.00                                 | 280.00                           |
| <b>Total</b>                                       |                    |   | <b>503000</b>      |                         |                                     |   | <b>298.42</b>                    |
| <b>Weighted average cost of acquisition (WACA)</b> |                    |   |                    |                         |                                     |   | <b>₹ 59.33</b>                   |

**c) Price per share based on the last five primary or secondary transactions;**

Since there are transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction) not older than 3 years prior to the date of this Prospectus irrespective of the size of transactions is not required to disclosed.

**d) Weighted average cost of acquisition, floor price and cap price:**



| Types of transactions   | Weighted average cost of acquisition (₹ per Equity Share) | Number of times of Issue Price |
|---|---|--------------------------------|
| <p>Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options), in a single transaction or multiple transactions combined together over a span of rolling 30 days.</p>  | NA  | NA                             |
| <p>Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity / convertible securities), where promoter / promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Prospectus, where either 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-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.</p> | ₹ 59.33   | 1.18                           |
| <p>Since there were no secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of this Prospectus, which are equal to or more than 5% of the fully diluted paid-up share capital of our Company, the information has been disclosed for price per share of our Company based on the last five secondary transactions where promoter /promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Prospectus irrespective of the size of the transaction.</p>  | NA  | NA                             |

The Issue Price of ₹ 70/- has been determined by our Company, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building process. Investors should read the abovementioned information along with “Risk Factors”, “Business Overview” and “Summary of Financial Information” beginning on pages 29, 134 and 55, respectively of this Prospectus, to have a more informed view.



## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
The Board of Directors  
Konstelec Engineers Limited  
308, Creative Industrial Estate,  
Sunder Nagar, Lane No.2,  
Santacruz (East), Mumbai 400 098,  
Maharashtra, India

Dear Sir,

**Statement of possible tax benefits (“the statement”) available to Konstelec Engineers Limited (“the company”), its shareholder prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018.**

### **Reference - Initial Public Offer of Equity Shares by Konstelec Engineers Limited**

1. We hereby confirm that the enclosed Annexure I, prepared by Konstelec Engineers Limited ('the Company'), which provides the possible special tax benefits under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively the “Taxation Laws”), the rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2024-25 relevant to the financial year 2023-24, available to the Company, its shareholders. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Hence, the ability of the Company and or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.
2. This statement of possible special tax benefits is required as per Schedule VI (Part A) (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ('SEBI ICDR Regulations'). While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, its shareholders and the same would include those benefits as enumerated in the statement. The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company, its Shareholders and do not cover any general tax benefits available to them. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement
3. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that the Annexure is only intended to provide information to the investors and are neither designed nor intended to be a substitute for professional tax advice. 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 proposed initial public offering.
4. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
5. 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;
  - ii) the conditions prescribed for availing the benefits have been/would be met with; and
  - iii) the revenue authorities' courts will concur with the views expressed herein.



6. The Content of the enclosed Annexures are based on information, explanations and representations obtained from the company and on the basis of their understanding of the business activities and operations of the company.
7. No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.
8. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
9. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Prospectus in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

**For Shah P M and Associates**  
**Chartered Accountants**  
**FRN: 131576W**

**MAULIN Y. SHAH**  
**Partner**  
**M. No. 137282**  
**UDIN: 23137282BGWQIW7749**

**Date: September 29, 2023**  
**Place: Mumbai**



## **ANNEXURE I 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 availing any special tax benefits under the Taxation Laws.

### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

There are no special tax benefits under the Taxation Laws available to the Shareholders of the Company for investing in the shares of the Company.

#### **Note:**

1. 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 Red Herring Prospectus/ Red Herring Prospectus/ Prospectus.



## SECTION VIII – ABOUT THE COMPANY INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the Issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

### GLOBAL OUTLOOK

The global economy remains in a precarious state amid the protracted effects of the overlapping negative shocks of the pandemic, the Russian Federation’s invasion of Ukraine, and the sharp tightening of monetary policy to contain high inflation. Global financial conditions have tightened as a result of policy rate hikes and, to a lesser extent, recent bouts of financial instability.

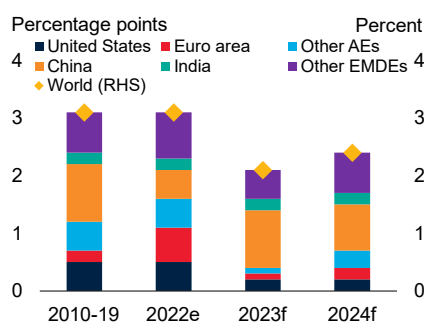


Figure 1.1.A. Contributions to global growth

Energy prices have eased considerably since their peak in 2022 on account of weaker global growth prospects and a warmer-than-expected Northern winter, which reduced natural gas and electricity consumption. Metal prices increased in early 2023, reflecting signs of a stronger-than anticipated recovery in China, but subsequently retraced those gains. Pressures on global supply chains have abated as goods demand has weakened and global shipping conditions have improved. Energy prices have eased considerably since their peak in the third quarter of 2022. Energy prices could be lower if global demand is weaker than expected. In this respect, prospects in China play a particularly important role, as it is expected to account for more than half of the increase in global oil demand in 2023. On the upside, risks to the price forecast relate to a lack of expansion in U.S. oil production, low levels of spare capacity among OPEC members, and to the possibility that the cartel may decide to cut output further.

In a scenario where banking stress results in a severe credit crunch and broader financial stress in advanced economies, global growth in 2024 would only be 1.3 percent, about half the pace in the baseline forecast (figure 1.2.A). In another scenario where financial stress propagates globally to a far greater degree, the world economy would fall into recession in 2024, as global growth of only 0.3 percent would imply a contraction in global per capita GDP. Another risk to the forecast pertains to the possibility of higher-than-expected global inflation. This would result in additional monetary policy tightening, which could trigger financial stress. This would be particularly important in the case of the United States, given the scale of international spillovers from hawkish policy reaction by the Federal Reserve to rein in inflation—such spillovers could include a substantial further rise in borrowing costs in EMDEs, especially in those with underlying vulnerabilities (figure 1.2.B). In the longer term, the decades-long slowdown of the fundamental drivers of potential growth— labor supply, capital accumulation, and total factor productivity—may be exacerbated by trade fragmentation and climate-related natural disasters.

In some advanced economies, particularly the euro area, market-derived measures of long-term inflation compensation have moved up since last year, despite a decline in oil prices, with which they have been correlated in the past (figure 1.5.C; Elliot et al. 2015). This could signal greater risks of inflation remaining above target, but may also reflect increased inflation risk aversion among market participants (Böninghausen, Kidd, and de Vincent Humphreys 2018; Lane 2023). Consumer surveys indicate that medium-term inflation expectations in the United States and the euro area have been fairly stable in 2023. Global inflation is projected to gradually edge down as growth decelerates, labor demand in many economies softens, and commodity prices remain stable. The slow pace of improvement means that core inflation is expected to remain above central bank targets in many countries throughout 2024. Risks to the outlook remain tilted to the downside. Recent advanced-economy bank turmoil highlights the possibility of more disorderly failures, which could lead to systemic banking crises and protracted economic downturns, with spillovers to sovereigns and across borders. These failures could be triggered by mounting concerns about balance sheet quality, continued losses in the heavily leveraged commercial real



estate sector, or by the ongoing decline in house prices in many countries.

Metal prices are expected to decline in 2023 and 2024, albeit to levels higher than their 2015-19 average. Price declines reflect a recovery of supply following production disruptions last year, as well as subdued global demand. Metal prices may be higher if China's real estate sector recovers faster than expected or if supply disruptions persist—the importance of developments in China is illustrated by the fact that the country has accounted for a substantial proportion of global demand growth in recent months. Inflation remains above target in almost all inflation-targeting economies. Median headline global inflation stood at 7.2 percent year-on-year in April, down from a peak of 9.4 percent in July 2022. Moderating energy prices help explain global inflation being somewhat softer in the first quarter of 2023 than previously anticipated. However, recent core inflation measures suggest the disinflation that started last year has made only halting progress. Across EMDEs, three-month median core inflation has decelerated somewhat in recent months, while it has picked up in advanced economies. Global financial conditions have become restrictive as a result of the fastest global monetary policy tightening cycle since the 1980s, along with bouts of financial instability.

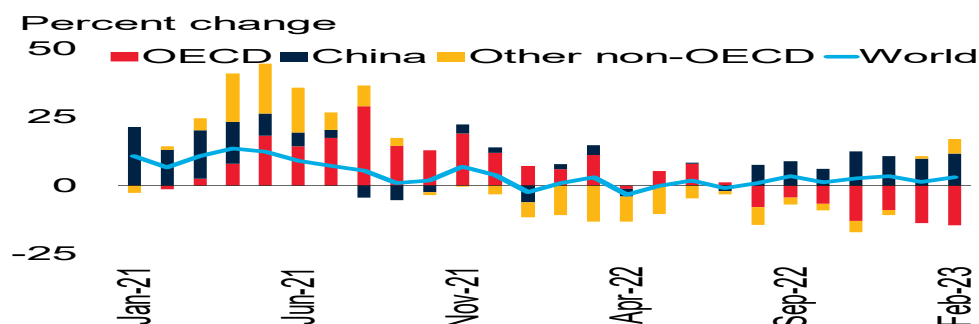


Figure: Metals demand growth

With supply chain pressures easing and energy prices declining, excess demand appears to be a key driver of continuing high inflation in advanced economies, though lingering impairments to supply capacity may also still play a role.

Advanced-economy banks started the year with unrealized losses on bond portfolios, which increased as interest rates rose. This, combined with shortcomings in risk management, contributed to the failure of several regional banks in the United States. In Europe, Credit Suisse came under intense market pressure in March and was subject to an emergency takeover. The initial emergence of banking stress drove a surge in market volatility, including the sharpest five-day drop in two-year U.S. yields in more than two decades and a large decline in bank equity prices. Central banks have nonetheless reaffirmed intentions to maintain, or increase, the tightness of monetary policy until inflation shows a clear trend toward target. Even with continued signs of banking stress, broader risk appetite in advanced-economy financial markets has been notably resilient. High-yield corporate risk spreads have mostly stayed below their post-2010 average, despite bank lending standards reaching their most restrictive levels since the global financial crisis.

Growth in advanced economies in late 2022 and early 2023 slowed less than expected, as tight labor markets supported robust wage growth and prevented a sharper slowdown in consumption. EMDE growth firmed somewhat in early 2023. External demand for many countries was supported by the pickup in growth in China and the unexpected resilience in advanced economies. Indicators of EMDE domestic demand have improved, but from a low level. Services activity also picked up to start the year, with services PMIs indicating solid expansion in several large EMDEs. Although measures of EMDE financial stress have generally declined since last year, financing costs remain elevated, reflecting both domestic and advanced-economy monetary policy tightening. Activity in EMDE energy exporters remains firm, despite a decline in energy prices (especially for coal and gas), reflecting momentum from a prolonged period of elevated export earnings. In the context of decelerating advanced-economy demand, subdued metal prices will provide little support for growth in EMDE metal exporters, many of which are also facing headwinds from tight financing conditions. In large agricultural exporters, stable high prices have supported investment in machinery and equipment, softening the contractionary impact of increased borrowing costs. Among poorer agricultural exporters, however, prohibitive fertilizer costs are crimping output. Among EMDE commodity importers, the decline in energy import costs has partially reversed the squeeze on consumers and industrial activity from last year's worsening terms of trade.

Growth in EMDEs is projected to edge up to 4 percent in 2023, which almost entirely reflects the rebound in China. EMDE growth is expected to receive little support from external demand. China's recovery is envisaged to be services oriented, rather than trade-intensive. Many EMDE central banks have also continued to tighten monetary policies, or retained high rates for longer than previously expected. Given lags in the transmission of monetary tightening, investment growth is expected to be weak throughout the year, with labour markets and consumption also softening. Moreover, market pricing suggests that inflation-adjusted policy rates will rise further in many EMDEs, as inflation declines only gradually, taking aggregate EMDE real rates further into positive territory (figure 1.9.C). This should help to combat inflation in many countries but will entail a continued drag on EMDE activity throughout 2024.



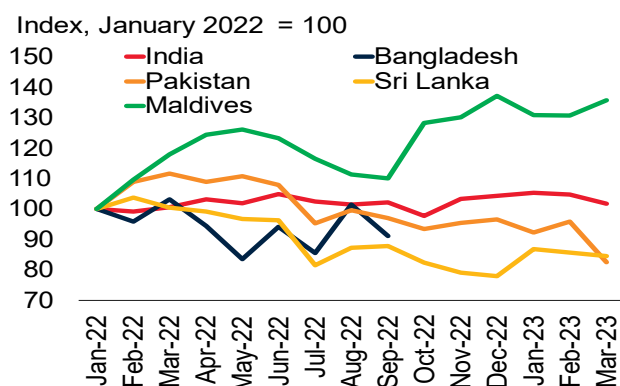


In 2022, South Asia (SAR) endured significant negative spillovers from rapid monetary policy tightening in advanced economies, weak growth in China, and the Russian Federation's invasion of Ukraine. Import restrictions imposed by several economies (Bangladesh, Nepal, Pakistan, Sri Lanka), which adversely affected economic activity, have been relaxed as external imbalances have improved and exchange rate pressures have eased. Food export bans, however, are expected to remain in place in Bangladesh, India, and Pakistan through 2023 despite falling global prices.

In India, which accounts for three-quarters of output in the region, growth in early 2023 remained below what it achieved in the decade before the pandemic as higher prices and rising borrowing costs weighed on private consumption. However, manufacturing rebounded into 2023 after contracting in the second half of 2022, and investment growth remained buoyant as the government ramped up capital expenditure. Private investment was also likely boosted by increasing corporate profits. Unemployment declined to 6.8 percent in the first quarter of 2023, the lowest since the onset of the COVID-19 pandemic, and labour force participation increased. India's headline consumer price inflation has returned to within the central bank's 2-6 percent tolerance band.

Growth in India is expected to slow further to 6.3 percent in FY2023/24 (April-March), a 0.3 percentage point downward revision from January. This slowdown is attributed to private consumption being constrained by high inflation and rising borrowing costs, while government consumption is impacted by fiscal consolidation. Growth is projected to pick up slightly through FY2025/26 as inflation moves back toward the midpoint of the tolerance range and reforms payoff. India will remain the fastest-growing economy (in terms of both aggregate and per capita GDP) of the largest EMDEs.

In SAR excluding India, growth is expected to slow to 2.9 percent in 2023 before rebounding to 4.3 percent in 2024.



(Figure: Manufacturing and tourism activity)

Growth in the region is expected to slow marginally to 5.9 percent in 2023 and more significantly to 5.1 percent in 2024 (figure 2.5.2.A). Relative to January projections, this is a 0.4 percentage point upward revision in 2023 and a 0.7 percentage point downward revision for 2024. Greater-than expected resilience in private consumption and investment, and a robust services sector in India, is supporting growth in 2023.

Expected inflation one year ahead has risen sharply in the region since early 2022 in response to broad-based price increases. Additionally, in several economies, economic crises have further contributed to this inflationary pressure. Medium-term inflation expectations appear thus far to have remained subdued; however, if higher inflation expectations became entrenched, additional monetary policy tightening would be required and could affect financial stability as well as economic activity in the region. Financial sector risks remain elevated in several economies, with high levels of non-performing loans, weak capital buffers, and weak bank governance.

Growth in India is expected to slow further to 6.3 percent in FY2023/24 (April-March), a 0.3 percentage point downward revision from January. This slowdown is attributed to private consumption being constrained by high inflation and rising borrowing costs, while government consumption is impacted by fiscal consolidation. Growth is projected to pick up slightly through FY2025/26 as inflation moves back toward the midpoint of the tolerance range and reforms payoff. India will remain the fastest-growing economy (in terms of both aggregate and per capita GDP) of the largest EMDEs.

**(Source: Global Economic Prospects 2023)**

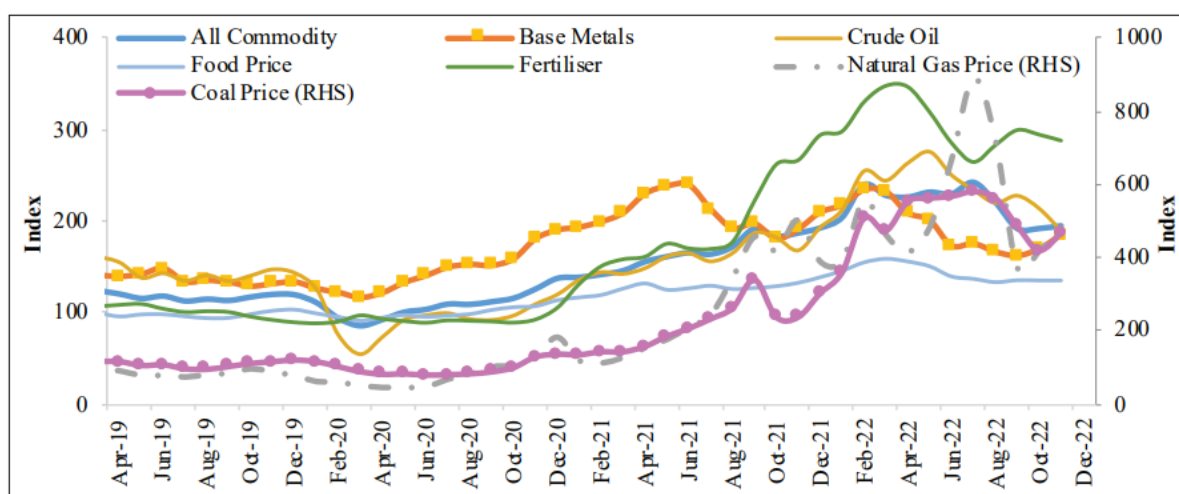
### INDIAN ECONOMY:

Global economic recovery was well on track until the Russia-Ukraine conflict broke out in February 2022. The conflict has now continued for almost a year, disrupting the restoration of the supply chains disrupted earlier by lockdowns and limited trade traffic. In the last eleven months, the world economy has faced almost as many disruptions as caused by the pandemic in two years. The conflict caused the prices of critical commodities such as crude oil, natural gas, fertilisers, and



wheat to soar. This strengthened the inflationary pressures that the global economic recovery had triggered, backed by massive fiscal stimuli and ultra-accommodative monetary policies undertaken to limit the output contraction in 2020. Inflation in Advanced Economies (AEs), which accounted for most of the global fiscal expansion and monetary easing, breached historical highs. Rising commodity prices also led to higher inflation in the Emerging Market Economies (EMEs), which otherwise were in the lower inflation zone by virtue of their governments undertaking a calibrated fiscal stimulus to address output contraction in 2020.

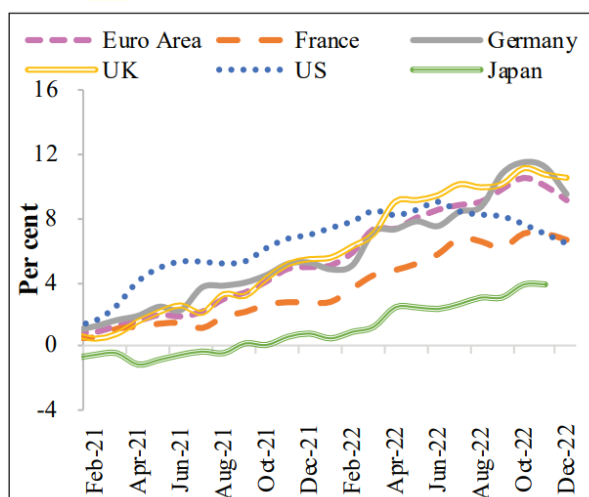
**Figure I.1: Sharp rise in commodity prices due to the Russia-Ukraine conflict; prices yet to reach pre-conflict levels**



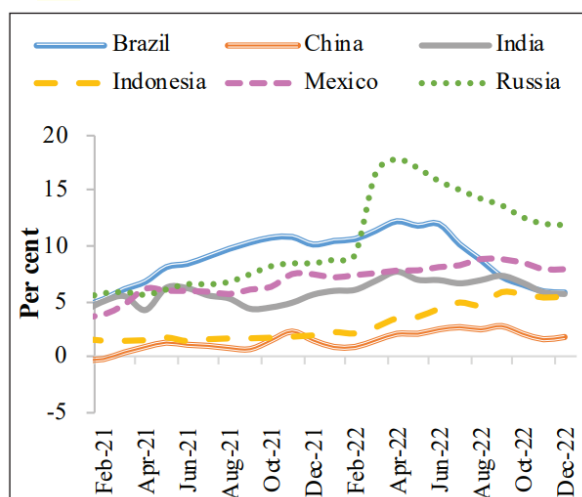
Source: IMF

**Inflation stays high, driven by high food and energy prices**

**Figure I.2a: Advanced Economies**



**Figure I.2b: Emerging Market Economies**



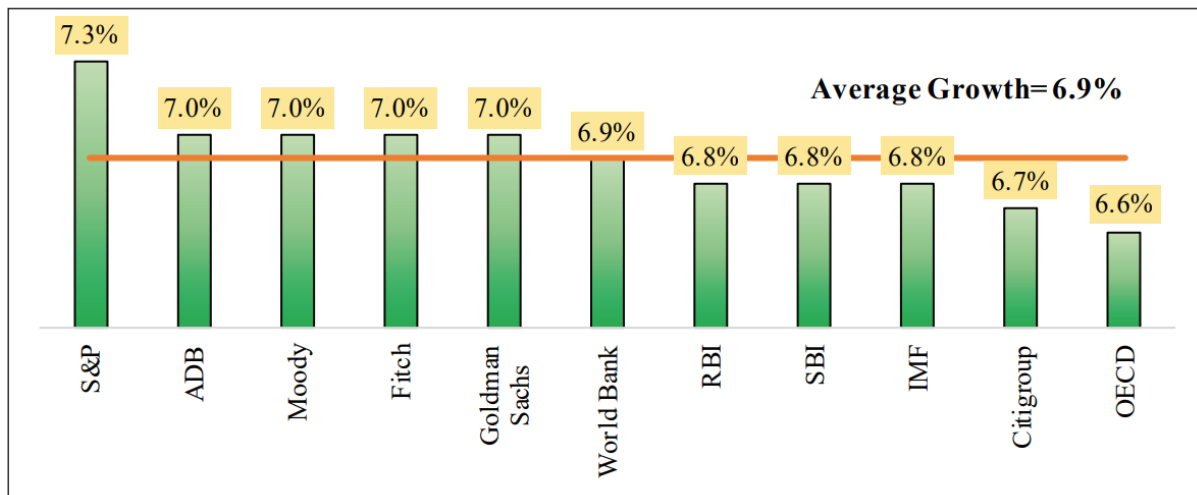
Source: Bloomberg

**India's Economic Resilience and Growth Drivers**

Monetary tightening by the RBI, the widening of the CAD, and the plateauing growth of exports have essentially been the outcome of geopolitical strife in Europe. As these developments posed downside risks to the growth of the Indian economy in FY23, many agencies worldwide have been revising their growth forecast of the Indian economy downwards. These forecasts, including the advance estimates released by the NSO, now broadly lie in the range of 6.5-7.0 per cent. Despite

the downward revision, the growth estimate for FY23 is higher than for almost all major economies and even slightly above the average growth of the Indian economy in the decade leading up to the pandemic. IMF estimates India to be one of the top two fast-growing significant economies in 2022. Despite strong global headwinds and tighter domestic monetary policy, if India is still expected to grow between 6.5 and 7.0 per cent, and that too without the advantage of a base effect, it is a reflection of India’s underlying economic resilience; of its ability to recoup, renew and re-energise the growth drivers of the economy. Fig 1.17

**Figure I.17: India growth projections by various agencies for FY23**

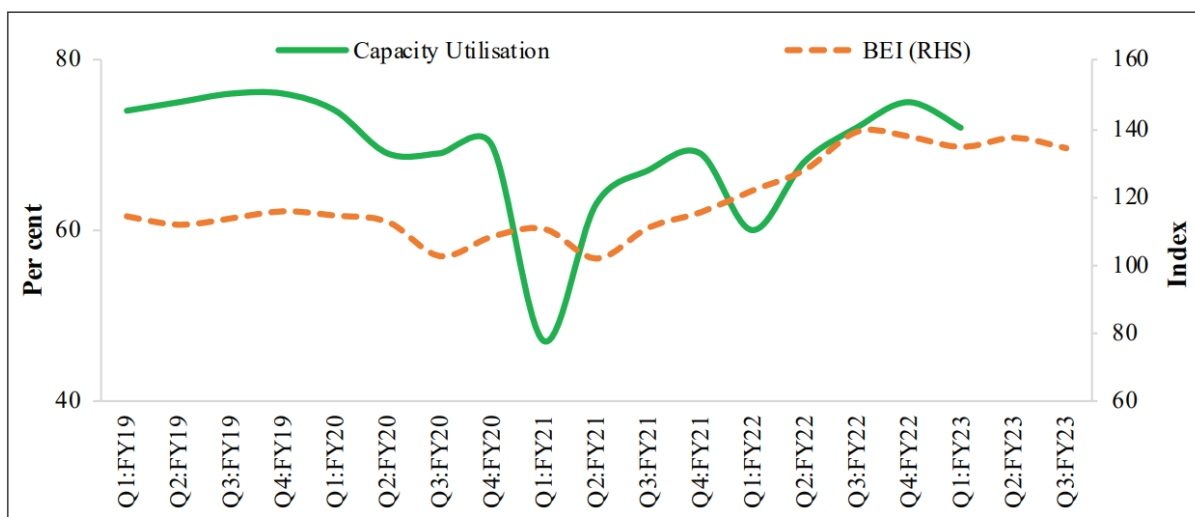


Source: Various Agencies

Note: ADB stands for Asian Development Bank, IMF is International Monetary Fund

India’s economic resilience can be seen in the domestic stimulus to growth seamlessly replacing the external stimuli. Although domestic consumption rebounded in many economies, the rebound in India was impressive for its scale. It contributed to a rise in domestic capacity utilisation. Domestic private consumption remains buoyant in November 2022, as indicated by Motilal Oswal’s Economic Activity Index.

**Figure I.18: Enhanced capacity utilisation and business sentiments**



Source: RBI

Note: BEI – Business Expectations Index

The rebound in consumption has also been supported by the release of “pent-up” demand, a phenomenon not again unique to India but nonetheless exhibiting a local phenomenon influenced by a rise in the share of consumption in disposable income. Since the share of consumption in disposable income is high in India, a pandemic-induced suppression of consumption built up that much greater recoil force. Hence, the consumption rebound may have lasting power. Accelerating growth in personal loans in India testifies to an enduring release of “pent-up” demand for consumption

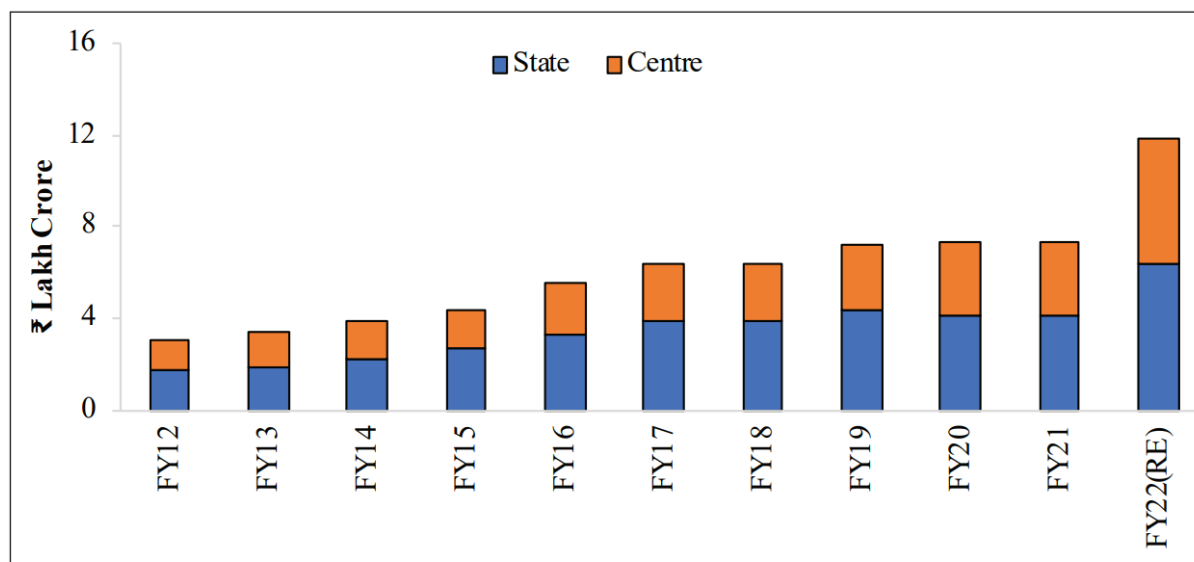
The “release of pent-up demand” was reflected in the housing market too. Demand for housing loans picked up. Consequently, housing inventories have declined, prices are firming up, and construction of new dwellings is picking up



pace. This has stimulated innumerable backward and forward linkages that the construction sector is known to carry. The universalisation of vaccination coverage also has a significant role in lifting the housing market as, in its absence, the migrant workforce could not have returned to construct new dwellings.

Apart from housing, construction activity, in general, has significantly risen in FY23 as the much-enlarged capital budget (Capex) of the central government and its public sector enterprises is rapidly being deployed. Going by the Capex multiplier estimated for the country, the economic output of the country is set to increase by at least four times the amount of Capex. 4,5 States, in aggregate, are also performing well with their Capex plans. Like the central government, states also have a larger capital budget supported by the centre's grant-in-aid for capital works and an interest-free loan repayable over 50 years.

**Figure I.21: Total capital expenditure grew at an average rate of 13.0% during FY12 and FY22**



Source: Union Budget, States Budgets, RBI

(Economic Survey 2023)

## INFRASTRUCTURE INDUSTRY

### Summary

#### 1. HIGH BUDGETARY ALLOCATION FOR INFRASTRUCTURE

- In Union Budget 2022-23, the government has given a massive push to the infrastructure sector by allocating Rs. 10 lakh crore (US\$ 130.57 billion) to enhance the infrastructure sector.
- The government expanded the 'National Infrastructure Pipeline (NIP)' to 9,335 projects. 217 projects worth Rs. 1.10 lakh crore (US\$ 15.09 billion) were completed as of 2020.

#### 2. INCREASING PRIVATE SECTOR INVOLVEMENT

- Private sector is emerging as a key player across various infrastructure segments, ranging from roads and communications to power and airports.
- Private investment into physical and social infrastructure is key to putting India in a high growth trajectory, which will make it a US\$ 5 trillion economy by 2024-25.
- Yearly private equity (PE) and venture capital (VC) investment in India is expected to surpass US\$ 65 billion in 2025.

#### 3. IMPROVEMENT IN LOGISTICS

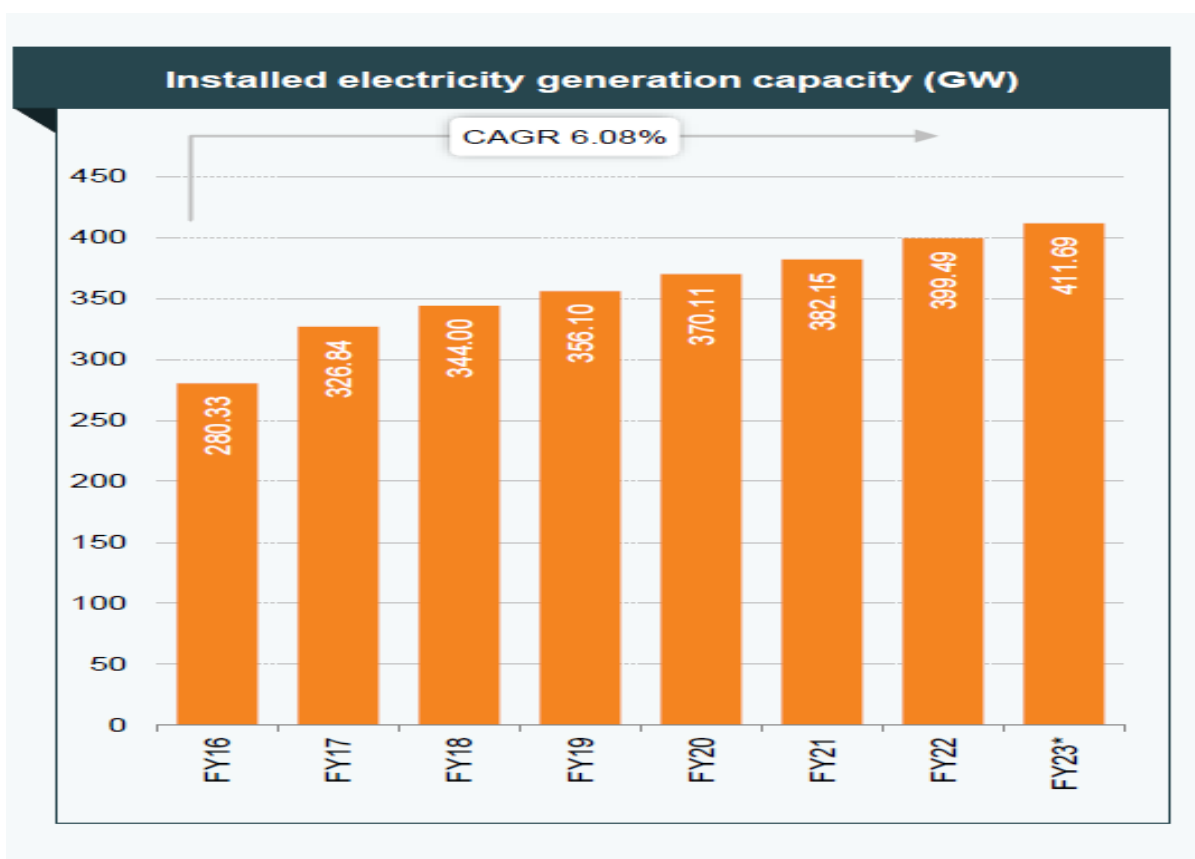
- In 2020, India's logistics sector was one of the largest worldwide worth US\$ 215 billion and increased at a CAGR of 10%.
- Indian logistics market is estimated to touch US\$ 320 billion by 2025.

### Power generation capacity has increased at a healthy pace

As on February 2023, India's total installed electricity generation capacity stood at 412.21 GW.



- As on February 2023, India's installed renewable energy capacity has increased 396% in the last 8.5 years and stands at more than 174.53 Giga Watts (including large Hydro), which is about 42.5% of the country's total capacity.
- As of February 2023, the installed solar energy capacity has increased by 24.4 times in the last 9 years and stands at 63.3 GW.
- The cumulative FDI equity inflow in the Power sector is US\$ 16.43 billion during the period April 2000 to September 2022. This constitutes 2.67% of the total FDI inflow received across sectors.
- For 2023-24, the total budgetary allocation towards the Ministry of Power stood at Rs. 1,96,035 crore (US\$ 23.83 billion).
- In fiscal year 2022-23, India expected to commission 10 thermal power units of an aggregate 7,010 MW capacity.
- Cumulatively 39 thermal power plants with a capacity of 27,550 MW are under construction and will likely take another four years to complete.
- India's power consumption grew by 13.31% on an annual basis to 127.39 billion units (BU) in September 2022 and 11.65% in H1 FY23.
- Thermal power plant load factor or capacity utilization will improve to 63% in FY24, fueled by strong demand growth along with subdued capacity addition in the sector.
- In October 2022, the Ministry of Power launched a Scheme for Procurement of Aggregate Power of 4500 MW on a competitive basis or five years on Finance, Own and Operate (FOO) basis under B (v) of SHAKTI Policy to help the states that are facing power shortage and also help generation plants to increase their capacities.



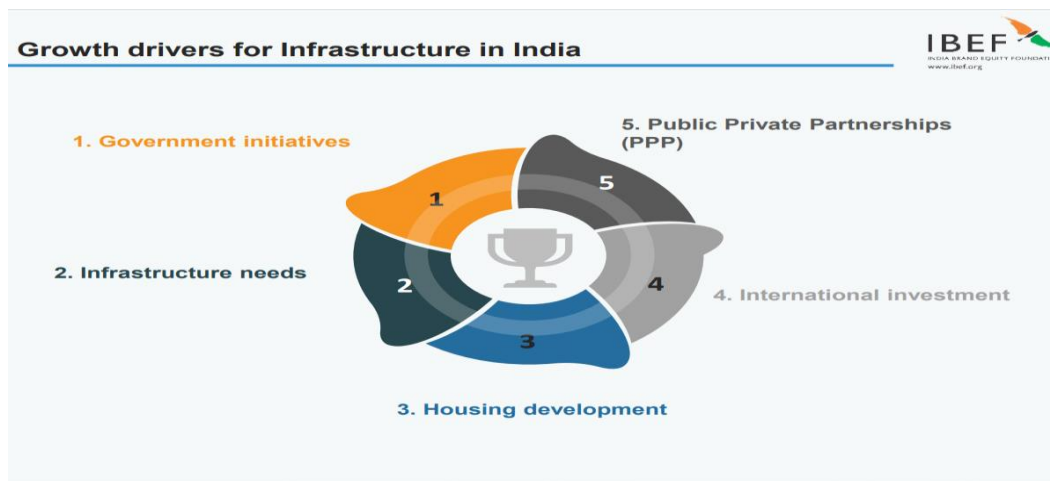
#### Government initiatives driving growth in the sector:

#### TELECOM, ENERGY AND POWER

- India is implementing many programmes for green fuel, green energy, green farming, green mobility, green buildings, and green equipment, and policies for efficient use of energy across various economic sectors.
- Also, the Budget 2023-24 allocated Rs. 97,579.05 crore (US\$ 11.7 billion) for the Department of Telecom.



- National Institute of Ocean Technology under the Ministry of Earth Sciences is implementing an Ocean Thermal Energy Conversion desalination plant at Kavaratti in Lakshadweep, powered by about 65 kW power generated from OTEC.



#### **TAX BENEFIT**

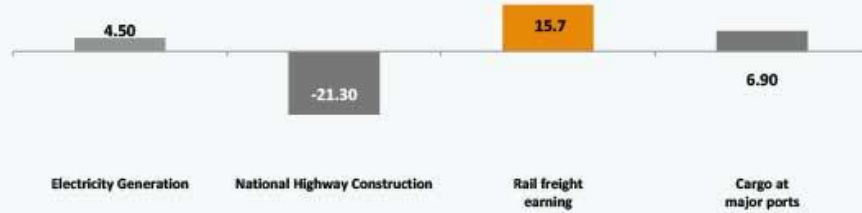
- The Union Budget 2021 provided policy impetus to achieve the 'Housing for All by 2022' vision through various measures such as extension of tax relief for the affordable housing segment.
- As per Union Budget 2021, the government announced a tax proposal for an additional deduction of Rs. 1.5 lakh (US\$ 2.06 thousand) shall be available for loans taken up until March 31, 2022, for purchase of affordable house.

# INFRASTRUCTURE



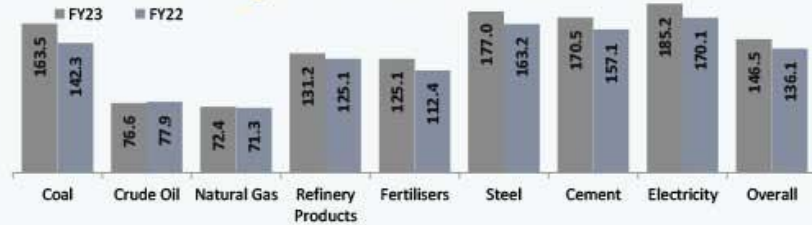
## GROWTH

Growth in Infrastructure Related Activities in FY21 (%)



## SECTOR COMPOSITION

Index of Eight Core Infrastructure Industries



## KEY TRENDS

Road Construction Per Day (kms)



Note: \* - February 2023

Installed Electricity Generation Capacity (GW)



Note: \* - Till January 2023



## GOVERNMENT INITIATIVES



Ujwal Discoms Assurance Yojana (UDAY)



PMAY - Urban Housing For All



Bharatmala Pariyojana



## ADVANTAGE INDIA

- **Robust demand:** India's population growth and economic development requires improved transport infrastructure, including through investments in roads, railways, aviation, shipping and inland waterways.
- **Increasing Investments:** Under Budget 2023-24, capital investment outlay for infrastructure is being increased by 33% to Rs.10 lakh crore (US\$ 122 billion), which would be 3.3% of GDP and almost three times the outlay in 2019-20.
- **Policy support:** Under the National Infrastructure Pipeline (NIP), projects worth Rs. 108 trillion (US\$ 1.3 trillion) are currently at different stages of implementation.
- **Attractive opportunities:** The development of infrastructure has a multiplier effect on demand and efficiency of transport and increases commercial and entrepreneurship opportunities.



## Increasing investments in Indian infrastructure

- The National Infrastructure Pipeline (NIP) for 2019-2025 is a first-of-its-kind, whole-of-government exercise to provide world-class infrastructure to citizens, improving their quality of life.
- FDI in construction development (townships, housing, built-up infrastructure and construction development projects) and construction (infrastructure) activity sectors stood at US\$ 26.23 billion and US\$ 28.95 billion, respectively, between April 2000-September 2022.
- In January 2023, the Construction arm of Larsen & Toubro secured orders for its power transmission & distribution and buildings & factories businesses to establish a 112.5MW Solar Power Plant in West Bengal and to construct a 600-bed super speciality hospital in Mumbai, respectively.
- In December 2022, BHEL formed a consortium with Titagarh Wagons and is among five entities which have bid for the mega Rs. 58,000 crore (US\$ 7 billion) contract to manufacture 200 Vande Bharat trains and maintain them for the next 35 years.
- In December 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated and laid the foundation stone of 8 National Highway projects of 226 km length worth Rs. 1,800 crore (US\$ 217.4 million) at Igatpuri, Nashik, Maharashtra.
- In December 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated 7 National Highway projects worth Rs. 2,444 crore (US\$ 295 million) with a total length of 204 km in Rewa, Madhya Pradesh.
- In November 2022, the Prime Minister of India laid the foundation stone of various road projects worth over Rs. 2200 crore (US\$ 2.6 billion), namely the Medak-Siddipet-Elkathurthy section of NH-765DG; Bodhan-Basar-Bhainsa section of NH-161BB; Sironcha to Mahadevpur Section of NH-353C in Telangana.
- In November 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated the construction of 3.8 km long 4-lane elevated structure flyover at Ahmednagar, Maharashtra on National Highway-61 at a cost of Rs. 331.17 crore (US\$ 40 million).
- In October 2022, National Highways Infra Trust (NHAI InvIT), the infrastructure investment trust sponsored by the National Highway Authority of India (NHAI) to support the Government of India's National Monetization Pipeline, raised a sum of Rs. 1,430 crore (US\$ 172.6 million) from domestic and international investors through the placement of its units, for part funding its acquisition of three additional road projects from NHAI.
- As many as 52 critical infrastructure gap projects identified by MoPSW for connecting maritime ports and IWTs (Inland Waterway Terminals) to be taken up under PM Gati Shakti National Master Plan. Currently, the DPR of a total of 56 projects (including 11 IWT projects) under this category with a total of 1215 km length are under the bidding stage for the feasibility assessment of these projects, which is being carried out by NHAI.

## New investments in Indian infrastructure



| Sub-Sectors        | New Investment (US\$ billion) |        |        |        |        |
|--------------------|-------------------------------|--------|--------|--------|--------|
|                    | FY17                          | FY18   | FY19   | FY20   | FY21   |
| Roads              | 43.043                        | 68.302 | 41.405 | 16.51  | 27.222 |
| Railways           | 45.89                         | 22.269 | 32.032 | 13.325 | 1.703  |
| Power Distribution | 5.824                         | 1.235  | 12.623 | 0.494  | 2.249  |
| Power              | 21.138                        | 13.572 | 24.934 | 16.679 | 13.039 |
| Real Estate        | 14.69                         | 19.305 | 17.407 | 17.342 | 12.558 |
| Manufacturing      | 44.746                        | 41.392 | 87.269 | 23.114 | 35.113 |
| Mining             | 6.747                         | 9.477  | 13.156 | 8.736  | 8.125  |





## BUSINESS OVERVIEW

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year. In this section, a reference to “Konstelec”, “Company” or “we”, “us” or “our” means “Konstelec Engineers Limited”. All financial information included herein is based on our “Restated Financial information” included on page 208 of this Prospectus.*

Our Company was originally incorporated as “Konstelec Engineers Private Limited” as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 05, 1995, issued by the Registrar of Companies, Mumbai. Subsequently Our Company was converted from a private limited company to public limited company pursuant to shareholders resolution passed in the Extra-Ordinary General Meeting of the company dated June 30, 2023 and consequently, the name of our Company was changed to “Konstelec Engineers Limited” and a fresh certificate of incorporation dated August 25, 2023 was issued to our Company by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U45203MH1995PLC095011. For details of change in name and registered office of our Company, please refer to chapter titled “History and Corporate Matters” beginning on page no. 172 of this Prospectus.

Konstelec Engineers Limited was incorporated on December 05, 1995 as a private Limited Company and started business operations as Design Engineering Company. Over the years, we have expanded our services, constantly upgraded our technologies, systems, and processes and diversified our business operations. As an EPC company, we specialize in delivering full-scale project management, procurement support, and detailed engineering services for various kinds of electrical infrastructure projects across India and abroad. With a skilled team, strong project execution capabilities, and a client-centric focus, we are committed for delivering high-quality, safe, and innovative solutions that meet our clients' specific needs. Our expertise covers the entire project lifecycle, ensuring timely delivery and successful outcomes for even the most complex projects.

At present, we are in the business of Engineering, Procurement, and Construction/ Commissioning (EPC) contractors and are engaged in the business of offering full range of EPC services in India and abroad. Our services find applications across several processing and various kinds of manufacturing industries such as oil & gas, refinery, steel, cement, pharmaceuticals, textile, hospital, health care and commercial complexes, domestically and internationally. We have designed, developed, and executed several complex and integrated projects requiring cutting-edge electrical, instrumentation and automation systems. Our key offerings include engineering design and drawings, procurement, operations and maintenance, project management and construction and commissioning. We provide one-stop solution to our clients for various kinds of engineering projects. Our expertise includes Electrical Installation, Solar Power Plant Setup, Instrumentation & Automation.

We are an EPC company and specialize in delivering full-scale project management, procurement support, and detailed engineering services for various kinds of electrical infrastructure projects across India and abroad. We acquire direct infrastructure project contracts through tender biddings or direct orders from the clients. For any contract we procure the products on behalf of the client and provide design, construction and allied services to our clients, as a bundle.

Our adaptability to market demands and technological advancements enable us to tackle projects of varying sizes and complexities. We are a licensed electrical contractor and have successfully completed over more than 200 Project of various size and complexities of which there were 47 Major Projects worth more than ₹ 400 Crores in India and abroad. As on November 30, 2023, we have an order book of more than 57 Major Projects worth around ₹ 573 Crores from our major projects suggesting strong order book which are at different stages of implementation.

We possess the requisite resources of DG sets, hydra/ crane, testing equipment's for civil/ electrical/ instruments, commercial vehicles, manpower strength etc. to execute our projects successfully. Among our distinguished clientele, we have the privilege of serving a number of esteemed clients such as Reliance Industries Limited, Engineers India Limited, JSW Steel, Indian Oil, BPCL, HPCL, CPCL, MRPL, ISRO, ACC, BARC, Dangote Industries Limited, Adani, NTPC, Tata Steel Ltd, Navin Fluorine International Ltd and IGPL, etc.

The growth we have achieved can be attributed to the visionary leadership and guidance of our promoters, Mr. Biharilal Ravilal Shah and Mr. Amish Biharilal Shah. Their extensive knowledge and over six decades of business experience in our industry have been instrumental in driving our efficiency and success. Additionally, our team comprises a diverse group of professionally trained and qualified engineers with versatile abilities. This exceptional team is adept at providing effective solutions to our customers across projects of various scales and complexities. Their collective expertise has been a driving force behind our accomplishments and continued growth.



We have in-house capabilities to deliver a project from conceptualization to completion with fast turnaround time from acquisition to launch to completion, which focuses on de-risking and improving return on investment.

We offer professional solutions, encompassing design and engineering services, to cater to the needs of our valued customers. Our team comprises highly skilled and dedicated professionals who are always prepared to deliver their utmost efficiency. At Konstelec, we leverage our technical expertise in the most optimal and cost-effective manner, ensuring the utmost reliability and availability of each project. With a proven track record of successfully executing various projects, we have cultivated a wealth of experience.

Our projects are executed by a professional and well-managed team with extensive techno-commercial knowledge and experience in the field of Engineering, Procurement, and Construction (EPC). Their expertise enables us to effectively plan, implement, and deliver projects to the highest standards. With their vast experience, our team ensures the successful execution of projects, meeting the requirements of our clients and contributing to our company's overall growth and success.

We derive our revenue from following business verticals:

- a) Engineering Design & Consultancy Services;
- b) Construction and commissioning;
- c) Operation and maintenance;
- d) Project Management

Our competent team enable us to deliver projects with precision, adhere to strict safety standards, and maintain exceptional quality, making us a reliable and trusted partner for our clients. Our services are consistent round the year. We are a quality conscious company. We constantly striving to expand our service portfolio and we always look forward to complementing projects of our clients.

## LOCATIONAL PRESENCE

Our company provide its services at more than 15 states of India and in Nigeria.

## FINANCIAL SNAPSHOT

### BASED ON CONSOLIDATED FINANCIAL STATEMENT

(₹ Lakhs)

| Particulars                               | For the period / year ended on |                |                |                |
|---|--------------------------------|----------------|----------------|----------------|
|   | September 30, 2023             | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Revenue from Operations (₹ in Lakhs)      | 9305.27                        | 15340.49       | 10704.72       | 10489.43       |
| Growth in Revenue from Operations (YoY %) | -                              | 43.31          | 2.05           | -              |
| Gross Profit (₹ in Lakhs)                 | 5056.97                        | 7941.84        | 6691.93        | 6424.47        |
| Gross Profit Margin (%)                   | 54.35                          | 51.77          | 62.51          | 61.25          |
| EBITDA (₹ in Lakhs)                       | 707.91                         | 1414.54        | 584.38         | 480.71         |
| EBITDA Margin (%)                         | 7.61                           | 9.22           | 5.46           | 4.58           |
| Profit After Tax (₹ in Lakhs)             | 456.16                         | 777.77         | 352.25         | 190.34         |
| PAT Margin (%)                            | 4.90                           | 5.07           | 3.29           | 1.81           |
| RoE (%)                                   | 7.11                           | 13.39          | 6.71           | 3.81           |
| RoCE (%)                                  | 7.73                           | 16.81          | 9.00           | 6.89           |
| Net Fixed Asset Turnover (In Times)       | 11.39                          | 19.33          | 14.02          | 13.79          |
| Net Working Capital Days                  | 241                            | 135            | 158            | 150            |
| Operating Cash Flows (₹ in Lakhs)         | (516.80)                       | (457.08)       | 43.01          | (333.91)       |

## REVENUE BIFURCATION:

### Category wise revenue bifurcation:

The revenue bifurcation of the issuer company for the period ended on last three years as per restated financial Statement are as follows:

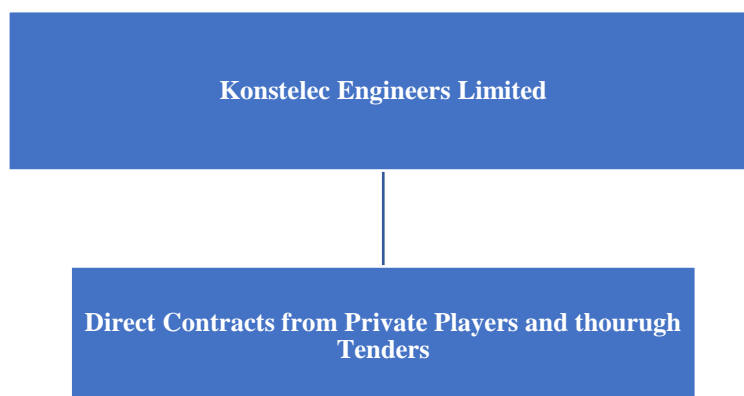
(₹ Lakhs)



| Particulars    | For the period ended 30 Sept 2023 | For the year ended 31 March 2023 | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|----------------|-----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Domestic Sales | 9,288.13                          | 14,641.42                        | 9,544.29                         | 10,028.72                        |
| Export Sales   | 17.14                             | 699.07                           | 1,160.43                         | 460.71                           |
| <b>Total</b>   | <b>9,305.27</b>                   | <b>15,340.49</b>                 | <b>10,704.72</b>                 | <b>10,489.43</b>                 |

## OUR BUSINESS MODEL

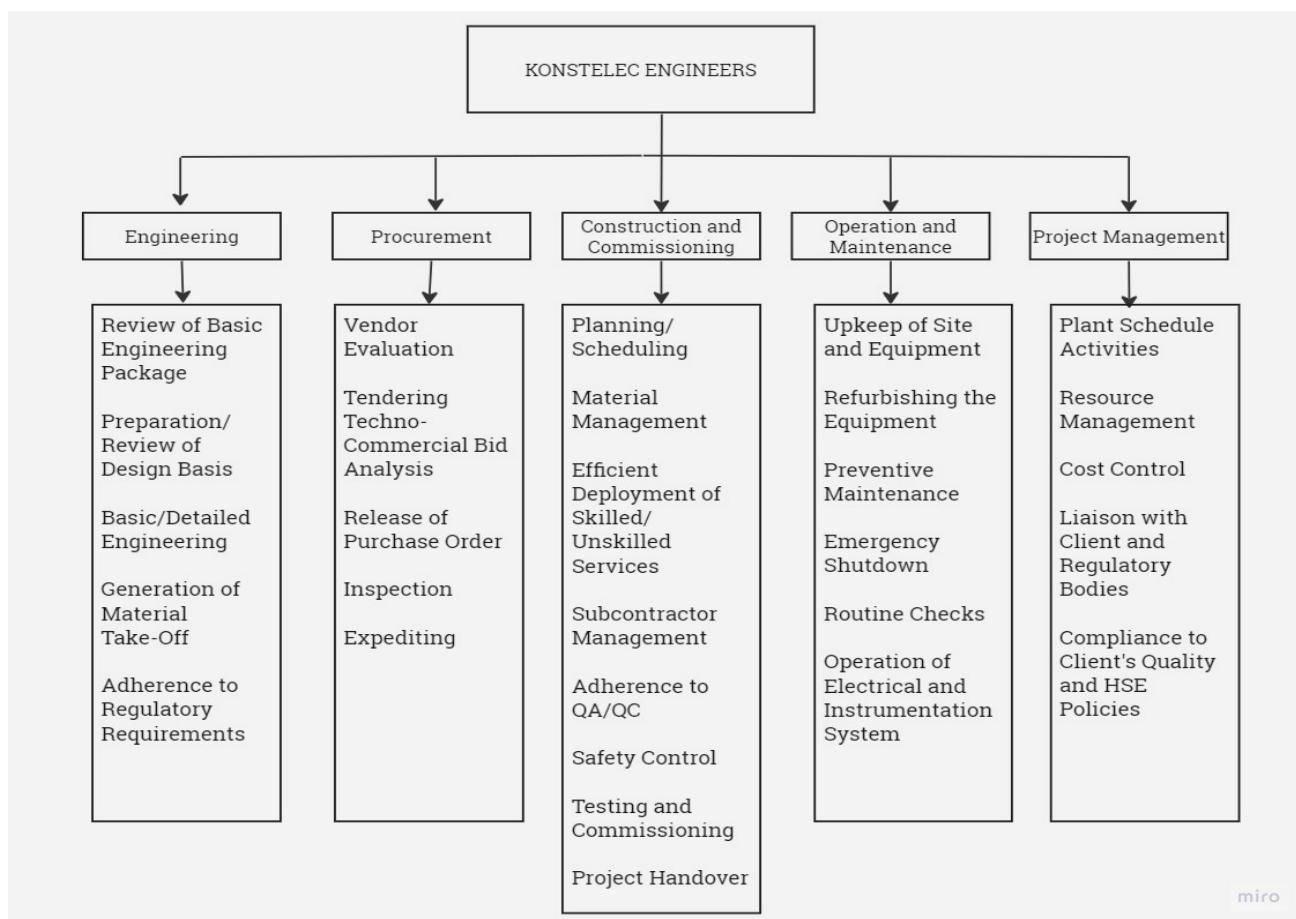
Following is our business model



100% of revenue from operations is directly from main clients. We do not take outsourced work contracts.

## OUR PORTFOLIO OF SERVICES

We offer a diverse range of services to various sectors, which includes, but is not limited to the following:



## 1. ENGINEERING AND DESIGN

In our engineering services, we follow a comprehensive approach that encompasses various stages to ensure the successful execution of projects. It all begins with a thorough review of the basic engineering package provided by our clients. This step helps us understand the project requirements, scope, and objectives, which forms the basis for our subsequent engineering activities.

Once we have thoroughly reviewed the design basis, we move on to the next phase, which involves preparing or reviewing the detailed engineering plans. This stage is crucial as it lays the foundation for the entire project. Our team of skilled engineers and experts work diligently to create detailed engineering drawings, specifications, and documentation, ensuring that every aspect of the project is meticulously planned.

The next critical step in our engineering process is the generation of a material take-off (MTO). This involves accurately quantifying the materials required for the project based on the detailed engineering plans. The MTO helps in estimating the project's cost, procuring the necessary materials, and managing the overall project budget efficiently.

Throughout the engineering process, we adhere strictly to all relevant regulatory requirements and industry standards. Our team ensures that every design and plan meet the necessary legal and safety regulations, codes, and guidelines set by the authorities. This approach helps us mitigate risks, maintain compliance, and ensure the safety and reliability of the final infrastructure.

Overall, our engineering services are designed to provide clients with a comprehensive and seamless experience, starting from concept to completion. We take pride in our ability to deliver robust and innovative engineering solutions that meet the unique needs of each project, making us a trusted partner for large-scale electrical infrastructure projects, both in India and overseas.

## 2. PROCUREMENT

Our procurement process is a well-structured and essential aspect of our project management approach. We understand the significance of sourcing quality materials, equipment, and services to ensure the successful execution of complex electrical infrastructure projects. Following is the detailed description of the services:



- a) **Vendor Evaluation:** The procurement process begins with a thorough vendor evaluation. We carefully assess potential suppliers based on their experience, expertise, financial stability, track record, and ability to meet our project's specific requirements. This evaluation helps us select reliable and competent vendors to partner with for the project.
- b) **Tendering:** After identifying potential vendors, we initiate the tendering process. We prepare comprehensive tender documents that outline the project's specifications, scope, and deliverables. These documents are shared with the selected vendors to submit their proposals, which will be evaluated based on predefined criteria.
- c) **Techno-Commercial Bid Analysis:** Once the vendors submit their proposals, our team performs a detailed techno-commercial bid analysis. We evaluate the technical capabilities, quality of products or services offered, compliance with project specifications, and pricing offered by each vendor. This analysis helps us identify the most suitable and cost-effective vendor for each component of the project.
- d) **Release of Purchase Order:** After finalizing the selection of vendors, we issue the purchase orders to the chosen suppliers. The purchase orders include all necessary details, such as quantity, delivery schedule, terms, and conditions. This formalizes the procurement arrangement and sets the expectations for both parties.
- e) **Inspection:** To maintain quality standards, we conduct rigorous inspections of the procured materials, equipment, or services. Our qualified inspectors ensure that the items meet the required specifications and comply with industry standards. Inspection is a crucial step in ensuring that the project's quality and safety are not compromised.
- f) **Expediting:** Throughout the procurement process, we prioritize timely delivery of materials and equipment. We closely monitor the progress of orders and follow up with vendors to expedite deliveries, ensuring that the project schedule remains on track.

By following this comprehensive procurement process, we aim to secure the best resources and partners for our projects, mitigate potential risks, and ensure the successful execution of the largest and most complex electrical infrastructure projects across India and overseas. Our commitment to quality and efficiency in procurement contributes significantly to the overall success of our projects and the satisfaction of our clients.

### 3. CONSTRUCTION AND COMMISSIONING

Our Company's construction and commissioning capabilities form the backbone of our success in delivering top-notch electrical infrastructure projects. With over more than two decades of experience, we have honed our expertise to ensure technical excellence and operational efficiency in every endeavour.

The construction phase is meticulously planned and executed to meet our high standards. We bring together a skilled and unskilled workforce and, when needed, engage subcontractors to efficiently manage the project's various aspects. Our teams work cohesively to ensure that the construction process adheres to our stringent quality standards and meets the project's timeline.

Safety is paramount in our construction practices, and we have a dedicated focus on maintaining a safe working environment. Certified Safety Engineers and Officers are present on-site to enforce safety protocols and conduct regular audits to identify and address any potential risks or hazards. This approach ensures that our workforce, as well as the surrounding community, is protected throughout the construction process.

As we near project completion, a comprehensive commissioning phase comes into play. We subject all equipment, systems, and components to rigorous testing to evaluate their performance, reliability, and compliance with safety standards. This meticulous testing ensures that the project operates optimally, meeting all required specifications before handing it over to the client.

We take pride in delivering a project that meets or exceeds the client's expectations. Before the final handover, we conduct thorough safety checks to ensure all safety measures have been diligently followed. We provide the client with comprehensive documentation, detailing the project's specifications, operating procedures, and maintenance guidelines.

Our commitment to quality, safety, and timely project delivery sets us apart in the industry. With our construction and commissioning expertise, we consistently deliver successful projects that enhance our reputation as a reliable and trusted partner for electrical infrastructure development.

### 4. OPERATION AND MAINTENANCE

We prioritize meticulous site and equipment maintenance to create a safe and efficient working environment. Our approach includes equipment refurbishment and proactive preventive maintenance to address potential issues before they escalate, thereby minimizing downtime and ensuring maximum reliability.

Safety is of paramount importance to us, and we have well-defined emergency shutdown procedures in place to safeguard our personnel and assets in critical situations. Routine checks are an integral part of our operation, allowing us to closely monitor equipment performance and swiftly respond to any deviations or abnormalities.



Our commitment to excellence extends to adhering to the highest industry standards in all aspects of our projects' operation. By following best practices and implementing cutting-edge technologies, we ensure that our projects run seamlessly, providing our clients with reliable and consistent results.

Through our robust Operation and Maintenance strategies, we strive to optimize the longevity and performance of our projects, thus ensuring a strong foundation for their sustainable success. We take great pride in delivering top-tier services and maintaining our reputation as a reliable partner in the field of electrical infrastructure development.

## 5. PROJECT MANAGEMENT

We adopt a well-structured and comprehensive approach to ensure successful project execution. Our team focuses on key aspects to achieve project milestones effectively and efficiently.

**Plant Schedule Activities:** We develop detailed project schedules that outline all activities and their respective timelines. Our experienced project managers meticulously plan the sequence of tasks, ensuring optimal resource allocation and efficient utilization of time.

**Resource Management:** We prioritize resource management to ensure that the right personnel and equipment are available when needed. Our skilled workforce and modern equipment enable us to handle project challenges effectively, maximizing productivity.

**Cost Control:** We are committed to cost-effective project delivery. Our project managers closely monitor project budgets and expenditures, implementing effective cost control measures to minimize expenses without compromising on quality.

**Liaison with Clients and Regulatory Bodies:** We maintain transparent and open communication with our clients, keeping them informed about project progress and addressing any concerns promptly. Additionally, we liaise with regulatory bodies to secure necessary approvals and ensure compliance with all legal and regulatory requirements.

**Compliance with Quality and HSE Policies:** Quality and safety are integral to our project management approach. We adhere strictly to the quality and health, safety, and environment (HSE) policies established by our clients and regulatory bodies. Stringent quality checks and safety measures are implemented at every stage to meet and exceed industry standards.

**Client Satisfaction:** We prioritize client satisfaction throughout the project lifecycle. By delivering high-quality work and meeting project objectives, we aim to build lasting partnerships with our clients and earn their trust.

Our holistic approach to Project Management ensures that we complete projects within schedule, budget, and quality parameters. By maintaining a proactive and adaptable stance, we successfully navigate project complexities and deliver exceptional results. As a result, we have earned a reputation for reliability, efficiency, and excellence in the industry.

## OUR AREAS OF PROFICIENCY

### 1. Electric & Instrumentation Contracts

The scope of electric & instrumentation contracts may include:

- **Electrical Systems:** This involves the installation and maintenance of power distribution networks, electrical panels, wiring, lighting systems, and other electrical infrastructure required for the project.
- **Instrumentation Systems:** This covers the installation and calibration of various sensors, transmitters, control valves, and other instruments used to monitor and control process parameters in industrial facilities.
- **Automation and Control:** It includes the design and implementation of control systems, distributed control systems (DCS), programmable logic controllers (PLC), and supervisory control and data acquisition (SCADA) systems for process automation.
- **Safety and Fire Protection:** This involves the installation of fire and gas detection systems, emergency shutdown systems, and other safety-related instrumentation to ensure the safety of personnel and equipment.
- **Compliance and Quality Assurance:** Ensuring adherence to relevant industry standards, regulations, and safety codes during the execution of the project.

Electric & Instrumentation contracts require skilled and experienced engineering teams that can handle complex electrical and instrumentation requirements while ensuring safety, reliability, and efficiency in the systems. These contracts play a crucial role in various industries to ensure smooth and optimized operations in challenging and dynamic environments.

Konstelec boasts a dedicated and skilled permanent workforce comprising more than 120 engineers, 250 technicians, and various other locally employed personnel, totaling to over 800 work force across diverse project sites in India and Africa. Our manpower allocation aligns precisely with contractual obligations and client specifications. With an impressive



portfolio of over 50 active project sites across India and Nigeria, we possess the necessary resources, including Hydra, Containers/Commercial Vehicles, Stores, and Manpower, meticulously meeting all contractual commitments.

Over the years, Company has earned the unwavering trust and confidence of our valued clients by consistently delivering on our promises. Our remarkable ability to rapidly mobilize and deploy requisite resources has set us apart, allowing us to respond promptly and efficiently to any project's demands. Our commitment to excellence and resource management has further strengthened our reputation in the industry, solidifying our position as a reliable partner for our clients.

## **2. Electrical**

Konstelec excels in a wide range of electrical engineering services, including:

- **Switchyard Design and Execution:** Our expertise extends to designing and executing switchyards for voltage levels up to 220 KV, ensuring efficient power transmission and distribution.
- **Sub Station and Power Distribution System Design and Execution:** We are skilled in designing and executing substations and power distribution systems for High Voltage (HV) and Medium Voltage (MV) applications, catering to various industries such as process plants, commercial complexes, power plants, cement plants, refineries, and more.
- **Resources for HV and MV Systems:** Our team is equipped to handle the design and execution of HV and MV systems, delivering reliable and efficient solutions for diverse projects.
- **Power Protection System Design:** We possess in-depth knowledge and experience in designing power protection systems, incorporating advanced technologies to safeguard critical equipment and ensure seamless operations. Our services also include testing and relay setting coordination for optimal performance.
- **Earthing, Lighting, and Lightning Protection System:** Konstelec is well-versed in designing and implementing comprehensive earthing, lighting, and lightning protection systems. These systems are crucial for maintaining safety and minimizing risks associated with electrical installations.
- **Lighting Fixtures:** We offer expert guidance in selecting and installing appropriate lighting fixtures for various applications, ensuring effective illumination and energy efficiency.

With a proven track record and a team of highly skilled professionals, Konstelec provides cutting-edge solutions in the field of electrical engineering, contributing to the successful execution of projects across different industries.

## **3. Solar Power Plant**

Konstelec has been actively involved in various Solar Power plant projects under the Jawaharlal Nehru National Solar Mission (JNNSM), an initiative by the Government of India to promote solar energy adoption. These projects have been undertaken in collaboration with various EPC consultants. Additionally, Company has taken up the responsibility of operating and maintaining these solar power plants post-construction.

We have successfully undertaken and executed various key projects in the solar power sector. Our expertise extends to a wide range of tasks involved in the construction and operation of solar power plants. Some of the major works completed by our company include:

- **Electrical Works for 5 MW Solar Photovoltaic Power Plant:** We have efficiently carried out electrical works for a 5 MW solar photovoltaic power plant. Our skilled team ensured the smooth installation, testing, and commissioning of the entire solar system, from PV panels to the switchyards. This project demonstrates our capability to handle medium-sized solar installations and deliver reliable and efficient results.
- **Erection, Installation, Testing & Commissioning for 17 MW Power Plant:** KEPL has successfully managed the erection, installation, testing, and commissioning of a substantial 17 MW solar power plant. Our expertise in seamlessly integrating solar PV panels, electrical systems, and switchyards has contributed to the plant's smooth operation and compliance with industry standards.
- **Supply, Erection, Installation, Testing & Commissioning of 66KV Switchyard with 11KV Pooling Station, including Civil Work:** In addition to the solar power plants, we have also executed a project involving the supply, erection, installation, testing, and commissioning of a 66KV switchyard with an 11KV pooling station. Our capabilities extend to civil works associated with these installations, ensuring a comprehensive and efficient solution.

## **4. Instrumentation & Automation**

Konstelec's expertise in Instrumentation & Automation encompasses a wide array of services:

- **Building Management System (BMS):** We specialize in designing and implementing BMS solutions, including Security, Access Control, CCTV, and Fire Alarm Systems, ensuring optimal safety and security in various buildings and facilities.



- **Industrial Power Plant (IPP) - Boiler and Burner Management System (BBMS):** Our team is well-versed in creating efficient BMS solutions for Industrial Power Plants, optimizing the performance of boilers and burners for enhanced productivity.
- **Automation System and Process Control:** We provide comprehensive automation solutions with Field Bus Engineering for Power Plants, Wire Rod Mill, Cement Plants, and similar industries, streamlining processes and increasing operational efficiency.
- **Office Automation System:** KEPL offers data and voice automation solutions for offices, enhancing communication and facilitating seamless operations. We also provide Network Systems to ensure robust connectivity and data management.
- **Integrated Green Building Design & Energy Efficiency Solutions:** We specialize in designing sustainable and energy-efficient green buildings, employing innovative solutions to reduce environmental impact.
- **Distribution Control System, PLC, SCADA & Complete Control and Automation Package:** Our expertise extends to providing comprehensive solutions for Distribution Control Systems, Programmable Logic Controllers (PLC), SCADA systems, and other automation packages, enabling effective control and monitoring of various processes.

With a highly skilled team and cutting-edge technologies, we deliver top-notch Instrumentation & Automation services, contributing to the success and efficiency of projects in diverse industries.

## OUR COMPETITIVE STRENGTHS

1. **Expertise and Experience:** With over two decades of experience in the EPC industry, our team has developed extensive expertise in handling a diverse range of projects. Our skilled professionals possess in-depth knowledge and technical know-how, enabling us to tackle projects of varying complexities and scales effectively.
2. **Strong Project Management:** We take pride in our efficient and meticulous project management capabilities. By leveraging cutting-edge planning tools and processes, we create detailed project plans and execute them seamlessly. Our proactive approach to cost-effective alternatives and adherence to Quality, Health, Safety, and Environment (QHSE) policies ensure successful project delivery.
3. **Comprehensive Service Offering:** As a full-service EPC company, we provide a complete suite of project management, engineering, procurement, and construction services. From conceptualization to commissioning, we handle every aspect of the project lifecycle, offering our clients a one-stop solution.
4. **Diverse and Skilled Workforce:** Our dedicated team comprises over 800 professionals, including engineers, technicians, and other skilled and unskilled personnel. Their diverse skill sets enable us to execute projects in different regions and industries, meeting the specific requirements of our clients effectively.
5. **Robust Technical Infrastructure:** We have established an in-house design setup and equipped ourselves with the latest technological advancements. This enables us to stay at the forefront of innovation and deliver cutting-edge solutions to our clients.
6. **Commitment to Quality and Safety:** Quality and safety are at the core of our operations. We maintain the highest industry standards and implement stringent quality control measures. Our certified Safety Engineers and Officers ensure a safe working environment, minimizing risks and enhancing operational efficiency.
7. **Robust Order Book:** Our strong and continuously growing order book is a testament to the trust and confidence our clients place in us. The cumulative value of secured contracts in our order book represents the future revenues we expect to recognize from these projects. This not only provides us with a stable revenue stream but also reflects the market's recognition of our capabilities and expertise in the industry. Our robust order book ensures a steady flow of projects, enabling us to maintain a competitive edge and achieve sustainable growth. As on August 31, 2023, we have an order book position for execution of around ₹ 565 Crores which are at different stages of implementation.
8. **Strong Client Relationships:** Over the years, we have built enduring relationships with our clients based on trust and mutual respect. Our ability to deliver on time and within budget has earned us their confidence and repeat business.
9. **Geographical Presence:** Our presence in multiple regions, including Andhra Pradesh, Assam, Bihar, Karnataka, Kerala, Gujarat, Odisha, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, West Bengal in India and Nigeria in Africa, provides us with a strategic advantage to tap into diverse markets and expand our business footprint.
10. **Track Record of Successful Projects:** Our track record of successfully executing and delivering projects speaks for itself. Our ability to meet client expectations and achieve desired outcomes has been pivotal in building our reputation in the industry.





11. **Adherence to Regulatory Compliance:** We ensure strict compliance with all applicable laws, regulations, and permits, minimizing risks and potential legal complications.

## OUR BUSINESS STRATEGIES

1. **Technological Advancement:** At Konstelec, we recognize the paramount importance of staying at the forefront of technological innovation in our industry. Embracing cutting-edge technologies and innovative solutions is a fundamental aspect of our business strategy, enabling us to maintain a competitive edge and deliver exceptional services to our clients. As technology rapidly evolves, businesses that fail to keep pace risk falling behind in the market. Therefore, we continually invest in researching and adopting the latest advancements that align with our project requirements and client needs. This approach empowers us to deliver superior solutions and stay ahead of the competition. By leveraging advanced technologies, we enhance the efficiency and effectiveness of our operations. Modern tools and techniques enable us to streamline processes, optimize resource allocation, and achieve higher productivity levels. This efficiency translates into cost savings and improved project timelines, benefiting both us and our clients.
2. **Strong Project Execution:** Our Company prioritizes meticulous planning and execution, ensuring high-quality standards, timely delivery, and adherence to budgets. This commitment enhances client satisfaction, fosters trust, and strengthens the company's reputation.
3. **Talent Development:** Our Company emphasizes fostering a skilled and motivated workforce, empowering the team to handle diverse projects efficiently. Talent development ensures seamless growth and operational excellence across projects.
4. **Customer-Centric Approach & Sustainable Growth:** At Konstelec, we pride ourselves on adopting a customer-centric approach that puts our clients' unique needs at the forefront of our business. Understanding their specific requirements is essential to providing tailor-made solutions that best address their challenges and objectives. This customer-centric focus has proven instrumental in building enduring relationships with our clients, fostering trust, and encouraging repeat business. In addition to our dedication to our clients, we are equally committed to sustainable growth and responsible environmental management. Our company recognizes the importance of aligning our growth with the well-being of society and the environment. We actively embrace sustainable practices throughout our operations, ensuring that our projects have a positive impact on the communities and environments in which we work. By combining a customer-centric approach with our commitment to sustainability, we not only meet our clients' needs effectively but also contribute to a better and more sustainable future. Our philosophy of responsible growth guides us to strike a balance between delivering high-quality services and solutions while safeguarding the environment and the interests of all stakeholders involved. This approach sets us apart as a responsible and forward-thinking organization, dedicated to making a positive difference in the world.
5. **Quality Assurance:** Our Company prioritizes maintaining the highest standards of quality in all projects and services. Consistently delivering top-notch solutions builds a reputation for excellence and instills client trust, enhancing the company's market position.
6. **Enhancing Brand Name:** Our Company recognizes the value of its brand and the trust it inspires in clients. Continuous efforts to enhance the brand's reputation aim to establish Konstelec as a recognized and preferred choice in the industry.
7. **Improving Operational Efficiencies:** Our Company streamlines internal processes and optimizes resource utilization to deliver projects more effectively, increasing customer satisfaction and overall profitability.
8. **Leveraging Market Skills and Relationships:** Our Company leverages its skilled workforce and strong market relationships to explore new opportunities, forge strategic partnerships, and expand its reach to new markets and clients.
9. **Increasing Customer Reach:** Our Company seeks to expand its customer base by actively targeting new markets and engaging with a wider range of clients. The goal is to present the company's expertise to a broader audience across diverse industries and geographies.
10. **Growth Strategies:** At Konstelec, we have a two-pronged approach to achieve sustainable growth. Firstly, we aim to grow organically by expanding our capabilities and presence in existing markets and sectors. Through continuous innovation, leveraging cutting-edge technologies, and nurturing our skilled workforce, we seek to seize emerging opportunities and solidify our position in the industry. Secondly, we embrace inorganic growth by actively seeking strategic tie-ups and joint ventures. Collaborations with like-minded partners enable us to access new markets, technologies, and expertise, propelling us into unexplored territories. By forging strong and mutually beneficial partnerships, we broaden our horizons and diversify our project portfolio, thus mitigating risks and capitalizing on emerging opportunities.



11. **Effective Marketing Methods:** Our Company adopts modern and effective marketing techniques to promote its services and make them accessible to potential clients. Strong marketing efforts effectively communicate the company's value proposition and differentiate it from competitors.

## COMPETITION

We operate in a highly competitive industry with no entry barriers, making us susceptible to competition from new entrants. The market comprises numerous players, including both unorganized and organized entities. Our goal is to deliver branded, standardized, and high-quality products at competitive prices to our consumers. In this competitive landscape, we compete with regional and product line-based strategies. Some of our competitors have greater financial resources and offer a broader range of products. However, our focus on client relationships, reputation, employee expertise, market focus, and product quality help us stay competitive. We strive to ensure consistent product quality, timely delivery, and competitive pricing to strengthen our brand over time. Our integrated and cost-effective offerings, coupled with our commitment to customer satisfaction, reliability, and quality consciousness, give us a competitive advantage. With our technical capabilities, industry experience, and quality assurance, we are confident in overcoming competition from both organized and unorganized players in the market.

## OUR MAJOR PROJECTS

### MAJOR COMPLETED PROJECTS TILL NOVEMBER 30, 2023:

(Rs. In Lakhs)

| Sr. No | Client Name                                     | Type of Work   | Date of Commencement | Completion Date   | Type of Contract             | Location                              | Work Order Amount |
|--------|---|--|----------------------|-------------------|------------------------------|---------------------------------------|-------------------|
| 1.     | Benu Cement Company PLC.                        | Supply of Electrical & Instrumentation Equipment's / Materials for Rehabilitation, balancing and Modernization of Benu Cement Company in Nigeria | December 17, 2006    | December 31, 2008 | Electrical & Instrumentation | Nigeria                               | 1,643.05          |
| 2.     | Bharat Oman Refineries Ltd.                     | Supply, Installation, Testing & Commissioning of Electrical & Instrumentation works for BORL   | January 28, 2008     | July 31, 2009     | Electrical & Instrumentation | COT Vadinar Gujarat                   | 383.15            |
| 3.     | Mangalore refinery & petrochemicals Ltd.        | Construction Power Supply System of Phase III Refinery Project of M/s. Mangalore Refinery & Petrochemicals Ltd at Mangalore, Karnataka, India.   | April 20, 2009       | October 31, 2010  | Electrical                   | Mangalore, Karnataka                  | 800.00            |
| 4.     | Gujarat Energy Transmission Corporation Limited | Supply, Erection, Testing and commissioning of 66 KV equipments, materials on turnkey basis including all civil work at 66kv Moti                | December 22, 2009    | July 12, 2010     | Electrical                   | Dholera, Pipero, Randhikpur Khengarka | 732.79            |



| Sr<br>·<br>N<br>o | Client Name                              | Type of Work  | Date of Commencement | Completion Date   | Type of Contract | Location                        | Work Order Amount |
|-------------------|--|---|----------------------|-------------------|------------------|---------------------------------|-------------------|
|                   |  | Paneli, Dholera, Pipero, Randhikpur Khengarka & Raydi S/S.  |                      |                   |                  |                                 |                   |
| 5.                | Essar Projects (India) Limited           | Instrumentation Installation Work in BTG Area for 2 x 600 MW Thermal Power Plant Salaya - Jamnagar Gujarat  | January 18, 2011     | November 26, 2011 | Instrumentation  | Jamnagar Gujarat                | 408.00            |
| 6.                | Bombay Rayon Fashions Limited            | Electrical Work for weaving Unit at Tarapur   | April 24, 2010       | April 24, 2011    | Electrical       | Tarapur                         | 160.00            |
| 7.                | Engineers India Limited,                 | Construction Power Works for GAIL Petrochemical Complex - II, Vijaipur, (M.P.)  | December 8, 2010     | December 31, 2011 | Electrical       | Vijaipur, (M.P.)                | 427.00            |
| 8.                | Gail India Ltd.                          | Electrical Works for Compressor Station at Kailaras   | October 8, 2010      | December 31, 2012 | Electrical       | Kailaras                        | 466.52            |
| 9.                | Tata Power Solar Systems Ltd             | Supply, Civil work, Erection, Installation, Testing & Commissioning with Statutory approvals of 66kV Substation for our 5MW, Solar Power Project at GMDC, Panandhro Kutch, Gujarat. | September 20, 2011   | March 29, 2012    | Electrical       | GMDC, Panandhro Kutch, Gujarat. | 625.00            |
| 10.               | Tata Power Solar                         | SITC of 66 / 11kV switchyard for 11.52MW PV Plant at Jindal Aluminium Ltd; Karnataka  | December 15, 2012    | March 31, 2013    | Electrical       | Jindal Aluminium Ltd; Karnataka | 516.74            |
| 11.               | Mangalore Refinery & Petrochemicals Ltd. | Electrical works (Part-A) for PFCCU of Ph-III Refinery Project of MRPL at Mangalore   | July 1, 2010         | March 31, 2013    | Electrical       | Mangalore                       | 494.00            |
| 12.               | Bharat Petroleum Corporation Limited     | Construction Power system for IREP of BPCL-Kochi Refinery   | August 3, 2012       | May 31, 2014      | Electrical       | Kochi                           | 1,399.00          |
| 13.               | Indian Oil Corporation Limited           | Supply, ETC of all Electrical & Instrumentation works and CCTV  | February 14, 2013    | April 15, 2014    | Electrical       | LPG Bottling Plant,             | 600.00            |



| Sr<br>·<br>No | Client Name  | Type of Work   | Date of Commencement | Completion Date    | Type of Contract             | Location   | Work Order Amount |
|---------------|--|--|----------------------|--------------------|------------------------------|--|-------------------|
|               |  | system at LPG Bottling Plant, Mysore (Karnataka)   |                      |                    |                              | Mysore (Karnataka)   |                   |
| 14            | Engineers India Limited  | Electrical Works of ECU for BCPL   | January 6, 2012      | July 10, 2015      | Electrical                   | Lepetkata, Assam   | 511.74            |
| 15            | Engineers India Limited  | Electrical Works of Process Units, Utilities & Offsites & CPP for Onshore gas terminal at Mallavara, A P for Deen Dayal Field Development Project of GSPC. | June 21, 2012        | January 31, 2015   | Electrical                   | Mallavara, A P for Deen Dayal Field Development Project of GSPC. | 1,024.00          |
| 16            | Engineers India Limited, Brahmaputra Cracker & polymer Project | Electrical Works for Offsites & Utilities for Brahmaputra Petrochemical Complex, Lepetkata, Assam  | November 29, 2011    | August 14, 2015    | Electrical                   | Lepetkata, Assam   | 1,757.28          |
| 17            | Engineers India Limited  | Balance Electrical & Instrumentation Works of PFCCU, MRPL Phase-III Project, Mangalore   | January 7, 2013      | March 10, 2015     | Electrical                   | Mangalore  | 348.00            |
| 18            | Engineers India Limited  | Electrical & Instrumentation works for Polypropylene Unit of Phase -III Refinery Project of MRPL AT Mangalore  | November 23, 2011    | August 14, 2015    | Electrical & Instrumentation | Mangalore  | 856.97            |
| 19            | Indian Oil Corporation Limited                                 | Electrical Works for MB Lal Recommendation Implementation at Cochin Terminal Kerala.   | August 4, 2014       | March 31, 2016     | Electrical                   | Cochin Terminal Kerala.  | 233.00            |
| 20            | Nuclear Fuel Complex   | Providing construction Power Supply & Area Lighting for NFC-Kota at Rawathbhata, Chittorgarh (Dist.), Rajasthan – 323307.                                  | October 22, 2015     | September 14, 2017 | Electrical                   | Rawathbhata, Chittorgarh (Dist), Rajasthan                       | 737.00            |
| 21            | Indian Oil Corporation Limited                                 | Construction Power Works-II for Bongaigaon Refinery for BS-VI Project.   | September 29, 2016   | December 31, 2019  | Electrical                   | New Delhi  | 334.00            |



| Sr<br>·<br>N<br>o | Client Name                           | Type of Work  | Date of Commencement | Completion Date   | Type of Contract | Location                              | Work Order Amount |
|-------------------|---------------------------------------|---|----------------------|-------------------|------------------|---------------------------------------|-------------------|
| 22                | ONGC Mangalore Petrochemicals Limited | Basic Design & detailed engineering, procurement, supply, fabrication, transportation, storage, construction, installation, testing, pre-commissioning on single point responsibility LSTK basis for MRPL-OMPL Power integration works. | June 30, 2016        | March 25, 2017    | Electrical       | Cochin                                | 1,509.00          |
| 23                | Bharat petroleum Corpn. Ltd.          | Instrumentation Works for NHT / ISOM for IREP of BPCL - KR  | May 5, 2015          | December 31, 2017 | Instrumentation  | Kochi                                 | 349.00            |
| 24                | Bharat petroleum corpn. Ltd.          | Electrical Works for NHT / ISOM for IREP of BPCL - KR   | May 5, 2015          | November 15, 2017 | Electrical       | Kochi Refinery, Kochi, Kerala (India) | 299.00            |
| 25                | Engineers India Limited,              | Electrical Works (Part-A) for Coker Block of Resid Upgradation Project at CPCL Refinery Chennai   | January 31, 2015     | November 2, 2017  | Electrical       | Chennai                               | 944.00            |
| 26                | Bharat Petroleum Corporation Limited  | Construction Power for Propylene Derivative Petrochemical Project (PDPP) at BPCL – Kochi Refinery.  | March 19, 2016       | January 2, 2018   | Electrical       | BPCL – Kochi Refinery.                | 1,247.00          |
| 27                | NTPC Ltd                              | Construction Power Supply System Works of Stage-IV (Telangana Project Phase-1, 2X800MW) at NTPC Ltd TELANGANA Super Thermal Power Station Po: Jyotinagar Dist: Peddapalli Telangana — 505215.   | January 25, 2016     | July 31, 2018     | Electrical       | Telangana                             | 597.00            |



| Sr<br>·<br>No | Client Name                     | Type of Work  | Date of Commencement | Completion Date   | Type of Contract             | Location               | Work Order Amount |
|---------------|---------------------------------|---|----------------------|-------------------|------------------------------|------------------------|-------------------|
| 28            | BHARAT PETROLEUM CORPN LTD.     | Area Lighting Works at LPG Import Terminal Facilities Project at Haldia of M/s. BPCL  | February 14, 2017    | March 10, 2018    | Electrical                   | Haldia                 | 320.56            |
| 29            | Indian Oil Corporation Limited  | Electrical Package consisting of Supply, Installation, Testing & Commissioning of HT Substation, LT Switchgears, Cabling, Lighting, Earthing, Plant Communication System & allied works for the proposed Grassroot Petroleum Storage Terminal at Una, Himachal Pradesh. | September 11, 2017   | August 12, 2019   | Electrical                   | Una, Himachal Pradesh. | 1,785.00          |
| 30            | Bharat Oman Refineries Ltd.     | Electrical & Instrumentation works for COT for Revamp and capacity enhancement project of BORL at COT Vadinar Gujarat   | December 13, 2017    | July 16, 2019     | Electrical & Instrumentation | COT Vadinar Gujarat    | 735.00            |
| 31            | MECON Limited                   | Electrical & Illumination works for Relocation of Tankages and Loading Facilities Project at MRPL, Mangalore, Karnataka   | January 1, 2018      | April 8, 2019     | Electrical                   | Mangalore, Karnataka   | 729.00            |
| 32            | NTPC Ltd                        | LT Cable laying and associated miscellaneous works of Township  | February 21, 2018    | June 30, 2020     | Electrical                   | Telangana              | 402.00            |
| 33            | Engineers India Limited,        | Instrumentation Works of BS VI MS Block Proj. (MSBP) of BPCL - KR, Kochi, Kerala.   | May 24, 2019         | November 15, 2020 | Instrumentation              | Kochi, Kerala          | 393.00            |
| 34            | Hindustan Petroleum Corpn. Ltd. | Electrification works at Budge budge terminal -II, Kolkata  | September 24, 2018   | February 17, 2020 | Electrical                   | Kolkata                | 383.00            |



| Sr<br>·<br>N<br>o | Client Name                          | Type of Work   | Date of Commencement | Completion Date    | Type of Contract             | Location                               | Work Order Amount |
|-------------------|--------------------------------------|--|----------------------|--------------------|------------------------------|--|-------------------|
| 35                | Petrofac International (UAE) LLC     | Electrical, Instrumentation And Telecom Works For NHT, Penex And Balance Of Units For MS Block Project Of M/S. BPCL At Kochi Refinery, Kochi, Kerala (India)   | May 23, 2019         | March 31, 2021     | Electrical & Instrumentation | Kochi Refinery, Kochi, Kerala (India)  | 1,502.00          |
| 36                | Indian Oil Corporation Limited       | SITC for 132kV Switchyard at Guwahati Refinery on Single point Contract Basis.   | May 1, 2019          | December 31, 2021  | Electrical                   | Guwahati Refinery                      | 859.80            |
| 37                | Bharat Petroleum Corporation Limited | ARC for Maintenance jobs of Electrical Equipments upto & incl. 33kV Rating in BPCL KR for Period of Two year 2019-21   | November 9, 2019     | December 10, 2021  | Electrical                   | Kochi refinery                         | 899.00            |
| 38                | Indian Oil Corporation Limited       | SITC of HT Substation, LT switch gears, cabling (power / control / LAN), Lighting, Earthing, Plant Communication system and allied works for the proposed grassroots petroleum storage depot at Nakknadoddi, Guntakal, Andhra Pradesh. | July 27, 2019        | September 30, 2021 | Electrical                   | Akkanadoddi, Guntakal, Andhra Pradesh. | 2,783.00          |
| 39                | Indian Oil Corporation Limited       | Design, Engineering, Supply, Erection, Testing and commissioning of 33/6.6. KV Indoor Switchyard with 6/8 MVA Transformer, HT VCB Panel, LT Panel, High Mast, HT and LT Cables, High Velocity Water Spray System and                   | July 1, 2018         | October 13, 2021   | Electrical                   | PHDPL Balasore, Odisha                 | 573.00            |



| Sr<br>No | Client Name                                   | Type of Work   | Date of Commencement | Completion Date   | Type of Contract             | Location                     | Work Order Amount |
|----------|---|--|----------------------|-------------------|------------------------------|------------------------------|-------------------|
|          |   | associated Civil Building Works.   |                      |                   |                              |                              |                   |
| 40       | Mangalore Refinery and Petrochemicals Limited | Electrical Works (Parts -A) for BS-VI Project of MRPL  | March 20, 2019       | April 27, 2022    | Electrical                   | Katipalla, Mangalore         | 2,967.00          |
| 41       | Indian Oil Corporation Limited                | Supply, Installation, Testing & Commissioning of Transformers, DG Serts, Electrical Panels, Distribution Boards, UPS, High Mast, Illumination jobs, Earthing, Plant Communication System and Allied and Miscellaneous work for Proposed Expansion of Petroleum Storage Terminal at Manmad Maharashtra. | April 24, 2019       | June 30, 2022     | Electrical                   | Manmad Maharashtra           | 1,587.48          |
| 42       | Indian Oil Corporation Limited                | Design/Engineering, Supply, Erection, Testing & Commissioning of following switchyards under Group-A : 66kv / 6.9kV Outdoor Switchyard, ONAN : 6MVA, ONAF : 1.33 times ONAN, at Songadh under KASPL Project.   | October 1, 2019      | May 23, 2022      | Electrical                   | Songadh under KASPL Project. | 480.16            |
| 43       | Hindustan Petroleum Corpn.Ltd.                | Composite Electrical & Instrumentation works for Hassan -Cherlapalli LPG Pipeline Project at Mangalore Despatch Station  | October 19, 2021     | October 6, 2022   | Electrical & Instrumentation | Mangalore Despatch Station   | 773.50            |
| 44       | Technip Energies India Limited                | Ammonia & Urea Fertilizer Plant for HURL Barauni (Bihar)   | January 29, 2020     | November 30, 2022 | Electrical                   | Barauni (Bihar)              | 1,935.00          |





| Sr<br>·<br>No       | Client Name   | Type of Work   | Date of Commencement | Completion Date | Type of Contract             | Location       | Work Order Amount |
|---------------------|---|--|----------------------|-----------------|------------------------------|----------------|-------------------|
| 45                  | Thyssenkrupp Industrial Solutions (India) Private Limited | Instrumentation works for DHT Integration with New KHT Unit Project at BPCL MR               | October 19, 2021     | July 31, 2023   | Instrumentation              | Maharashtra    | 869.72            |
| 46                  | Bhabha Atomic Research Center                             | Supply, Erection, Testing and commissioning of 11KV works of UC2 building at BARC Facilities |                      | June 06, 2022   | Electrical & Instrumentation | Andhra Pradesh | 555.39            |
| 47                  | Technip Energies India Limited                            | Electrical and Instrumentation Works EPCC-04 Naptha Isomerization Unit HPCL - Refinery       | December 02, 2019    | July 31, 2023   | Electrical & Instrumentation | Andhra Pradesh | 719.60            |
| <b>Total Amount</b> |   |  |                      |                 |                              |                | <b>40,654.45</b>  |

*(Source: Based on Certificate issued by our Peer Reviewed Auditor M/s. Shah P M and Associates, Chartered Accountants, vide their certificate dated January 12, 2024. having UDIN: 24137282BKBLTZ6240)*



**MAJOR ON-GOING PROJECTS TILL NOVEMBER 30, 2023:**

**Rs. In Lakhs**

| Sr. No. | Name of Client   | Work Order Details   | Work Order Date    | Order Value | Cumulative bill value | Balance work in Hand |
|---------|--|--|--------------------|-------------|-----------------------|----------------------|
| 1       | National Buildings Construction Corporation Limited , Bihar  | Construction Of Internal & External Electrification Works For Permanent Township Package, Nabnagar Super Thenna! Power Project (Npgcl) (3X660 Mw) At Bihar   | June 09, 2018      | 1880.88     | 1806.02               | 74.86                |
| 2       | NTPC Limited - Rammam  | Supply & Erection Of Township Substation And External Electrification Works Including Substation And External Electrification Works Including Street Lighting Of Township At Ntpc # Rammam Hydro Power Project   | July 07, 2018      | 380.39      | 341.05                | 39.34                |
| 3       | JSW steel Limited Coke Oven Supply                           | Supply Of Electrical Materials At Coke Oven Plant#5  | March 23, 2021     | 535.31      | 510.04                | 25.27                |
| 4       | JSW Steel Limited Coke Oven Erection                         | Electrical And Instrumentation Erection & Commissioning For Coke Oven-5 Project  | September 08, 2020 | 1253.69     | 957.05                | 296.64               |
| 5       | JSW Steel Limited  | Electrical & Automation Jobs For Rmhs Facilities (Coal & Coke Feeding Conveyor Route) Under Co-5 Project   | February 17, 2021  | 211.00      | 165.50                | 45.50                |
| 6       | National Aluminium Company Limited - Damanjodi - Supply      | Letter Of Acceptance For Supply Of Equipment, Materials And Spares For Electrical Substation System Package For Alternate Arrangement For Sourcing Of Bauxite From Panchpatmali Mines For Stream-S Of Alumina Refinery, M & R Complex At Damanjodi, Odisha | April 20, 2021     | 1297.00     | 930.68                | 366.32               |
| 7       | National Aluminium Company Limited- Damanjodi - Installation | Letter Of Acceptance For Site Work For Electrical Substation System Package For Alternate Arrangement For Sourcing Of Bauxite From Panchpatmali Mines For Stream-S Of Alumina  | April 20, 2021     | 400.00      | 157.03                | 242.97               |



| Sr. No. | Name of Client                                     | Work Order Details   | Work Order Date   | Order Value | Cumulative bill value | Balance work in Hand |
|---------|--|--|-------------------|-------------|-----------------------|----------------------|
|         |  | Refinery, M & R Complex At Damanjodi, Odisha   |                   |             |                       |                      |
| 8       | Indian oil Corporation Limited Panipat             | Electrical And Instrumentation Works For Px Unit For Capacity Expansion Of Px & Pta Project At Panipat Refinery Of Iocl, Panipat, Haryana" Unit For Capacity Expansion Of Px & Pta Project At Panipat Refinery Of Iocl, Panipat, Haryana | July 09, 2021     | 1194.84     | 757.63                | 437.21               |
| 9       | TOYO ENGINEERING INDIA PRIVATE LIMITED Nayara      | Work Order For "Electrical Works" For Pru And Associated Offsites & Utilities Facilities (Nvpr) Project Of Mis. Nayara Energy Lmiteo At Vadinar, Gujarat   | October 26, 2021  | 541.00      | 465.18                | 75.82                |
| 10      | BHARAT PETROLEUM CORPN. LTD, Mahul                 | Instrumentation Works For Dht Integration With New Kht Unit Project At Bpcl  | October 19, 2021  | 869.72      | 727.04                | 142.68               |
| 11      | Assam Bio Refinery Private Limited                 | Instrumentation Works For Bio-Refinery Project Of M/S Assam Bio Refinery Private Limited At Numaligarh, Assam.   | July 19, 2022     | 899.14      | 341.82                | 557.32               |
| 12      | JSW VIJAYANAGAR METALLICS LIMITED-Bellary          | Electrical Job (Erection Service For Bof,Kr,Lhf &Rh) For Steel Melt Shop At Jsw Vijaynagar Metallics Ltd.(Jsw Vml)   | February 16, 2022 | 1270.41     | 104.11                | 1166.29              |
| 13      | Engineers India Limited -Rajasthan                 | Electrical Works-I (Part-A) For Residual Utilities And Offsite (Ru&O) Facilities For Rajasthan Refinery Project  | March 28, 2022    | 3491.18     | 1646.27               | 1844.91              |
| 14      | Hindustan Petroleum Corporation Limited - Bhatinda | Electrical & Instrument Works For 2G Bio Ethanol   | March 31, 2022    | 2029.07     | 552.03                | 1477.04              |



| Sr. No. | Name of Client   | Work Order Details  | Work Order Date | Order Value | Cumulative bill value | Balance work in Hand |
|---------|--|---|-----------------|-------------|-----------------------|----------------------|
| 15      | Syama Prasad Mookerjee Port - Haldia Dock              | Order For Supply. Installation. Testing And Commissioning Of 3.3 Kv Ht Panel, 415 Volt L T Panels, 3.3 I 0.433 Kv Transformers, 3.3 Kv Grade Ht & 1.1 Kv Grade L T Cabling Work And Other Allied Works For Augmentation Of Lock Sub-Station At Lock Entrance Of Haldia Dock Complex, Smp, Kolkata | March 31, 2022  | 684.00      | 374.03                | 309.97               |
| 16      | Hindustan Petroleum Corporation Limited-Bhatinda       | Carrying Out Electrical Works Excluding Mrss For 2G Ethanol Project.  | April 01, 2022  | 2339.28     | 770.70                | 1568.58              |
| 17      | L & T Energy HydroCarbon Construction Services-Barauni | Electrical Works-Avu Br9 Expansion Project  | April 06, 2022  | 820.00      | 188.45                | 631.55               |
| 18      | NGC Energy India Pvt. Ltd.                             | Letter Of Intent (Loi) For Supply, Fabrication, Erection, Installation, Testing, Painting, Precommissioning And Commissioning Of Balance Of Plant-Electrical & Instrumentation Of Refrigerated Lpg Terminal At Adani Krishnapatnam Port Premises, Andhra Pradesh, India ("Project").              | April 08, 2022  | 1049.00     | 953.98                | 95.02                |
| 19      | KIOCL Limited  | Electrical Power Distribution, Shop Electrics And Illumination Works Of New Pressure Filter Project At Ppu, Kiocl Limited, Mangaluru.   | June 17, 2022   | 824.00      | 651.62                | 172.38               |
| 20      | EIL-Chennai Petroleum Corporation Limited-Chennai      | Construction Power Work For Cbr Project Of Cpcl At Nagapattinam, Tamilnadu  | May 11, 2022    | 2574.14     | 1079.01               | 1495.13              |
| 21      | Tata Memorial Centre                                   | Supply. Installation. Testing And Commissioning Of Switchgears And Allied Work For Service Block At Actrec  | July 08, 2022   | 274.00      | 235.22                | 38.78                |



| Sr. No. | Name of Client  | Work Order Details  | Work Order Date    | Order Value | Cumulative bill value | Balance work in Hand |
|---------|---|---|--------------------|-------------|-----------------------|----------------------|
| 22      | LARSEN & TOUBRO LIMITED- Rajeshthan Barmer            | Installation, Calibration, Testing, Pre Commissioning & Commissioning Of Instrumentation Works- Dfcu, Hrri Pachpadra.   | August 11, 2022    | 1750.00     | 33.47                 | 1716.53              |
| 23      | NUMALIGARH REFINERY LIMITED                           | Miscellaneous Electrical And Instrumentation Works For Nrep Project   | September 12, 2022 | 954.14      | 408.19                | 545.95               |
| 24      | QWIK SUPPLY CHAIN PRIVATE LIMITED - Reliance Junagarh | Sitc Of Electrical Work For Staff Housing, Driver Accomodation, Gm Residence Building- Gir Project'   | September 07, 2022 | 327.08      | 244.99                | 82.09                |
| 25      | Reliance Industries Limited                           | SITC of External Electrical Work, Gir Project   | January 25, 2022   | 506.51      | 277.36                | 229.15               |
| 26      | Indian Oil Coporation Limited Solapur                 | Misc. Electrical And Instrumentation Works Of Supply, Installation, Testing, Commissioning Of Distribution Boards, Illumination Jobs, Earthing, Pa And Communication System, Electrical And Instrumentation Works At Sola Pur Depot Under Maharashtra State Office. | October 21, 2022   | 745.22      | 473.12                | 272.10               |
| 27      | JSW Steel Limited - OBPI                              | Service Work For Electrical Consumables Obp1-Erection   | November 12, 2022  | 317.54      | 109.48                | 208.05               |
| 28      | Indian Oil Coporation Limited-Haldia                  | Electrical Works For Catalytic De-Waxing Unit Ii Project At Rocl, Haldia Refinery, West Bengal Cdwu-Ii Electrical Work  | November 21, 2022  | 478.54      | 285.23                | 193.30               |
| 29      | Technip- Barauni                                      | Letter Of Intent Of Electrical Works For Ohcu-Electrical Works  | October 17, 2022   | 896.00      | 358.37                | 537.63               |
| 30      | I G PETROCHEMICALS LIMITED-Taloja                     | Pa-5 Instrumentation - Supply   | November 19, 2022  | 108.30      | 118.29                | (9.98)               |
| 31      | I G PETROCHEMICALS LIMITED-Taloja                     | Pa-5 Electrical - Erection  | November 19, 2022  | 190.18      | 96.51                 | 93.67                |
| 32      | I G PETROCHEMICALS LIMITED-Taloja                     | Pa-5 Instrumentation - Erection   | November 19, 2022  | 186.22      | 80.33                 | 105.89               |



| Sr. No. | Name of Client                          | Work Order Details  | Work Order Date   | Order Value | Cumulative bill value | Balance work in Hand |
|---------|---|---|-------------------|-------------|-----------------------|----------------------|
| 33      | Engineers India Limited -Rajasthan      | Instrumentation Work-I (Part-A, Part-B & Part-C) For Residual Utilities And Offsite (Ru/10) Facilities For Rajasthan Refinery Project   | March 21, 2023    | 2072.18     | 826.19                | 1245.98              |
| 34      | Engineers India Limited -Rajasthan      | Instrumentation Work-I (Part-A, Part-B & Part-C) For Residual Utilities And Offsite (Ru&O) Facilities For Rajasthan Refinery Project Residual Utility & Offsite-Inst P-B  | February 02, 2023 | 1433.45     | 494.67                | 938.78               |
| 35      | Engineers India Limited -Rajasthan      | Instrumentation Work-I (Part-A, Part-B & Part-C) For Residual Utilities And Offsite (Ru&O) Facilities For Rajasthan Refinery Project Residual Utility & Offsite-Inst P-C  | February 02, 2023 | 2333.82     | 989.41                | 1344.42              |
| 36      | Indian Oil Corporation Limited - Vallur | Design/Engineering, Supply , Erection/Installation, Testing And Commissioning Of 33/6.9 Kv, 6 Mva Onan Indoo R Substation At Vallur Station (Tamil Nadu) Under Cccpl Project .  | February 03, 2023 | 873.74      | 33.48                 | 840.26               |
| 37      | Technip Engineers HRRL                  | Electrical Works For Ms Block (Epcc 02)   | February 03, 2023 | 1040.00     | 194.48                | 845.52               |
| 38      | Jai Raj Inspat Limited                  | Erection Testing And Commissioning Of Lt Electrical Equipment   | January 25, 2023  | 388.00      | 34.35                 | 353.64               |
| 39      | HPCL-Mittal Energy Limited-Bhatinda     | Electrical Construction & Maintenance Work For Bio Refinery   | February 24, 2023 | 551.86      | 230.34                | 321.52               |
| 40      | Indian Oil Corporation Limited-MTEL     | Design, Supply, Installation, Testing & Commissioning Of Dg Sets, Lt Switch Gears. Hvac, High Mast, Cabling, Lighting, Earthing And Allied Works (Electrical Package) For The Proposed Mangalore Terminal Expansion Project (Mtep) At Mangalore, Karnataka State. | March 13, 2023    | 3680.33     | 0.00                  | 3680.33              |



| Sr. No. | Name of Client                             | Work Order Details   | Work Order Date | Order Value | Cumulative bill value | Balance work in Hand |
|---------|--|--|-----------------|-------------|-----------------------|----------------------|
| 41      | National Dairy Development Board           | Design, Supply And Labour Job For Installation, Testing And Commissioning Of 11 Kv / 433 V Electrical Substation Along With Allied Equipment" At New Product Plant, Barauni Dairy, Bihar | March 22, 2023  | 293.01      | 222.16                | 70.85                |
| 42      | INDIAN FARMERS FERTILISER CO-OPERATIVE LTD | Composite Electrical & Instrumentation Works (Supply & Erection) For Upgradation Of Electrical System In Urea At Iffco Kalol.  | April 24, 2023  | 224.29      | 0.00                  | 224.29               |
| 43      | TOYO ENGINEERING INDIA PVT. LTD.           | Electrical & Instrumentation Works Of Double Wall Ammonia Storage Tank And Its Associated Facilities" For Fkat Project At Ambalamedu, Kochi, Kerala.                                     | May 23, 2023    | 235.00      | 28.14                 | 206.86               |
| 44      | JWS Vijaynagar Metalics Ltd.               | Supply Of Electrical And Automation Jobsi For Coke And Sinter,Pellet Feeding Conveyors Under Jvml-Rmhs Projects  | July 05, 2023   | 100.57      | 0.00                  | 100.57               |
| 45      | JWS Vijaynagar Metalics Ltd.               | Supply And Execution Of Electrical,Automation Jobs For Storage Yard And Bf-5 Feeding Conveyors Under Jvml  | July 10, 2023   | 122.04      | 0.00                  | 122.04               |
| 46      | TOYO ENGINEERING INDIA PVT. LTD.           | Electrical Work For Nndh 6428 Project At Numligarh, Assam.   | July 26, 2023   | 750.00      | 31.19                 | 718.81               |
| 47      | ENGINEERS INDIA LTD.                       | Electrical Work-Ii For Residual Utilities And Offsite (Ru&O) Facilities For Rajasthan Refinery Project , Hrrl Rajasthan  | July 31, 2023   | 4860.68     | 0.00                  | 4860.68              |
| 48      | ENGINEERS INDIA LTD.                       | Instrumentation Work-Ii For Residual Utilities And Offsite (Ru&O) Facilities For Rajasthan Refinery Project Hrrl, Rajasthan  | August 02, 2023 | 1620.94     | 0.00                  | 1620.94              |
| 49      | JWS Vijaynagar Metalics Ltd.               | Supply And Execution Of Electrical,Automation Jobs For Storage Yard And Bf-5 Feeding Conveyors Under Jvml  | August 24, 2023 | 122.04      | 0.00                  | 122.04               |



| Sr. No.                          | Name of Client                                 | Work Order Details  | Work Order Date   | Order Value     | Cumulative bill value | Balance work in Hand |
|----------------------------------|--|---|-------------------|-----------------|-----------------------|----------------------|
| 50                               | NAYARA ENERGY LIMITED                          | 3 Years Arc For Electrical Works At New Township At Devariya Village  | June 27, 2023     | 201.00          | 0.00                  | 201.00               |
| 51                               | JWS Vijaynagar Metalics Ltd.                   | Execution Of Electrical Jobs Site Of Electrical Automation Jobs For Storage Yard And Bf-5   | August 24, 2023   | 717.96          | 0.00                  | 717.96               |
| 52                               | TATA STEEL LTD.                                | Itc Of Electrical Lbds  | August 21, 2023   | 1099.98         | 0.00                  | 1099.98              |
| 53                               | JINDAL FERROUS LTD.                            | Erection, Testing & Commissioning of Electrical Equipments at Blast Furnance (Part B) of JFL, Jaipur, Odisha  | September 30,2023 | 545.00          | 0.00                  | 545.00               |
| 54                               | INDIAN OIL CORPN. LTD (MD)                     | Supply, Installation, Testing & Commissioning of FLP Lights along with allied Cabling Work in Tank Wagon Gantry at Panipat Mktg Complex Under Delhi & Haryana State Office                        | May 10, 2023      | 149.77          | 0.00                  | 149.77               |
| 55                               | PRODAIR AIR PRODUCTS INDIA LTD.                | Electrical & Instrumentation (E&I) works  | June 10,2023      | 839.20          | 0.00                  | 839.20               |
| 56                               | INDIAN OIL CORPN. LTD.                         | Supply, Installation, Testing & Commissioning of Transformers, DG Set, HV and MV Switch Gears, Cabling, Lighting, Earthing and allied Electrical, Civil Works for IOCL Cryogenics Business Group, | December4,2023    | 1609.41         | 0.00                  | 1609.41              |
| 57                               | Dagote Petroleum Refinery & Petrochemicals FZE | Hot Loop Checking Crew for Instrumentation to Speed up hot loop checking for Exparts  | November 30, 2023 | 168.26          | 0.00                  | 168.26               |
| <b>TOTAL AMOUNT FOR PROJECTS</b> |  |   |                   | <b>57310.31</b> | <b>19284.23</b>       | <b>38026.08</b>      |

(Source: Based on Certificate issued by our Peer Reviewed Auditor M/s. Shah P M and Associates, Chartered Accountants, vide their certificate dated January 12, 2024. having UDIN: 24137282BKBLTZ6240)

#### INSTALLED CAPACITY AND CAPACITY UTILISATION

Our company is engaged in the service sector therefore capacity and capacity utilisation data are not applicable to us.

#### COLLABORATIONS/ TIE UPS/ JOINT VENTURES

We have entered into a memorandum of understanding dated October 05, 2009 to form joint venture with Hi- Tech Profile, who is a reputed partnership firm in Rajkot, Gujarat, established to carry on the business of Supply and Installation of Electrical Line and Substation Equipment (Transmission H/W & Accessories). Both Konstelec and Hi-Tech have entered into a Joint Venture to form a private limited company 'Konstelec Hitech Engineers Private Limited', incorporated in the year 2010, to carry out the work of Electrical Switchyard (substation) and EHV transmission line work on EPC (Engineering Procurement Construction) basis.

Capitalizing on their complementary skill sets, Hi-Tech has provided liaison/ inspection, obtained approvals of documents from relevant authorities, carried out installation work, testing, commissioning and maintenance till completion of the





Performance Bank Guarantee Period of Electrical Switchyard (substation), EHV Transmission line work on EPC basis. Konstelec has meticulously provided engineering services, site infrastructure and procurement of items related to Electrical Switchyard (substation) projects, and EHV transmission line work on EPC basis. Harnessing the latest technological advancements and with the involvement of skilled personnel, this collaboration between the companies seeks to set new industry benchmarks.

#### **TECHNOLOGY:**

We use information technology systems to enhance our performance and efficiency. We use third party software “Computer Aided Design Software” and DIALux lighting design software (License Free Tool) for our designing, MS office 365, Tally Accounting Software for Accounting Record Keeping and other reporting purposes,. We believe that this system allows us to streamline our processes while enhancing our monitoring and control functions.

#### **UTILITIES & INFRASTRUCTURE FACILITIES:**

##### **Raw Material:**

The Company operates as an Engineering, Procurement, and Construction/Commissioning (EPC) contractor, specializing in providing comprehensive EPC services both domestically and internationally. The materials essential for executing our projects are meticulously sourced and managed to ensure the highest quality and compliance with project specifications. The materials required for performing the scope of work are Analyzer, ACSR Conductor, Air Circuit Breaker, APFC LT Panel, Ball Valves, Bus Duct Accessories/Spares, Cable Tray Accessories, Cable Trench Excavation, Cat 6 Cable Termination, Civil Miscellaneous Item, Control Valve, Ct, Pt & Meters, Dol Starter, Earthing Test Link, Elevator, Fire Proof Sealing System, Flameproof Junction Box, Flameproof Guage Glass Fitting, Flp Feeder Pillar, Gi Conduit/Pipe Accessories, Hvws System/ Deluge Valve System, Instrument Tube Fittings- Seamless Pipe, Inverter, Light Fixtures, Lightning Protection System, Metsec Channel Accessories, Orifice Assembly, Pressure Flow Transmitter, Wires, Transformer, Transformer Oil Filtration, Electrical panels, cables, switch yard, Thermal Insulation, Stone Dust Filling and other relevant materials etc....

Our raw material procurement process is thorough and adheres to stringent standards. We identify and engage with a network of approved suppliers and brands, meticulously vetting them for their adherence to industry standards and quality assurance protocols.

The Company approaches select group of reputable suppliers who have demonstrated a consistent commitment to delivering materials of superior quality. These suppliers are chosen based on approved vendor list of clients, their track record, industry reputation, and adherence to ethical business practices.

Upon receipt of raw materials, our dedicated quality control team along with third party expert conducts inspections and tests to ensure compliance with specified instruction of our client wherever applicable. This quality assurance process is an integral part of our commitment to delivering products and services that meet or exceed customer expectations.

While the specifics of raw materials can vary based on project requirements, we maintain comprehensive records of each type of material procured. These records include details such as material specifications, supplier information, quality certificates, and any relevant compliance documentation.

##### **Water Facility:**

At our Registered Office, work sites/ projects, we require water only for general purposes for which we utilize water supply from local authorities to meet water requirements.

##### **Electricity and Power Setup:**

We typically receive power supply at project sites from the company that has awarded us the contract. In cases where additional power is needed, we have access to Diesel Generator sets from nearby locations to ensure uninterrupted operations.

##### **Transportations:**

We rely on third party transporters for the delivery of our products to our customers and for procurement of Materials from suppliers.

#### **HUMAN RESOURCES:**

At Konstelec, we highly value our human resources and recognize their crucial role in our industry. Our well-structured organization plan aims to foster their growth and motivation. With a prudent mix of experienced and young professionals,



we benefit from both stability and growth. Our skilled and diverse workforce, along with efficient work processes, has enabled successful execution of our growth plans.

Currently, we have a total workforce of 884 employees at various project sites across India and Africa. We prioritize meeting manpower requirements as per contractual agreements and client needs.

Bifurcation of employees is provided below:

| Sr. No             | Particulars        | Count      |
|--------------------|--------------------|------------|
| 1.                 | Accounts           | 7          |
| 2.                 | Admin              | 23         |
| 3.                 | Assistant          | 5          |
| 4.                 | Design Team        | 13         |
| 5.                 | Director           | 3          |
| 6.                 | Driver             | 17         |
| 7.                 | Electrician        | 50         |
| 8.                 | Engineer           | 121        |
| 9.                 | Executive          | 8          |
| 10.                | Human Resource     | 10         |
| 11.                | Manager            | 2          |
| 12.                | Project Manager    | 23         |
| 13.                | Supervisor         | 89         |
| 14.                | Technician         | 254        |
| 15.                | Vice President     | 1          |
| 16.                | Project Team       | 84         |
| 17.                | Compliance Officer | 1          |
| 18.                | Others             | 173        |
| <b>Grand Total</b> |                    | <b>884</b> |

We also avail services of contract labour based on business requirement. However, we do not enter into any formal agreement with such contractor.

## SWOT ANALYSIS

### Strength:

- Experienced promoters
- Qualified Team
- Execution capacity with latest technology
- Quality services
- Long Standing Client Relations
- Safety and Best execution Practices
- Almost Pan India reach
- Weakness:
- Customer concentration
- Management of working capital and high debt
- Low Penetration in Private Client

### Opportunities:

- Expanding with variety of projects
- Adopting with technological development



- Government spending in Infrastructure Projects
- Opportunity in Green Energy Sector

**Threats:**

- Technological innovation
- Economic recession
- Natural calamities

## EXPORT OBLIGATION

As on date of this Prospectus, our Company does not have any export obligations.

*(Source: Based on Certificate issued by our Peer Reviewed Auditor M/s. Shaparia Mehta & Associates LLP, Chartered Accountants, vide their certificate dated January 10, 2024.)*

## SALES AND MARKETING

The efficiency of our sales and marketing network is crucial to our success as we operate from different locations across India and Africa. Our strong client relationships, built on timely and quality product delivery, have been instrumental in creating a solid platform for our Company. The dedicated marketing team, led by Mr. Amish Biharilal Shah, with over a decade of experience, plays a vital role in bidding for tenders in both private and public sectors.

For private tenders, price is the main evaluation factor, while public tenders involve technical and commercial assessments. Limited tenders are received through special invitations, while open tenders require active search through portals like eprocure.gov.in or etenders.gov.in. Existing clients may also refer us for bidding opportunities.

Having empanelment status with various PSUs gives us an advantage in bidding for tenders. Each state has a separate vendor code, and the CPP portal facilitates central procurement across different states. Our empanelment status also plays a crucial role in engineering contracts, providing a competitive edge in both technical and commercial evaluations for private and public projects. Our experienced and competent team regularly interacts with customers to understand their needs and secure repeat orders.

## PLANT AND MACHINERY

As a service-oriented company focused on Engineering, Procurement, and Construction (EPC) projects, we do not have any manufacturing plants. However, to efficiently execute our EPC projects, as on August 31, 2023 we possess a range of specialized machinery and equipment owned by our company, including:

| Sr. No | Particulars   |
|--------|---|
| 1.     | Construction Power DG Sets  |
| 2.     | Hydra/Crane/Farana  |
| 3.     | Material Heavy Vehicle (Truck)  |
| 4.     | Material Light Vehicle  |
| 5.     | Passenger Heavy Vehicle (Bus)   |
| 6.     | Passenger Light Vehicle (car)   |
| 7.     | Motorcycle  |
| 8.     | Testing Equipment's (Civil)   |
| 9.     | Testing Equipment's (Electrical)  |
| 10.    | Testing Equipment's (Instruments)   |
| 11.    | Fabrication Equipment's such as Welding, Cutting, Drilling, Hammering, Pipe Threading, Pipe Bending, Chop saw Machine |
| 12.    | Fabrication Accessories such as cutting torch, Regulator, Flash Back Arrestor, Regulator, Fall Arrestor               |
| 13.    | Hydraulic Crimping Tool   |
| 14.    | Scaffolding Pipes   |
| 15.    | Scaffolding materials such as H Frame, planks, clamps & A   |
| 16.    | Ladder  |



| Sr. No | Particulars  |
|--------|--|
| 17.    | Office Container   |
| 18.    | Store Container  |
| 19.    | Calibration Container  |
| 20.    | Construction power panel/DB  |
| 21.    | Site Office Equipment's such as Tables Chairs, PC, Fan, Inverter, Printer, Attendance Machine, Vacuum Cleaner, Battery, Battery Charger, Cot, Cupboard, Water pump, Wireless phone |
| 22.    | De-Watering Pump   |
| 23.    | Ferrule Printing Machine   |
| 24.    | Motorized Cable Puller   |
| 25.    | Cable Roller   |
| 26.    | Safety Equipment's such as safety belt, Fire Blanket   |
| 27.    | Life Line Rope   |
| 28.    | Lifting Equipment's such as chain block, pallet trolley, Cylinder Trolley, D' Shackle, Cable Jack, Wire Ceiling Rope, Rope Pulley, Cable Jack shaft                                |
| 29.    | Meter  |
| 30.    | Air Blower, Spirit level, Pipe Wrench  |
| 31.    | Mother Oven, Portable Oven   |
| 32.    | Extension Boards   |
| 33.    | Toolbox, Richter Set   |
| 34.    | Torque Wrench  |
| 35.    | Pipe Wrench  |
| 36.    | Rivet Gun, Heat Gun  |
| 37.    | Solar Ups, Solar Inverter, Solar Panel   |

## INSURANCE

Konstelec recognizes the potential risks and uncertainties in our business operations, such as theft, fire, natural calamities, terrorism, and force majeure events. To address these challenges, we prioritize risk management and have a comprehensive insurance strategy in place.

For each project, we acquire insurance policies as required by the tender specifications. These policies encompass All Risk (CAR) Insurance, Workmen Compensation Policy, and Third-Party Liability Insurance, among others, providing robust protection throughout the project's lifecycle.

Furthermore, we extend our insurance coverage to safeguard our registered office and employees, ensuring comprehensive risk mitigation across all aspects of our operations. By adhering to strict insurance practices, we fortify our commitment to maintaining the continuity and success of our business endeavours.

Presently, our company has following Insurance Policies:

| Sr. No | Insurance Company                          | Policy Number      | Name of Insured/Proposer                                 | Period of Insurance  | Details                             | Sum Assured (₹ in Lakhs) | Premium paid (Amount in ₹) |
|--------|--|--------------------|--|--|-------------------------------------|--------------------------|----------------------------|
| 1.     | Reliance General Insurance Company Limited | 110822327110000660 | Konstelec Engineers Private Limited                      | From 2023-01-24T00:00:00 to 2024-01-23 To 00:00:00 (both days inclusive) | Employees Compensation Insurance    | 190.97                   | 21962/-                    |
| 2.     | Reliance General Insurance Company Limited | 110562122120080377 | M/S Nuclear Power Corporation of India Ltd, Kakrapar and | 01/02/2023 to 31/01/2025 by a period of 731 days                         | Erection All Risks Insurance Policy | 190.97                   | 22196/-                    |



| Sr. No | Insurance Company                               | Policy Number            | Name of Insured/Proposer  | Period of Insurance                                       | Details                                     | Sum Assured (₹ in Lakhs) | Premium paid (Amount in ₹) |
|--------|---|--------------------------|---|---|---|--------------------------|----------------------------|
|        |   |                          | Ms. Konstelec Engineers Pvt Ltd   |   |   |                          |                            |
| 3.     | Reliance General Insurance Company Limited      | 110822327110000864       | M/S Nuclear Power corporation of India Ltd, Kakrapar and M/s. Konstelec Engineers Pvt Ltd | From 12/02/2023 to 11/02/2024 (both days inclusive)       | Employees Compensation Insurance            | 700.92                   | 24665/-                    |
| 4.     | The New India Assurance Co. Ltd                 | 11170036221700000005     | Konstelec Engineers Private Limited   | 12/03/2023 12:00:01 AM To: 11/03/2024 11:59:59 PM         | Employees Compensation Insurance            | -                        | 4248/-                     |
| 5.     | The New India Assurance Co. Ltd                 | 11170036220600000017     | Konstelec Engineers Private Limited   | 17/03/2023 05:14:04 PM To: 16/03/2024 11:59:59 PM         | Coir factories (Industrial Risks) Insurance | 5,839.45                 | 62015/-                    |
| 6.     | Bajaj Allianz General Insurance Company Limited | OG-23-1919-2802-00001258 | Konstelec Engineers Pvt Ltd and EIL HRRL Rajasthan Refinery Limited                       | From: 14-MAR-2023 12:01 AM To : 13-MAR-2024 Midnight      | Employees Compensation Insurance            | 5,839.45                 | 26712/-                    |
| 7.     | HDFC ERGO General Insurance Company Limited     | 2220 2055 5868 0600 000  | Konstelec Engineers Private Limited   | From 17/07/2023 00:01 hrs To 21/03/2024 Midnight          | Erection All Risk Insurance                 | 345.75                   | 26519/-                    |
| 8.     | Reliance General Insurance Company Limited      | 110762222120017730       | Konstelec Engineers Private Limited   | From 00:01 HOURS OF 18/04/2022 TO MID-NIGHT OF 17/04/2024 | Erection All Risk Insurance                 | 311.25                   | 21241/-                    |
| 10.    | HDFC ERGO General Insurance Company Limited     | 3114205557078400000      | Konstelec Engineers Private Limited   | 21/07/2023 00:01 AM to 20/07/2024 Midnight                | Employees Compensation Insurance            | -                        | 171860/-                   |
| 11.    | Shriram General Insurance Company Limited       | 215064/48/24/000158      | Konstelec Engineers Pvt Ltd And Hpcl  | :From 00:00 on 22/08/2023 To Midnight of 21/08/2024       | Employees Compensation Insurance            | 3,455.18                 | 32,422/-                   |



| Sr. No | Insurance Company                           | Policy Number         | Name of Insured/Proposer            | Period of Insurance  | Details  | Sum Assured (₹ in Lakhs) | Premium paid (Amount in ₹) |
|--------|---|-----------------------|-------------------------------------|--|--|--------------------------|----------------------------|
| 13.    | Reliance General Insurance Company Limited  | 110862222120048971    | Konstelec Engineers Private Limited | from 30/10/2023 to 31/03/2024 by a period of 5 months,           | Erection All Risks Insurance-Commercial Policy | 1,697.00                 | 68834/-                    |
| 14.    | ICICI Lombard General Insurance Company LTD | 5006/277752761/00/000 | Konstelec Engineers Private Limited | From: 31/12/2023 To 31/03/2024 for a period of 3 months          | Erection All Risks Insurance Policy            | 899.14                   | 36683/-                    |
| 15.    | ICICI Lombard General Insurance Company LTD | 5006/279560480/00/000 | Konstelec Engineers Private Limited | From: 31/12/2023 To 31/03/2024 for a period of 3 months          | Erection All Risk                              | 2,745.24                 | 75559/-                    |
| 16.    | Reliance General Insurance Company Limited  | 110562122120141714    | Konstelec Engineers Private Limited | from 26/08/2023 to 25/02/2024 by a period of 184 days,           | Erection All Risks Insurance-Commercial Policy | 1,194.84                 | 49018/-                    |
| 17.    | HDFC ERGO General Insurance Company Limited | 2220205212816500000   | Konstelec Engineers Private Limited | From 00:00:01: January 31, 2023 To (Midnight): February 29, 2024 | Erection All Risk Insurance                    | 2,394.31                 | 81431/-                    |
| 18.    | HDFC ERGO General Insurance Company Limited | 2220205214390000000   | Konstelec Engineers Private Limited | From 00:00:01: January 31, 2023 To (Midnight): February 29, 2024 | Erection All Risk Insurance                    | 2,029.07                 | 100298/-                   |
| 19.    | Tata AIG General Insurance Company Limited  | 6520011839            | Konstelec Engineers Private Limited | From 28/09/2023 to 27/09/2024 both days inclusive                | Marine Cargo Open Policy                       | 400.00                   | 14161/-                    |
| 20.    | Reliance General Insurance Company Limited  | 110162322120005974    | Konstelec Engineers Private Limited | From 00:01 HOURS OF 03/02/2023 TO MID-NIGHT OF 31/01/2024        | Erection All Risk Insurance                    | 954.14                   | 117260/-                   |
| 21.    | Reliance General Insurance                  | 110562322120004739    | Konstelec Engineers Private         | From 00:01 HOURS OF 04/02/2023                                   | Erection All Risk Insurance                    | 478.54                   | 35950/-                    |



| Sr. No. | Insurance Company                          | Policy Number      | Name of Insured/Proposer            | Period of Insurance                                       | Details                     | Sum Assured (₹ in Lakhs) | Premium paid (Amount in ₹) |
|---------|--|--------------------|-------------------------------------|---|-----------------------------|--------------------------|----------------------------|
|         | Company Limited                            |                    | Limited                             | TO MID-NIGHT OF 31/01/2024                                |                             |                          |                            |
| 22.     | Reliance General Insurance Company Limited | 110162322120005973 | Konstelec Engineers Private Limited | From 00:01 HOURS OF 03/02/2023 TO MID-NIGHT OF 31/01/2024 | Erection All Risk Insurance | 85.00                    | 6435/-                     |
| 23.     | Reliance General Insurance Company Limited | 110162322120005975 | Konstelec Engineers Private Limited | From 00:01 HOURS OF 03/02/2023 TO MID-NIGHT OF 31/01/2024 | Erection All Risk Insurance | 824.00                   | 62375/-                    |

Premium for the above insurance policies are paid annually.

## IMMOVABLE PROPERTY

**THE DETAILS OF THE IMMOVABLE PROPERTY OWNED BY OUR COMPANY IS GIVEN HERE BELOW:**

| Sr. No. | Details of the Property  | Actual Use            | Owned/Leased | Area   | Details of the Lessor/Licensor   |
|---------|--|-----------------------|--------------|--|--|
| 1.      | Unit No. 6, Creative Industrial Estate, Sunder Nagar Lane No. 2, Kalina, Mumbai – 400 098.   | Administrative Office | Owned        | 280 Sq. feet.                                    | Agreement of Sale dated December 22, 1999 executed between i) Mr. Royce Joseph Pareira & ii) Mrs. J V Pareira and M/s Konstelec Engineers Private Limited. In consideration of the sum of ₹8,00,000/- (Rupees Eight Lakhs Only) paid by Konstelec. |
| 2.      | Unit No. 8, Creative Industrial Estate, Sunder Nagar Lane No. 2, Kalina, Mumbai – 400 098.   | Administrative Office | Owned        | 200 Sq. feet carpet I.e. 280 Sq. feet (built up) | Agreement of Sale dated May 06, 2010 between M/s GEI Industrial Systems Ltd and M/s Konstelec Engineers Private Limited. In consideration of the sum of ₹37,00,000/- (Rupees Thirty-Seven Lakhs Only) paid by Konstelec.                           |
| 3.      | Unit No. 9, Creative Industrial Estate, Sunder Nagar Lane No. 2, Kalina, Mumbai – 400 098.   | Administrative Office | Owned        | 200 Sq. feet carpet I.e. 280 Sq. feet (built up) | Agreement of Sale dated May 06, 2010 between M/s GEI Industrial Systems Ltd and M/s Konstelec Engineers Private Limited. In consideration of the sum of ₹37,00,000/- (Rupees Thirty-Seven Lakhs Only) paid by Konstelec.                           |
| 4.      | Unit No. 25, Creative Industrial Estate, Sunder Nagar Lane No. 2, Kalina, Mumbai – 400 098.  | Administrative Office | Owned        | 1646.09 sq.mt.                                   | Agreement of Sale dated September 25, 2006 between Mrs. Anita Singh and M/s Konstelec Engineers Private Limited. In consideration of the sum of ₹25,00,111/- (Rupees Twenty-Five Lakhs One Hundred and Eleven Only) paid by Konstelec.             |
| 5.      | Unit No. 307, Creative Industrial Estate, Sunder Nagar Lane No. 2, Kalina, Mumbai – 400 098. | Administrative Office | Owned        | 300 Sq. feet carpet I.e. 360 Sq. feet (built up) | Agreement of Sale dated December 21, 2017 between M/s Ambernath Organics Private Limited and M/s Konstelec Engineers Private Limited. In consideration of the sum of ₹90,00,000/- (Rupees Ninety Lakhs   |



| Sr. No. | Details of the Property  | Actual Use  | Owned/Leased | Area   | Details of the Lessor/Licensor  |
|---------|--|---|--------------|--|---|
|         |  |   |              | up)  | Only) paid by Konstelec.  |
| 6.      | Unit No. 308, Creative Industrial Estate, Sunder Nagar Lane No. 2, Kalina, Mumbai – 400 098.       | Registered office   | Owned        | 200 Sq. feet carpet I.e. 240 Sq. feet (built up) | Agreement of Sale dated November 13, 2020 between Mrs. Nirupama B Shah and M/s Konstelec Engineers Private Limited. In consideration of the sum of ₹40,00,000/- (Rupees Forty Lakhs Only) paid by Konstelec.  |
| 7.      | Unit No. 309, Creative Industrial Estate, Sunder Nagar Lane No. 2, Kalina, Mumbai – 400 098.       | Administrative Office   | Owned        | 200 Sq. feet carpet I.e. 240 Sq. feet (built up) | Agreement of Sale dated November 13, 2020 between i) Mrs. Nirupama B Shah ii) Mr Biharilal R Shah and M/s Konstelec Engineers Private Limited. In consideration of the sum of ₹40,00,000/- (Rupees Forty Lakhs Only) paid by Konstelec.   |
| 8.      | Unit No. 310, Creative Industrial Estate, Sunder Nagar Lane No. 2, Kalina, Mumbai – 400 098.       | Administrative Office   | Owned        | 197 Sq. Feet Carpet                              | Agreement of Sale dated January 31, 2023 between M/s ACE Communication Enterprises and M/s Konstelec Engineers Private Limited. In consideration of the sum of ₹64,70,000/- (Rupees Sixty Four Lakh Seventy Thousand Rupees Only) paid by Konstelec.                            |
| 9.      | Unit No. 313, Creative Industrial Estate, Sunder Nagar Lane No. 2, Kalina, Mumbai – 400 098.       | Given on rent to Zeess Unicorn Infra (Partnership) for a period of 12 months Starting from August 01, 2023 to July 31, 2024 for a rent 44000 per month.                         | Owned        | 200 Sq. feet carpet I.e. 240 Sq. feet (built up) | Agreement of Sale dated December 21, 2017 between M/s Ambernath Organics Private Limited and M/s Konstelec Engineers Private Limited. In consideration of the sum of ₹70,00,000/- (Rupees Seventy Lakhs Only) paid by Konstelec.  |
| 10.     | Unit No. 314, Creative Industrial Estate, Sunder Nagar Lane No. 2, Kalina, Mumbai – 400 098.       |   | Owned        | 200 Sq. feet carpet I.e. 240 Sq. feet (built up) | Agreement of Sale dated December 21, 2017 1989 between M/s Ambernath Organics Private Limited and M/s Konstelec Engineers Private Limited. In consideration of the sum of ₹70,00,000/- (Rupees Seventy Lakhs Only) paid by Konstelec.   |
| 11.     | Office 1, Skyline Epitome, Near Vidya Vihar Station, Nathani Road, Vidyavihar West, Mumbai 400086. | Given on Rent to Rita Enterprise for a Period of 60 months Starting from September 01, 2022 to August 31, 2027 for a rent of 130000 per Month with Escalation of 4% Every year. | Owned        | 568 Sq. Feet                                     | Agreement of Sale dated May 15, 2012 between M/s V K Merchants Private Limited and M/s Konstelec Engineers Private Limited. In consideration of the sum of ₹71,56,800/- (Rupees Seventy one lakh Fifty Six Thousand Eight Hundred Only) paid by Konstelec.                      |
| 12.     | Office 2, Skyline Epitome, Near Vidya Vihar Station, Nathani Road, Vidyavihar West, Mumbai 400086  |   | Owned        | 669. Sq. Feet                                    | Agreement of Sale dated June 08, 2012 between Mrs. Chandrika—Madhukant Selarka and Mr. Bimal Madhukant Selarka, and M/s Konstelec Engineers Private Limited. In consideration of the sum of ₹84,21,000/- (Rupees Eighty Four Lakhs Twenty One Thousand Only) paid by Konstelec. |
| 13.     | Office 3, Skyline Epitome, Near Vidya Vihar  |   | Owned        | 565 Sq. feet                                     | Agreement of Sale dated May 15, 2012 between M/s V K Merchants Private Limited and M/s Konstelec  |





| Sr. No. | Details of the Property  | Actual Use  | Owned/Leased | Area         | Details of the Lessor/Licensor  |
|---------|--|---|--------------|--------------|---|
|         | Station, Nathani Road, Vidyavihar West, Mumbai 400086  |   |              |              | Engineers Private Limited. In consideration of the sum of ₹71,19,000/- (Rupees Seventy one lakh Nineteen Thousand Only) paid by Konstelec.  |
| 14.     | Office 4, Skyline Epitome, Near Vidya Vihar Station, Nathani Road, Vidyavihar West, Mumbai 400086. | Given on Rent to Digital Latte (Partnership) for a Period of 36 Months Starting From March 07, 2022 to March 06, 2025 for a rent of 125000 Per month for first 24 months and for next 12 month 131250 per month | Owned        | 512 Sq. feet | Agreement of Sale dated May 15, 2012 between V. K. Merchants Private Limited and Konstelec Engineers. In consideration of the sum of ₹64,51,200/- (Rupees Sixty Four Lakhs Fifty One Thousand Two Hundred Only) paid by Konstelec.                                    |
| 15.     | Office 5, Skyline Epitome, Near Vidya Vihar Station, Nathani Road, Vidyavihar West, Mumbai 400086. |   | Owned        | 504 Sq. feet | Agreement of Sale dated May 15, 2012 between V. K. Merchants Private Limited and Konstelec Engineers. In consideration of the sum of ₹63,50,400/- (Rupees Sixty-Three Lakhs Fifty Thousand Four Hundred Only) paid by Konstelec.                                      |
| 16.     | Office 6, Skyline Epitome, Near Vidya Vihar Station, Nathani Road, Vidyavihar West, Mumbai 400086. |   | Owned        | 516 Sq. feet | Agreement of Sale dated June 08, 2012 between (i) Mrs Chandrika Madhukant Selarka and (ii) Mr Bimal Madhukant Selarka and Konstelec Engineers. In consideration of the sum of ₹65,01,600/- (Rupees Sixty Five Lakhs One Thousand Six Hundred Only) paid by Konstelec. |
| 17.     | Office 7, Skyline Epitome, Near Vidya Vihar Station, Nathani Road, Vidyavihar West, Mumbai 400086  | Given on rent to V.M Enterprise for a Period of 60 months starting from September 01, 2022 to August 31, 2027 for a rent of 45000 per month with Escalation of 4% Every Year.                                   | Owned        | 240 Sq. Feet | Agreement of Sale dated May 15, 2012 between M/s V K Merchants Private Limited and M/s Konstelec Engineers Private Limited. In consideration of the sum of ₹30,00,000/- (Rupees Thirty Lakh Only) paid by Konstelec.  |

**THE DETAILS OF THE FEW IMMOVABLE PROPERTIES TAKEN ON LEASE / RENT BASIS ARE GIVEN BELOW:**

| Sr. No. | Details of the Property   | Usage           | Details of the Lessor/Licensor  |
|---------|---|-----------------|---|
| 1.      | Office no. 320, 321, 322, Creative Industrial Estate, Sunder Nagar Lane No. 2, Kalina, Santacruz East, Mumbai – 400 098 | Office Premises | Rent Agreement dated November 25, 2021 between Mr. Gopal krishna S Revankar and Konstelec Engineers Pvt Ltd.<br>Rent: 97000/- (Rupees Ninety Seven Thousand Only) Per Month with Escalation of 5% Every Year<br>Deposit: ₹300000/- (Rupees Three Lakh Only)<br>Period: 36 months Starting from November 16, 2021 to November 15, 2024 |
| 2.      | JRIL Kurnool  | Staff Room      | Rent Agreement dated March 23, 2023 between Katravath Hussainmma and Konstelec Engineers Private limited.<br>Rent: ₹20,000/- (Rupees Twenty Thousand Only) Per month<br>Deposit: ₹20,000/- (Rupees Twenty Thousand Only)<br>Period: There is no Specific Period Provided.   |
| 3.      | JRIL Kurnool  | Staff           | Rent Agreement dated March 23, 2023 between Katravath Koneji Naik and   |






| Sr. No. | Details of the Property   | Usage             | Details of the Lessor/Licensor  |
|---------|---|-------------------|---|
|         |   | Room              | Konstelec Engineers Private limited.<br>Rent: ₹10,000/- (Rupees Ten Thousand Only) per month<br>Deposit: ₹10,000/- (Rupees Ten Thousand Only)<br>Period: There is no Specific Period Provided.  |
| 4.      | IGPL Taloja   | Staff Room        | Rent Agreement dated between Manjana Phukan and Konstelec Engineer Private Limited<br>Security Deposit: ₹25,000/- (Rupees Twenty Thousand Only)<br>Rent: ₹8000/- (Rupees Eight Thousand Only) per month<br>Period: March 24, 2023 to February 23, 2024  |
| 5.      | HRRL Rajasthan<br>N.H 25<br>Pachpadra<br>Barmer, Refinery<br>Road Teh,<br>Pachpadra-<br>344032                | Staff Room        | Leave and License Agreement dated May 26, 2022 between Kailash Mehta and M/s Konstelec Engineers Private Limited.<br>Security Deposit: ₹74000/- (Rupees Seventy Four Thousand Only)<br>License Fee: ₹37000/- (Rupees Thirty Seven Thousand Only) Plus ₹5660/- (Rupees Five Thousand Six Hundred and Sixty Only) per month.<br>Period: May 28, 2022 to April 27, 2024        |
| 6.      | HRRL Rajasthan  | Staff Room        | Leave and License Agreement dated April 14, 2023 between Rajesh Mehta and Konstelec Engineer Private Limited.<br>Security Deposit: ₹79000/- (Rupees Seventy Nine Thousand Only)<br>Rent: ₹39500/- (Rupees Thirty Nine Thousand Five Hundred Only) Per month.<br>Period: April 13, 2023 to April 12, 2024  |
| 7.      | HRRL Rajasthan<br>Flat No/House<br>No. 06, Mahadev<br>Colony, Barmer,<br>Rajasthan-344022                     | Staff Room        | Rent Agreement dated July 01, 2022 between Debasree Tiwari and M/s Konstelec Engineers Private Limited.<br>Rent: ₹16000/- (Rupees Sixteen Thousand Only) per month<br>Period: June 01, 2023 to May 31, 2025   |
| 8.      | HRRL Rajasthan<br>Flat No/House<br>No. – Labour<br>Camp with 30<br>Nos.                                       | Staff Room        | Rent Agreement dated August 17, 2022 between Lakharam Legha and M/s Konstelec Engineers Private Limited.<br>Rent: ₹4500/- (Rupees Four Thousand Five Hundred Only) per room (7 rooms)<br>Security Deposit: ₹31500/- (Rupees Thirty One Thousand Five Hundred Only)<br>Period: June 01, 2023 to May 31, 2025   |
| 9.      | HRRL Rajasthan<br>Kailash Empriear,<br>Pachpadra,<br>Barmer,<br>Rajasthan -<br>344032                         | Staff Room        | Rent Agreement dated April 08, 2023 between Seema Chaudhary and Konstelec Engineer Private Limited.<br>Rent: ₹41950/- (Rupees Forty One Thousand Nine Hundred and Fifty Only) per month<br>Security Deposit: ₹83900/- (Rupees Eighty Three Thousand Nine Hundred Only)<br>Period: March 22, 2023 to February 21, 2024   |
| 10.     | N.H. 25<br>Pachpadra<br>Barmer, Refinery<br>Road The,<br>Pachpadra-<br>344032                                 | Staff Guest House | Rent Agreement dated 14th June 2023 between Kailash Mehta and Konstelec Engineers Private Limited<br>Rent: ₹41950/- (Rupees Thirty Seven Thousand Only) per month<br>Maintenance: ₹10650/- (Rupees Ten Thousand Six Hundred and Fifty Rupees Only)<br>Security Deposit: ₹83900/- (Rupees Eighty three thousand nine hundred Only)<br>Period: June 14, 2023 to June 13, 2025 |
| 11.     | IOCL Barauni<br>Near Thakurwari,<br>Saboura, Barauni<br>Oil refinery,<br>Bihar 851114<br>(Owner's<br>Address) | Staff Room        | Rent Agreement dated April 01, 2022 between Madhu Rani Devi and M/s Konstelec Engineers Private Limited.<br>Rent: ₹13000/- (Rupees Thirteen Thousand Only) per month.<br>Advance: ₹13000/- (Rupees Thirteen Thousand Only)<br>Period: April 01, 2023 to March 31, 2024  |



Our company takes various properties on lease basis at project site for labour accommodation and other project activities. Lease agreement for few of such leased properties are not renewed. Please refer to Risk factor on page 29 of this Prospectus.

#### INTELLECTUAL PROPERTY

| Sr. No. | Brand Name/Logo/<br>Trademark   | Class | Nature of<br>Trademark<br>and<br>registration<br>number | Date of<br>Application | Current<br>Status |
|---------|---|-------|---|------------------------|-------------------|
| 1.      | KONSTELEC   | 42    | 6097223   | September 05,<br>2023  | Applied           |
| 2.      | KONSTELEC   | 35    | 6097221   | September 05,<br>2023  | Applied           |
| 3.      | KONSTELEC   | 37    | 6097222   | September 05,<br>2023  | Applied           |
| 4.      |    | 42    | 6097226   | September 05,<br>2023  | Applied           |
| 5.      |   | 35    | 6097224   | September 05,<br>2023  | Applied           |
| 6.      |  | 37    | 6097225   | September 05,<br>2023  | Applied           |



## DETAILS OF INDEBTNESS

The details of facilities availed from Banks are as follows. For more details of other indebtedness please refer “Restated Financials Information” beginning from page no. 208 of Prospectus.

### LONG TERM BORROWING

| Sr. No. | Lender         | Nature of facility Sanction | Sanctioned Amount | Rate of interest (%) | Repayment Schedule | Security Hypothecated   | Outstanding as on 30-09-2023 |
|---------|----------------|-----------------------------|-------------------|----------------------|--------------------|---|------------------------------|
| 1       | Bank of Baroda | Baroda Auto Loan            | 8.29              | 7.95%                | 84 months          | Vehicle-Honda CRV   | 7.39                         |
| 2       | Bank of Baroda | Baroda Auto Loan            | 9.7               | 8.85%                | 60 months          | Vehicle- Bolero   | 8.66                         |
| 3       | Bank of Baroda | Baroda Auto Loan            | 21.46             | 8.85%                | 84 months          | Vehicle-Urber Cruzer  | 19.70                        |
| 4       | Bank of Baroda | Baroda Auto Loan            | 12.48             | 12.05%               | 60 months          | Vehicle- Eicher Truck   | 2.42                         |
| 5       | Bank of Baroda | Baroda Auto Loan            | 26.37             | 12.05%               | 60 months          | Vehicle- Hydra Crane  | 4.60                         |
| 6       | Bank of Baroda | Baroda Auto Loan            | 6.65              | 12.05%               | 60 months          | Vehicle_ Jeep   | 1.29                         |
| 7       | ICICI Bank     | ICICI Auto loan             | 26.73             | 8.90%                | 64 months          | Vehicle- Hydra Crane  | 10.78                        |
| 8       | ICICI Bank     | ICICI Auto loan             | 13.35             | 8.90%                | 64 months          | Vehicle-Eicher Truck  | 5.38                         |
| 9       | Bank of Baroda | BOB LAP LOAN                | 298.00            | 11.65%               | 60 months          | Personal Guarantor: Biharilal. R. Shah and B.R.Shah (HUF)<br>Property: B1003,04, Bhoomi Towers, Santacruz (East), Mumbai - 52 | 275.87                       |



| Sr. No.      | Lender         | Nature of facility Sanction | Sanctioned Amount | Rate of interest (%) | Repayment Schedule | Security Hypothecated               | Outstanding as on 30-09-2023 |
|--------------|----------------|-----------------------------|-------------------|----------------------|--------------------|-------------------------------------|------------------------------|
| 10           | Bank of Baroda | TERM LOAN                   | 82.00             | 7.50%                | 35 months          | Covid Period No Additional Security | 29.56                        |
| 11           | Bank of Baroda | TERM LOAN                   | 160.00            | 10.00%               | 36 months          | Covid Period No Additional Security | 160.00                       |
| 12           | ICICI Bank     | TERM LOAN                   | 118.00            | 9.25%                | 36 months          | Covid Period No Additional Security | 118.00                       |
| 13           | ICICI Bank     | TERM LOAN                   | 178.03            | 7.25%                | 36 months          | Covid Period No Additional Security | 54.40                        |
| <b>Total</b> |                |                             |                   |                      |                    |                                     | <b>698.05</b>                |

#### SHORT TERM BORROWING

| Sr. No. | Lender            | Nature of facility Sanction | Sanction Amount | Rate of interest (%)   | Repayment Schedule | Security Hypothecated   | Outstanding as on 30-9-23 |
|---------|-------------------|-----------------------------|-----------------|--|--------------------|---|---------------------------|
| 1       | Yes Bank Limited  | Working Capital             | 500             | 11.00%   | 90 days            | Unsecured   | 450.00                    |
| 2       | Amish Shah        | Working Capital             | NA              | Nil  | On demand          | Unsecured   | 2.00                      |
| 3       | B.R.Shah          | Working Capital             | NA              | Nil  | On demand          | Unsecured   | 13.72                     |
| 4       | Konstelec-Hi-Tech | Working Capital             | NA              | Nil  | On demand          | Unsecured   | 17.55                     |
| 5       | Bank of Baroda    | Cash Credit                 | 1100.00         | Repo Rate +Markup + SP +Spread = 6.5% + 3% + 0.25% + 1.25% = 11% | On demand          | Exclusive charge in favor of the Bank by way of Hypothecation of the company's 25% Stock ,33.33% on WIP, 25% on Book Debts upto 90 Days & 40% on Book Debts above 90 days upto 120 Days<br>Liquid Security in form of FDR /LIC of Rs 0.10 Cr<br><br>EM of Industrial Unit No. 6, 8, 9, 25, 307, 308, 309, 310, 313, 314 at Creative Industrial Premises Co-operative Soc Ltd , Sunder Nagar Lane 2 ,Kalina Santacruz East, EM of flat at 902B, Bhoomi | 1,051.57                  |



| Sr. No.      | Lender     | Nature of facility Sanction                                 | Sanction Amount | Rate of interest (%)   | Repayment Schedule | Security Hypothecated  | Outstanding as on 30-9-23 |
|--------------|------------|---|-----------------|--|--------------------|--|---------------------------|
|              |            |   |                 |  |                    | Towers, Nehru Road, Santacruz East   |                           |
| 6            | HDFC Bank  | Cash Credit/Working Capital/Bank Guarantee/Letter of Credit | 2000.00         | Fund Based<br>3 months repo plus 500 bps<br>(Repo is 5.4% at Present)<br><br>Non Fund Based<br>1 % | On demand          | First Pari Pasu charges on the Current Asset of the company exclusive charge<br>First Pari Pasu charge on movable fixed assets of the company<br>Exclusive charge on the Unit of 4,5,6 Building Skyline Epitome Vidhya Vihar   | 1,313.02                  |
| 7            | ICICI Bank | Cash Credit/Letter of Credit /Bank Guarantee                | 1000.00         | Fund Based<br>Repo rate + Spread<br>6.25%+4.5%=11.75%<br><br>Non - Fund Based<br>1.35 %            | On demand          | First Paripassu charge<br><br>Unit No. 207, 2nd Floor, Creative Industries Premises, Sunder Nagar Road , Near Golden Star Apartment , Santacruz East, Mumbai , Maharashtra ,India , 400098<br>Office 4, 5, 6, Ground Floor, A wing, Building 1, Skyline Epitome, Vidyavihar West ,Kiroil Road , Near Vidyavihar Station , Kurla ,Mumbai , Maharashtra , India , 400086 | 563.95                    |
| <b>Total</b> |            |   |                 |  |                    |  | <b>3411.40</b>            |

*Source: Based on Certificate issued by our Peer Reviewed Auditor M/s. Shaparia Mehta & Associates LLP, Chartered Accountants, vide their certificate dated September 30, 2023.*

## HISTORY AND CORPORATE STRUCTURE

### Brief history of our Company:

Our Company was originally incorporated as “Company Limited by Shares” under the name “Konstelec Engineers Private Limited” under the provisions of the Companies Act, 1956 and the Certificate of Incorporation was issued by Registrar of Companies, Mumbai, Maharashtra on December 05, 1995, vide certificate of incorporation bearing CIN U45203MH1995PTC095011 issue by Central Registration Centre, Registrar of Companies. Subsequently our Company was converted into a public limited company vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on June 30, 2023 and consequently the name of our Company was changed from “Konstelec Engineers Private Limited” to “Konstelec Engineers Limited” vide fresh Certificate of Incorporation granted to our Company consequent upon conversion into public limited company dated August 25, 2023 by the Registrar of Companies, Mumbai bearing Corporate Identification Number U45203MH1995PLC095011. For details of change in name and registered office of our Company, please refer to chapter titled “History and Corporate Matters” beginning on page no. 172 of this Prospectus.

Konstelec Engineers Limited was incorporated on December 05, 1995 as a private Limited Company and started business operations as Design Engineering Company. Over the years, we have expanded our services, constantly upgraded our technologies, systems, and processes and diversified our business operations. As an EPC company, we specialize in delivering full-scale project management, procurement support, and detailed engineering services for various kinds of electrical infrastructure projects across India and abroad. With a skilled team, strong project execution capabilities, and a client-centric focus, we are committed for delivering high-quality, safe, and innovative solutions that meet our clients' specific needs. Our expertise covers the entire project lifecycle, ensuring timely delivery and successful outcomes for even the most complex projects.

At present, we are in the business of Engineering, Procurement, and Construction/ Commissioning (EPC) contractors and are engaged in the business of offering full range of EPC services in India and abroad. Our services find applications across several processing and various kinds of manufacturing industries such as oil & gas, refinery, steel, cement, pharmaceuticals, textile, hospital, health care and commercial complexes, domestically and internationally. We have designed, developed, and executed several complex and integrated projects requiring cutting-edge electrical, instrumentation and automation systems. Our key offerings include engineering design and drawings, procurement, operations and maintenance, project management and construction and commissioning. We provide one-stop solution to our clients for various kinds of engineering projects. Our expertise includes Electrical Installation, Solar Power Plant Setup, Instrumentation & Automation.

Our adaptability to market demands and technological advancements enable us to tackle projects of varying sizes and complexities. We are a licensed electrical contractor and have successfully completed over more than 200 Project of various size and complexities of which there were 45 Major Projects worth more than ₹ 400 Crores in India and abroad. As on August 31, 2023, we have an order book of more than 50 Major Projects worth around ₹ 565 Crores from our major projects suggesting strong order book which are at different stages of implementation.

We possess the requisite resources of DG sets, hydra/ crane, testing equipment's for civil/ electrical/ instruments, commercial vehicles, manpower strength etc. to execute our projects successfully. Among our distinguished clientele, we have the privilege of serving a number of esteemed clients such as Reliance Industries Limited, Engineers India Limited, JSW Steel, Indian Oil, BPCL, HPCL, CPCL, MRPL, ISRO, ACC, BARC, Dangote Industries Limited, Adani, NTPC, Tata Steel Ltd, Navin Fluorine International Ltd and IGPL, etc..

The growth we have achieved can be attributed to the visionary leadership and guidance of our promoters, Mr. Biharilal Shah and Mr. Amish Biharilal Shah. Their extensive knowledge and over six decades of business experience in our industry have been instrumental in driving our efficiency and success. Additionally, our team comprises a diverse group of professionally trained and qualified engineers with versatile abilities. This exceptional team is adept at providing effective solutions to our customers across projects of various scales and complexities. Their collective expertise has been a driving force behind our accomplishments and continued growth.

We have in-house capabilities to deliver a project from conceptualization to completion with fast turnaround time from acquisition to launch to completion, which focuses on de-risking and improving return on investment.

We offer professional solutions, encompassing design and engineering services, to cater to the needs of our valued customers. Our team comprises highly skilled and dedicated professionals who are always prepared to deliver their utmost efficiency. At Konstelec, we leverage our technical expertise in the most optimal and cost-effective manner, ensuring the utmost reliability and availability of each project. With a proven track record of successfully executing various projects, we have cultivated a wealth of experience.

For information on our Company's profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major Vendors and suppliers, please refer the sections titled “*Business Overview*”, “*Industry Overview*”, “*Our Management*”, “*Restated Financial information*” and “*Management's*

*Discussion and Analysis of Financial Position and Results of Operations”* on pages 134, 124, 188, 208 and 210 respectively of this Prospectus.

**Address of the Registered Office:-**

|                          |  |
|--------------------------|--|
| <b>Registered Office</b> | 308, Creative Industrial Estate, Sundar Nagar Lane No. 2, Kalina, Santacruz (East), Mumbai- 400098, Maharashtra, India |
|--------------------------|--|

**Changes in Registered Office of the Company since Incorporation:**

There has not been any change in our Registered Office since inception of the Company till the date of the Prospectus.

**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 in India and elsewhere, the business of electrical, civil, mechanical engineers, to undertake work of laying of electrical power transmission & communication lines, to undertake work of erection of plant and machineries, to undertake projects in the aforesaid disciplines on turnkey basis including the work of project consultancy wherever required.

**Amendments to the Memorandum of Association:**

Except as stated below, there has been no change in the Memorandum of Association of our Company since its Incorporation:

| Date of Meeting   | Type of Meeting  | Amendments   |
|-------------------|------------------|--|
| December 05, 1995 | On Incorporation | Authorized Capital of ₹ 100000 Divided into 10000 (Ten Thousand) Equity Shares of ₹ 10/-each.  |
| February 05, 1998 | EGM              | Alteration in Capital Clause V of the Memorandum of Association was amended to reflect increase in the authorized share capital of the company from ₹ 1,00,000/- divided into 10,000 Equity Shares of ₹ 10/- each to ₹ 10,00,000/- divided into 1,00,000 Equity Shares of ₹ 10/- each.   |
| March 15, 2007    | EGM              | Alteration in Capital Clause V of the Memorandum of Association was amended to reflect increase in the authorized share capital of the company from ₹ 10,00,000/- divided into 1,00,000 Equity Shares of ₹ 10/- each to ₹ 1,00,00,000/- divided into 10,00,000 Equity Shares of ₹ 10/- each.   |
| June 17, 2013     | EGM              | Clause No. 37A has been inserted vide special resolution passed in EGM held on June 17, 2013:<br><i>‘To recruit, select, interviewing, training, and employing manpower and placement of all types of engineers, technical executives, executives, middle management staff, junior level/ technical staff, workers, skilled/ unskilled labour required by the company and to depute them anywhere in India and abroad on deputation, temporarily or permanent in connection with completion/ erection/ or to provide the technical knowhow for the projects under taken by the company.’</i> |
| June 30, 2023     | EGM              | Conversion of Private Limited into Limited Company   |
| June 30, 2023     | EGM              | Increase in Authorized Share Capital from ₹ 100.00 Lakhs divided into 10,00,000 Equity Shares of ₹ 10/- each to ₹ 2000.00 Lakhs divided into 2,00,00,000 Equity Shares of ₹ 10/- each.   |

**Major events and milestones of our Company:**

The table below sets forth some of the major events in the history of our company:

| Year/F.Y. | Key Events / Milestone / Achievements  |
|-----------|--|
| 2023      | Best Contractor Award for safety performance Electrical / Instrument   |
| 2023      | Achieved Turnover of Rs. 150 Crores  |
| 2022      | Certificate of Appreciation for contribution towards excellence safety performance during turn around Nov-2022 |
| 2021-2022 | Best contractor safety performance award 2021-2022 C2 Complex Electrical & Instrument                          |
| 2021      | Best contractor safety performance award 2021 C2 Complex Electrical & Instrument                               |



| Year/F.Y. | Key Events / Milestone / Achievements   |
|-----------|---|
| 2021      | Certificate of Appreciation in recognition of achieving 01 million man-hours working without lost time incident.  |
| 2020      | Achieved Turnover of Rs. 100 Crores   |
| 2020      | Certificate of appreciation for performing contractor safety awareness & TBT quality test   |
| 2020      | HSE Award for best contractor   |
| 2018      | Certificate of Achievement for valuable contribution in achieving 5 million safe man-hours for Data TGTU Project  |
| 2018      | Award for completion of new railway siding at Irugur  |
| 2018      | Certificate of Appreciation is presented by SEZ Electrical Safety Campaign to Mr. Selva Kumar of Konstelec Engineers Private Limited for Case Study Presentation.   |
| 2018      | Certificate of Appreciation is presented by SEZ Electrical Safety Campaign to Mr. Selva Kumar of Konstelec Engineers Private Limited for Elocution C.   |
| -         | Certificate of Commitment from Central Vigilance Commission   |
| 2017      | Award for Timely Completion of BPCL Mumbai Refinery DHT Project   |
| 2017      | HSE Excellence Award for DHT Project Site Mumbai Refinery   |
| 2017      | Certificate of Achievement in recognition for contributing work hours in achieving 7 Million safe man-hours in HPIB without lost time incident during the period, April 2015 to July 2017.                                      |
| 2017      | 1 <sup>st</sup> prize safety Slogan Competition October 2017  |
| 2016      | Best contractor safety performance award 2015 SEZ refinery- Electrical / Instrument   |
| 2015      | Best contractor safety performance for the year 2015  |
| 2010      | Best quality PPE Compliance Award 2010  |
| 2004      | Appreciation letter presented to Mr. Lal Babu Singh of our Company in recognition of his significant contribution towards improving safety performance during the year 2004 by Reliance Engineering Association Private Limited |
| 2002      | Best safety performance award for contractors   |

#### **Other details about our Company:**

For details of our Company's activities, products, growth, awards & recognitions, capacity, location of plants, technology, marketing strategy, competition and our customers, please refer section titled "*Business Overview*", "*Management's Discussion and Analysis of Financial Position and Results of Operations*" and "*Basis for Offer Price*" on page 134, 210 and 113 respectively of this Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled "*Our Management*" and "*Capital Structure*" beginning on page 188 and 65 of the Prospectus respectively.

#### **Changes in activities of our Company during the last five (5) Years:**

There has not been any change in the activity of our Company during the last five (5) years preceding the date of this Prospectus.

#### **Our Holding Company:**

As of the date of the Prospectus, our Company is not a subsidiary of any company.

#### **Our Subsidiary Company:**

As of the date of this Prospectus, our Company has no direct Subsidiary Company.

#### **Joint Ventures:**

As on the date of this Prospectus, our Company has one Joint Ventures, as discussed below:

1. Konstelec Hitech Engineers Private Limited

#### **Corporate Information**

Konstelec Hitech Engineers Private Limited was incorporated as a Private limited company under the Companies Act, 1956 on January 19, 2010, with the Registrar of Companies, Mumbai and its corporate identification number (CIN) is U31908MH2010PTC199051. Its registered office is situated at 308, Creative Industrial Estate, Sunder Nagar Lane no. 2, Kalina, Santacruz (East) Mumbai 400098, Maharashtra, India.

#### **Capital Structure**

The authorized share capital of Konstelec Hitech Engineers Private Limited is ₹ 100.00 Lakhs divided into 1000000 equity shares of ₹ 10/- each.

### **Shareholding**

The following table sets forth the details of the shareholding of Konstelec Hitech Engineers Private Limited:

| <b>Sr. No.</b> | <b>Name of the Shareholder</b> | <b>Number of Equity Shares of Face Value of ₹ 10 Each</b> | <b>Percentage of total holding (%)</b> |
|----------------|--------------------------------|---|--|
| 1.             | Konstelec Engineers Limited    | 470000  | 47.00                                  |
| 2.             | Mr. Biharilal Shah             | 10000   | 1.00                                   |
| 3.             | Mr. Jatin Shah                 | 10000   | 1.00                                   |
| 4.             | Mr. Amish Biharilal Shah       | 10000   | 1.00                                   |
| 5.             | Mr. Paresh Ardehna             | 150000  | 15.00                                  |
| 6.             | Mr. Ramesh Gami                | 150000  | 15.00                                  |
| 7.             | Mr. Jayantilal Hansaliya       | 100000  | 10.00                                  |
| 8.             | Mr. Govind Lakhtaria           | 100000  | 10.00                                  |
| <b>Total</b>   |                                | <b>1000000</b>  | <b>100.00</b>                          |

### **Nature of Business**

Konstelec Hitech Engineers Private Limited is engaged in the business of Electrical Switchyards (substation), EHV transmission line work on EPC basis and Electrical, Instrumentation and Automation activities as authorized under the objects clause of its memorandum of association.

### **Strategic Partners:**

Our Company does not have any strategic partners as on the date of this Prospectus.

### **Financial Partners**

Apart from the arrangements with bankers and lenders which our Company undertakes in the ordinary course of business, as on the date of this Prospectus, our Company does not have any financial partner.

### **Raising of Capital in Form of Equity or Debt:**

For details regarding our capital raising activities through equity or debt, please see the section entitled “Capital Structure” and “Restated Financial Information” on page nos. 65 and 208 respectively of this Prospectus.

### **Time and Cost Overruns in Setting up Projects:**

There have been no instances of time and cost overruns in setting up of our projects in the past.

### **Capacity/ Facility Creation, Location of Plants:**

For details pertaining to capacity / facility creation, location of plant refers section “*Business Overview*” on page 134 of this Prospectus.

### **Details of launch of key products, entry in new geographies or exit from existing markets:**

For details pertaining to launch of key products services, entry in new geographies or exit from existing markets, please refer chapter titled “*Business Overview*” on page 134 of this Prospectus.

### **Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks and Conversion of Loans into Equity**

There have been no defaults or rescheduling/restructuring of borrowings with any of the financial institutions/banks or conversion of loans into equity in relation to our Company.

### **Collaboration**

Our Company has not entered into any Collaboration as on the date of this Prospectus.

### **Lock-Out and Strikes**

There have been no material instances of strikes or lockouts at any time in our Company.

### **Injunction or Restraining Orders**

There are no injunctions/restraining orders that have been passed against the Company.

**Shareholders Agreements:**

There are no subsisting shareholder's agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Prospectus.

**Total Number of Shareholders of Our Company**

**As on the date of filing of this Prospectus, the total numbers of equity shareholders are 11 (Eleven). For more details on the shareholding of the members, please see the section titled "Capital Structure" at page no. 65 of this Prospectus.**

**Agreement with key managerial personnel or Directors or Promoters or any other employee of the Company:**

There are no agreements entered into by key managerial personnel or Directors or Promoters or any other employee, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company excel as below;

- (1) We have entered into Service Agreement dated June 30, 2023 with our Chairman cum Managing Director Mr. Biharilal Ravilal Shah for tenure of 5 years w.e.f. July 01, 2023**
- (2) We have entered into Service Agreement dated June 30, 2023 with our Whole Time Director Mr. Amish Biharilal Shah for tenure of 5 years w.e.f. July 01, 2023**
- (3) We have entered into Service Agreement dated June 30, 2023 with our Whole Time Director Mr. Jigar Dhiresh Shah for tenure of 5 years w.e.f. July 01, 2023**

**Other Material Agreements:**

Our Company has not entered into any subsisting material agreements including with strategic partners, joint venture partners and/or financial partners, entered into, other than in the ordinary course of business of the Company.

## **KEY INDUSTRY REGULATIONS**

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India, and the respective bye laws framed by the local bodies, and others incorporated under the laws of India. 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 respective local authorities that are available in the public domain. The statements produced below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions and may not be exhaustive, and are only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice. We are subject to a number of Central and State legislations which regulate substantive and procedural aspects of the business. Additionally, the business activities of our Company require sanctions, approvals, licenses, registrations etc. from the concerned authorities, under the relevant Central and State legislations and local bye-laws. For details of Government and Other Approvals obtained by the Company in compliance with these regulations, see section titled "Government and Other Statutory Approvals" beginning on page 231 of this Prospectus. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in the field of real estate developers for commercial purposes.*

## **INDUSTRY SPECIFIC REGULATIONS**

### ***Electricity Act, 2003***

The Electricity Act is a central unified legislation relating to generation, transmission, distribution, trading and use of electricity that seeks to replace the multiple legislations that governed the Indian power sector. Under the Electricity Act, no license is required for generation of electricity. However, the Electricity Act provided that transmission, distribution and trade of electricity are regulated activities which require licenses from the appropriate ERC, unless exempted by the appropriate government in accordance with the provisions of the Electricity Act.

### ***Public Liability Insurance Act, 1991 ("Public Liability Act")***

The Public Liability Act, as amended, imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substance. A list of hazardous substances covered by the Public Liability Act has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

### ***Importer-Exporter Code***

Under the Indian Foreign Trade Policy, 2004, no export or import can be made by a person or company without an Importer Exporter Code number unless such person/company is specifically exempted. An application for an Importer Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An Importer Exporter Code number allotted to an applicant is valid for all its branches/divisions/ units/factories.

### ***Prevention of Black Marketing and Maintenance of Supplies Act, 1980***

The Prevention of Black Marketing and Maintenance of Supplies Act is an Act for detention in certain cases for the purpose of prevention of black marketing and maintenance of supplies of commodities essential to the community and for matters concerned therewith.

## **LAWS RELATING TO SPECIFIC STATE WHERE THE ESTABLISHMENT IS SITUATED**

### ***Maharashtra Industrial Policy 2019***

The Maharashtra Industrial Policy, 2019 (the "Industrial Policy") envisages making Maharashtra USD 1 Trillion economy in the country, by augmenting manufacturing ecosystem, complemented by ease of doing business initiatives, thereby evolving it into a preferred destination for global manufacturers and investors, resulting into largest employment creating state with balanced regional and inclusive growth, by 2025. In the Industrial Policy, the target has been to attain manufacturing sector growth rate of 12% to 13% to reach GSDP share of 25% by 2023-24; to attract investments worth INR 10 lakh crore by 2023-24 and to create employment opportunities for 40 lakh people by 2023-24.

Some of the objectives and strategies of the policy includes retaining leadership position in industrial investment by

providing conducive business environment, creating land bank for industries through MIDC, promoting investments through sector specific promotion/policies with focus on identified thrust sectors, incentivizing investments in R&D and startups, facilitating 'Ease of Doing Business' initiatives and strengthening Maharashtra's Single Window System i.e. MAITRI - an online portal, making a single point for delivery of services, setting up of State level councils for promotion of investments and exports etc.

### ***Bombay Shops and Establishments Act, 1948***

The provisions of Bombay Shops and Establishments Act, 1948 regulates the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work.

### ***Bombay Stamp Act, 1958 ("Stamp Act")***

The purpose of Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act.

### ***Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975***

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

## **LABOUR RELATED LEGISLATIONS**

### ***Payment of Bonus Act, 1965***

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment covered under this Act to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

### ***Payment of Gratuity Act, 1972***

The Payment of Gratuity Act, 1972 ("PG Act") applies to every factory and shop or establishment in which ten or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a) On his/her superannuation;
- b) On his/her retirement or resignation;
- c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply). Gratuity is payable to the employee at the rate of 15 (fifteen) days' wages for every completed year of service or part thereof in excess of 6 (six) months.

### ***Workmen's Compensation Act, 1923 ("WCA")***

Workmen's Compensation Act, 1923 has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The WCA makes every employer liable to pay compensation in accordance with the WCA if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the WCA within one month from the date it falls due, the commissioner appointed under the WCA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

### ***Maternity Benefit Act, 1961***

The Maternity Benefit Act, 1961, as amended, regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. Under the Maternity Benefit Act, a mandatory period of leave and benefits should be granted to female employees who have worked in the establishment for a minimum period of 80 days in the preceding 12 months from the date of her expected delivery. Such benefits essentially include payment of average daily wage for the period of actual absence of the female employee. The maximum period for which any woman shall be entitled to maternity benefit shall be 12 weeks, of which not more than six weeks shall precede the date of her expected delivery. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy.

#### ***Minimum Wages Act, 1948***

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

#### ***Contract Labour (Regulation and Abolition) Act, 1970, as amended (the “CLRA Act”)***

The Contract Labour (Regulation and Abolition) Act, of 1970 (the “CLRA Act”) requires a company to be registered as a principal employer and prescribes certain obligations with respect to the welfare and health of contract labourers. The CLRA vests responsibility in the principal employer of an establishment, to which the CLRA applies, to make an application to the concerned officer for registration of the concerned establishment. In the absence of such registration, contract labour cannot be employed in the concerned establishment. Likewise, every contractor, to whom the CLRA applies, is required to obtain a license and may not undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to the establishment of canteens, restrooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

#### ***Employees’ State Insurance Act, 1948***

It Employees’ State Insurance Act to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto. Whereas it is expedient to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto; this Act requires all the employees of the establishment to which this act applies to be insured to the manner provided there under. The Employer and Employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

#### ***Employees’ Provident Funds and Miscellaneous Provisions Act, 1952(“EPF Act”)***

The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the Government of India from time to time. It requires all such establishments to be registered with the State provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees’ provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

#### ***Payment of Wages Act, 1936***

The Payment of Wages Act, 1936 as amended (the Payment of Wages Act) has been enacted to regulate the payment of wages in a particular form at regular intervals without unauthorized deductions and to ensure a speedy and effective remedy to employees against illegal deductions and / or unjustified delay caused in paying wages. It applies to the persons employed in a factory, industrial or other establishment, whether directly or indirectly, through a sub-contractor and provides for the imposition of fines and deductions and lays down wage periods. The Payment of Wages Act is applicable to factories and industrial or other establishments where the monthly wages payable are less than Rs. 6,500 per month.

#### ***Industrial Disputes Act, 1947***

The Industrial Disputes Act, 1947 (Industrial Disputes Act) provides for mechanism and procedure to secure industrial peace and harmony by investigation and settlement of industrial disputes by negotiations. The Industrial Disputes Act extends to whole of India and applies to every industrial establishment carrying on any business, trade, manufacture or distribution of goods and services irrespective of the number of workmen employed therein. Every person employed in an establishment for hire or reward including contract labour, apprentices and part time employees to do any manual, clerical, skilled, unskilled, technical, operational or supervisory work, is covered by the Act. The Act also provides for (a) the provision for payment of compensation to the Workman on account of closure or layoff or retrenchment. (b) the procedure for prior permission of appropriate Government for laying off or retrenching the workers or closing down industrial establishments (c) restriction on unfair labour practices on part of an employer or a trade union or workers.

### ***Building and Other Construction Workers Act, 1996, as amended (the “BOCW Act”)***

The BOCW Act provides for regulating the employment and conditions of service of building and other construction workers and also provides for their safety, health and welfare measures and other matters connected therewith or incidental thereto. The Building and Other Construction Workers’ Welfare Cess Act, 1996, as amended (the “BOCW Act”) The object of this Act is to provide for the levy and collection of a cess on the cost of construction incurred by employers with a view to augmenting the resources of the Building and Other Construction Workers’ Welfare Boards constituted under the BOCW Act.

### ***Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013***

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (SHWPPR Act) provides for protection against sexual harassment at the workplace to women and prevention and redressal of complaints of sexual harassment. The SHWPPR Act defines Sexual Harassment to include any unwelcome sexually determined behaviour (whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organizations, non-governmental organizations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an Internal Complaints Committee at each office or branch, of an organization employing at least 10 employees. The Government in turn is required to set up a Local Complaint Committee at the district level to investigate complaints regarding sexual harassment from establishments where our internal complaints committee has not been constituted.

### ***Apprentices Act, 1961***

The Apprentices Act, 1961, as amended (the Apprentices Act) regulates and controls the programme of training of apprentices and matters connected there with. The term Apprentice means a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. Apprenticeship Training means a course of training in any industry or establishment undergone in pursuance of a contract of apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices. Every person engaging as an apprentice is required to enter into a contract of apprenticeship with the employer which is reviewed and registered by the apprenticeship advisor.

### ***Equal Remuneration Act, 1976***

The Equal Remuneration Act, 1976, as amended (ER Act) provides for the payment of equal remuneration to men and women workers for same or similar nature of work and prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. Under the ER Act, no discrimination is permissible in recruitment and service conditions, except where employment of women is prohibited or restricted by law. It also provides that every employer should maintain such registers and other documents in relation to the workers employed by him/ her in the prescribed manner.

### ***Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979***

Inter-State Migrant Workmen Act is an act enacted by the Parliament of India to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. This Act is applicable to every establishment and contractor who has employed five or more inter-state of Pass-Book to every inter-state migrant workmen with full details, payment of displacement allowance equivalent to 50% of monthly wages of Rs. 75/-, whichever is higher, payment of journey allowance including payment of wage during the period of the journey, suitable residential accommodation, medical facilities and protective clothing, payment of wages, equal pay for equal work irrespective of sex, etc. The main responsibility for the enforcement of the provisions of the Inter-State Migrant Workmen Act lies with the Central Government and the State Governments/Union Territories in the establishments falling in the Central and State sphere,

respectively.

### ***Industrial Employment Standing Orders Act, 1946***

The Industrial Employment Standing Orders Act, 1946 aims to provide for the fixation of minimum rates of wages, hours of work, holidays with pay and leave with pay in factories, workshops and other establishments or undertakings which employ ten or more workers.

It also provides for the regulation of facilities like medical aid and welfare schemes to be extended by employers to their employees. It was enacted to monitor and regulate the terms and conditions of industrial employment in India. It made provisions for the security of employment and payment of wages by cash or through cheque etc. The Act also provides for machinery for adjudicating disputes regarding violation of such terms and conditions. A Standing Order is a document setting out terms and conditions of employment for workers in an industry.

### ***Child Labour (Prohibition and Regulation) Act, 1986***

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

### ***Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001***

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

## **TAX RELATED LEGISLATIONS**

### ***Income Tax Act, 1961***

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its Residential Status and-Type of Income involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, and Minimum Alternative Tax like are also required to be complied by every Company.

### ***Goods and Service Tax (GST)***

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by central on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the central and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon. GST has replaced following indirect taxes and duties at the central and state levels.



### ***Central Excise Act, 1944***

Excise duty is levied on production of goods but the liability of excise duty arises only on removal of goods from the place of storage, i.e., factory or warehouse. Unless specifically exempted, excise duty is levied even if the duty was paid on the raw material used in production.

### ***Customs Regulations***

All imports into India are subject to duties under the Customs Act, 1962 at the rates specified under the Customs Tariff Act, 1975. However, the Indian Government has the power to exempt certain specified goods from excise duty by notification.

## **ENVIRONMENTAL LAWS AND REGULATIONS**

### ***Environmental Regulations***

The **Environmental Protection Act, 1986** (“**Environment Protection Act**”), **Water (Prevention and Control of Pollution) Act, 1974** (“**Water Act**”) and the **Air (Prevention and Control of Pollution) Act, 1981** (“**Air Act**”) provide for the prevention, control and abatement of pollution. Pollution Control Boards (“PCBs”) have been constituted in all the States in India to exercise the authority provided under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain approvals of the relevant State PCBs for emissions and discharge of effluents into the environment. **The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008** (“**Hazardous Waste Rules**”) impose an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such hazardous wastes properly including proper collection, treatment, storage and disposal. Every occupier and operator of the facility generating hazardous waste is required to obtain an approval from the PCB for collecting, storing and treating the hazardous waste.

### ***National Environmental Policy, 2006***

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of the National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

### ***Plastic Waste Management (PWM) Rules, 2016***

The Government of India, through the Ministry of Environment, Forest and Climate Change notified the new Plastic Waste Management Rules, 2016 (through a Gazette notification dated 18 March 2016). This supersedes the Plastic Waste (Management and Handling) Rules, 2011 that governed such activities earlier. This provides the framework for how plastic waste generators, local bodies, manufacturers, importers etc., to manage plastic waste.

## **FDI POLICY**

### ***Foreign Trade (Development and Regulation) Act, 1992***

Foreign Trade Act empowers the Government of India to, among other things, (a) make provisions for development and regulation of foreign trade; (b) prohibit, restrict or otherwise regulate exports and imports; (c) formulate an EXIM policy;

and (d) appoint a Director General of Foreign Trade for the purpose of administering foreign trade and advising the Central Government in formulating EXIM policy and implementing the same. Every importer and exporter is required to obtain an 'Importer Exporter Code' from the Director General of Foreign Trade or from any other duly authorized officer.

### ***Foreign Trade Policy***

The Foreign Trade Policy provides that no export or import can be made by a person without an IEC unless such person is specifically exempted. The policy provides for all exports and imports made shall be governed by the Foreign Trade Policy, unless otherwise specified. FTP provides for handbook of procedures laying down the procedure to be followed by an exporter or importer or by any Licensing/Regional Authority or by any other authority for purposes of implementing provisions of FT (D&R) Act, the Rules and the Orders made there under and provisions of FTP.

### ***Foreign Exchange Management Act, 1999 ("FEMA") and Regulations Framed Thereunder.***

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the 'automatic route' within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations"), as amended from time to time to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

## **GENERAL STATUTORY LEGISLATIONS**

### ***Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951***

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 ("MSMED Act") inter-alia seeks to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The MSMED Act inter-alia empowers the Central Government to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as:

- (i) a micro enterprise, where the investment in plant and machinery does not exceed ₹ 25,00,000/- (Rupees Twenty-Five Lakhs Only);
- (ii) a small enterprise, where the investment in plant and machinery is more than ₹ 25,00,000/- (Rupees Twenty -Five Lakh Only) but does not exceed ₹ 5,00,00,000/- (Rupees Five Crores Only); or
- (iii) a medium enterprise, where the investment in plant and machinery is more than ₹ 5,00,00,000/- (Rupees Five Crores Only) but does not exceed ₹ 10,00,00,000/- (Rupees Ten Crores Only).

In case of enterprises engaged in providing or rendering of services, the enterprise may be classified as:

- (i) a micro enterprise, where the investment in equipment does not exceed ₹ 10,00,000/- (Rupees Ten Lakhs Only);
- (ii) a small enterprise, where the investment in equipment is more than ₹ 10,00,000/- (Rupees Ten Lakhs Only) but does not exceed ₹ 2,00,00,000/- (Rupees Two Crores Only); or (iii) a medium enterprise, where the investment in equipment is more than ₹ 2,00,00,000/- (Rupees Two Crores Only) but does not exceed ₹ 5,00,00,000/- (Rupees Five Crores Only).

The MSMED Act also inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

### ***Companies Act, 2013 ("Companies Act")***

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29<sup>th</sup> August 2013. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid

down under the Companies Act, 2013. The procedure related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the director's payable by the companies is under Part II of the said schedule.

### ***Competition Act, 2002***

The Competition Act, 2002 prohibits 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 provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as Individuals and Group. 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. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

### ***Indian Contract Act, 1872***

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as 'void' or 'voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

### ***Specific Relief Act, 1963***

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

### ***Sale of Goods Act, 1930***

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional.

### ***Consumer Protection Act, 2019 ("Consumer Protection Act") and Rules Made Thereunder***

The Consumer Protection Act was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, amongst other things, to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of "consumer" under the Consumer Protection Act includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

In line with the Consumer Protection Act, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India (“Ministry of Consumer Affairs”) has also notified the Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) on July 23, 2020, which provide a framework to regulate the marketing, sale and purchase of goods and services online. The E-Commerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce, but does not include a seller offering his goods or services for sale on a marketplace e-commerce entity. The Ministry of Consumer Affairs has also released draft amendments to the E-Commerce Rules for public comments. The aforesaid draft amendments require e-commerce entities to, amongst other things, register themselves with the Department for Promotion of Industry and Internal Trade, and appoint a chief compliance officer, a nodal contact person and a resident grievance officer. Additionally, the draft amendments prohibit e-commerce entities from misleading users by manipulating search results, prohibit flash sales and abuse of dominant position, and mandate e-commerce entities to identify sponsored listings of products and services with clear and prominent disclosures.

### ***Code of Civil Procedure, 1908***

The Code of Civil Procedure, 1908 is a procedural law related to the administration of civil proceedings in India. The Civil Procedure Code consolidates and amends the law relating to the procedure of the Courts of Civil jurisdiction. The Code of Civil Procedure is an adjective law it neither creates nor takes away any right. It is intended to regulate the procedure to be followed by Civil Courts. The Civil Procedure Code consists of two parts. 158 Sections form the first part and the rules and orders contained in Schedule I form the second part. The object of the Code generally is to create jurisdiction while the rules indicate the mode in which the jurisdiction should be exercised.

The Code does not affect any special or local laws nor does it supersede any special jurisdiction or power conferred or any special form of procedure prescribed by or under any other law for the time being in force. The Code is the general law so that in case of conflict between the Code and the special law the latter prevails over the former. Where the special law is silent on a particular matter the Code applies, but consistent with the special enactment.

### ***Code of Criminal Procedure Code, 1973***

It is the main legislation on procedure for administration of substantive criminal law in India. It was enacted in 1973 and came into force on 1<sup>st</sup> April, 1974. It provides the machinery for the investigation of crime, apprehension of suspected criminals, collection of evidence, determination of guilt or innocence of the accused person and the determination of punishment of the guilty.

Criminal law occupies a pre-dominant place among the agencies of social control and is regarded as a formidable weapon that society has forged to protect itself against anti-social behaviour. The law of criminal procedure is meant to be complimentary to criminal law. It is intended to provide a mechanism for the enforcement of criminal law. The Code of Criminal Procedure creates the necessary machinery for apprehending the criminals, investigating the criminal cases, their trials before the criminal courts and imposition of proper punishment on the guilty person. The Code enumerates the hierarchy of criminal courts in which different offences can be tried and then it spells out the limits of sentences which such Courts are authorized to pass.

The law of criminal procedure is intended to provide a mechanism for the enforcement of criminal law. Without the proper procedural law the substantive criminal law which defines offences and provides punishment for them would be almost worthless.

### ***Arbitration & Conciliation Act, 1996***

The Arbitration and Conciliation Act, 1996 is an act to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. It aims at streamlining the process of arbitration and facilitating conciliation in business matters. The Act recognizes the autonomy of parties in the conduct of arbitral proceedings by the arbitral tribunal and abolishes the scope of judicial review of the award and minimizes the supervisory role of Courts. A significant feature of the Act is the appointment of arbitrators by the Chief Justice of India or Chief Justice of High Court. The Chief Justice may either appoint the arbitrator himself or nominate a person or Institution to nominate the arbitrator. The autonomy of the arbitral tribunal has further been strengthened by empowering them to decide on jurisdiction and to consider objections regarding the existence or validity of the arbitration agreement.

### ***Negotiable Instruments Act, 1881***

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

### ***Indian Stamp Act, 1899***

Under the Indian Stamp Act, 1899 (the “Stamp Act”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

### ***The Energy Conservation (Amendment) Act, 2022***

The Energy Conservation Act, 2001 was enacted to provide for efficient use of energy, its conservation and for matters connected therewith and/ or incidental thereto. The amended Act provides for regulation of energy consumption by equipment, appliances, vehicles, vessels, industrial units, buildings or establishments that consume, generate, transmit or supply energy. With special focus on promotion of new and renewable energy and the National Green Hydrogen Mission, the amendment seeks to (i) facilitate the achievement of “Panchamrit” — the five nectar elements presented by India in COP-26 (Conference of Parties -26) in Glasgow 2021.

In addition to facilitating the achievement of ‘Panchamrit’, the amended Act aims to promote renewable energy and develop the domestic carbon market to combat climate change and introduce new concepts such as carbon trading and mandate the use of non-fossil sources to ensure faster decarbonisation and help achieve sustainable development goals in line with the Paris Agreement and various other actions related to climate change.

## **INTELLECTUAL PROPERTY RELATED LEGISLATIONS**

In general, the Intellectual Property Rights include but are not limited to the following enactments:

- i. Trademarks Act, 1999
- ii. Indian Copyright Act, 1957

### ***Trade Marks Act, 1999 (“Trade Marks Act”)***

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. It provides for the application and registration of trademarks in India. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trade Marks Act, an application for trade mark registration may be made with the Controller General of Patents, Designs and Trademarks by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trade mark in the future. Once granted, a trade mark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying or falsely applying for trademarks. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trade mark in India and other countries has been made available to owners of Indian and foreign trade marks. It also seeks to simplify the law relating to the transfer of ownership of trade marks by assignment or transmission and to bring the law in line with international practices.

### ***Copyright Act, 1957***

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, and rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition

of the rights depending on the work.

## **OTHER LAWS**

### ***Municipality Laws***

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### ***Police Laws***

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 and 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective States of India have enacted laws regulating the same along with prescribing penalties for non-compliance.

### ***Approvals from Local Authorities***

Setting up of a Factory or Manufacturing/Housing unit/Establishments entails the requisite Planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents from the state Pollution Control Board(s), the relevant state Electricity Board(s), the State Excise Authorities, Sales Tax, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

## OUR MANAGEMENT

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15. Our Company currently has 6 (Six) directors on our Board, of which 3 (Three) Directors are Executive directors and rest of the 3 (Three) Directors are Independent Director.

|                              |   |                                |
|------------------------------|---|--------------------------------|
| Mr. Biharilal Ravilal Shah   | - | Chairman cum Managing Director |
| Mr. Amish Biharilal Shah     | - | Whole Time Director            |
| Mr. Jigar Dhiresh Shah       | - | Whole Time Director            |
| Ms. Manisha Abhay Lalan      | - | Independent Director           |
| Mr. Ranjan Brij Mohan Mathur | - | Independent Director           |
| Mrs. Amita Sachin Karia      | - | Independent Director           |

The Following table sets forth details regarding the Board of Directors as on the date of this Prospectus.

| Mr. Biharilal Ravilal Shah  |   |
|---|---|
| Father's Name   | Mr. Ravilal Shah  |
| DIN   | 00337318  |
| Date of Birth   | August 17, 1949   |
| Age   | 74 Years  |
| Designation   | Chairman cum Managing Director  |
| Status  | Executive   |
| Qualification   | He holds degree of B.E. (Electrical Engineering) from Shivaji University and Diploma in Fundamentals of Microprocessors & Microcomputers: Architecture, Software & Application from Indian Institute of Cybernetics.  |
| No. of Years of Experience  | He is having more than 43 years of experience in the Engineering, Procurement, and Construction/ Commissioning (EPC) of Electrical Works.   |
| Address   | 1003/04, Bhoomi Tower 'A' Wing, Opp. Jain Temple, off. Nehru Road, Santacruz (East) Mumbai-400 055  |
| Occupation  | Business  |
| Nationality   | Indian  |
| Date of Appointment   | Initially, He was appointed under Promoter Category as an Executive Director of the Company since incorporation of the company i.e., December 05, 1995. Thereafter, Pursuant to approval of Board of Director in the Board Meeting held on February 26, 2015, he was appointed as a Managing Director of the Company with effect from March 1 <sup>st</sup> 2015 for a period of 5 years. Now, pursuant to the approval of member in the Extra Ordinary general meeting held on June 30, 2023, he was re-appointed as a Chairman cum Managing director of the Company with effect from July 01, 2023. |
| Term of Appointment and date of expiration of current term of office. | Currently he holds office for the period of 5 (Five) years w.e.f. July 01, 2023, liable to retire by rotation.  |
| Other Directorships   | I. Konstelec Hitech Engineers Private Limited<br>II. CES Automation Engineers Private Limited   |

| Mr. Amish Biharilal Shah |  |
|--------------------------|--|
| Father's Name            | Mr. Biharilal Ravilal Shah   |
| DIN                      | 01415766   |
| Date of Birth            | November 21, 1979  |
| Age                      | 43 years   |
| Designation              | Whole-Time Director  |
| Status                   | Executive  |
| Qualification            | He holds degree of B.E. (Electronics Engineering) from University of Mumbai and Master of Science (Electrical Engineering) from Syracuse University and Post |

| <b>Mr. Amish Biharilal Shah</b>                                       |   |
|---|---|
|   | Graduate Program in Management (Family Managed Business) from S.P Jain Institute of Management and Research.  |
| No. of Years of Experience  | He is having more than 16 years of experience in the Engineering, Procurement, and Construction/ Commissioning (EPC) of Electrical Works.   |
| Address   | A-1303, Sigma Emerald, Anand Nagar Vishal CHSL, Guranarayan Road Near Yes Bank, Santacruz (East), Mumbai 400055, Maharashtra  |
| Occupation  | Business  |
| Nationality   | Indian  |
| Date of Appointment   | He was appointed under Promoter Category as an Additional Executive Director of the Company w.e.f. April 02, 2016. Subsequently, pursuant to the approval of members in the Annual General Meeting held on September 30, 2016 he was appointed as Executive Director of the company. Thereafter, pursuant to the approval of members in the Extra Ordinary General Meeting held on June 30, 2023, he was appointed as a whole-time director of the company with effect from July 01, 2023 |
| Term of Appointment and date of expiration of current term of office. | Currently he holds office for a period of 5 (Five) years, liable to retire by rotation. w.e.f. July 01, 2023.   |
| Other Directorships   | CES Automation Engineers Private Limited<br>KEPL EPC Nigeria Limited (Entity Incorporated Outside India)<br>Konstelec Hitech Engineers Private Limited  |

| <b>Mr. Jigar Dhiresh Shah</b>   |   |
|---|---|
| Father's Name   | Mr. Dhiresh Shah  |
| DIN   | 10082070  |
| Date of Birth   | April 13, 1985  |
| Age   | 38 Years  |
| Designation   | Whole Time Director   |
| Status  | Executive   |
| Qualification   | He holds degree of Bachelor of Engineering in Chemical Engineering from Visveswaraiiah Technological University, Belgaum, Karnataka and Master of Business Administration in Agri Business from Symbiosis International University, Pune.   |
| No. of Years of Experience  | He is having more than 10 years of experience in Marketing and Project management.  |
| Address   | 1302, Tadmor-4, Skyline Oasis, Premier Road, Ghatkopar West, Next to ITI College, Mumbai 400086 Maharashtra   |
| Occupation  | Salaried  |
| Nationality   | Indian  |
| Date of Appointment   | He was appointed as Additional Executive Director of the company on March 27, 2023. Subsequently, pursuant to the approval of members in the Extra Ordinary General Meeting held on June 30, 2023, he was appointed as a whole-time director of the company with effect from July 01, 2023. |
| Term of Appointment and date of expiration of current term of office. | Currently he holds office for A Period Of 5 (Five) Years w.e.f. July 01, 2023 and Liable to Retire by Rotation.   |
| Other Directorships   | -   |

| <b>Ms. Manisha Abhay Lalan</b> |                          |
|--------------------------------|--------------------------|
| Father's Name                  | Mr. Abhay Amritlal Lalan |
| DIN                            | 10259129                 |
| Date of Birth                  | December 05, 1972        |
| Age                            | 50 Years                 |
| Designation                    | Independent Director     |



| <b>Ms. Manisha Abhay Lalan</b>  |  |
|---|--|
| Status  | Non-Executive  |
| Qualification   | She holds degree of Bachelor of Commerce from Mahatma Gandhi University.   |
| No. of Years of Experience  | She is having 1 year experience in the field of Accountancy.   |
| Address   | 183/45, Milap Cooperative Housing Society, Near Bank of Maharashtra, Sector 1, Charkop, Kandivali West, Mumbai, Kandivali West, 400067, Maharashtra, India   |
| Occupation  | Professional   |
| Nationality   | Indian   |
| Date of Appointment   | She was appointed as an Additional Independent Director of the company w.e.f. August 01, 2023. Subsequently, pursuant to the approval of members in the Annual General Meeting held on September 18, 2023, she was appointed as a Non-Executive Independent Women Director of the Company with effect from August 01, 2023 to July 31, 2028. |
| Term of Appointment and date of expiration of current term of office. | Currently she Holds Office for a period of 5 year with effect from August 01, 2023 to July 31, 2028.   |
| Other Directorships   | -  |

| <b>Mrs. Amita Sachin Karia</b>  |   |
|---|---|
| Father's Name   | Hansraj Jakhu Gala  |
| DIN   | 07068393  |
| Date of Birth   | October 09, 1987  |
| Age   | 35 years  |
| Designation   | Independent Director  |
| Status  | Non-Executive   |
| Qualification   | She Holds Degree of Bachelor of Commerce from University of Mumbai and Company Secretary from the Institute of Company Secretaries of India.                        |
| No. of Years of Experience  | She is having more than 8 years of Experience in the field of Infrastructure Industry and Trading Industry.   |
| Address   | 19th Floor, Darshan Vonalzo, Naushir Bharucha Marg. Slealer Road, Mumbai, Maharashtra-400007  |
| Occupation  | Professional  |
| Nationality   | Indian  |
| Date of Appointment   | She was appointed in the Annual General meeting held on September 18, 2023 as a Non-Executive & Independent Director of the company effect from September 18, 2023. |
| Term of Appointment and date of expiration of current term of office. | Currently she Holds Office for a period of 5 year with effect from September 18, 2023 to September 17, 2028.  |
| Other Directorships   | Relcon Infraprojects Ltd<br>Krishiraj Trading Limited   |

| <b>Mr. Ranjan Brij Mohan Mathur</b> |   |
|-------------------------------------|---|
| Father's Name                       | Mr. Brij Mohan Mathur   |
| DIN                                 | 02842552  |
| Date of Birth                       | February 02, 1952   |
| Age                                 | 71 Years  |
| Designation                         | Independent Director  |
| Status                              | Non-Executive   |
| Qualification                       | He holds degree of B.E (Hons.) in Electrical from Motilal Nehru National Institute of Technology, Allahabad, India and member of Institute of Engineers, India. |
| No. of Years of Experience          | He is having more than 30 years of experience in the field of Global Energy Industry.   |

| <b>Mr. Ranjan Brij Mohan Mathur</b>                                   |   |
|---|---|
| Address   | RH2/d8/Sector 6, Near Hp Gas Near ESIS Hospital, Vashi, Navi Mumbai, Sanpada, Thane, Thane, 400703, Maharashtra, India  |
| Occupation  | Professional  |
| Nationality   | Indian  |
| Date of Appointment   | He was appointed as an Additional Independent Director of the company w.e.f. August 01, 2023. Subsequently, pursuant to the approval of members in the Annual General Meeting held on September 18, 2023, he was appointed as a Non-Executive & Independent Director of the Company with effect from August 01, 2023. |
| Term of Appointment and date of expiration of current term of office. | Currently he Holds Office for a period of 5 year with effect from August 01, 2023 to July 31, 2028.   |
| Other Directorships   | -   |

As on the date of the Prospectus

- A. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers
- B. None of the Promoters, persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filing of this Prospectus.
- E. None of the Promoters or Directors of our Company are a fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

#### **RELATIONSHIP BETWEEN THE DIRECTORS**

Except as disclosed below, there is no relationship between any of the Directors of our Company as on date of filing of Prospectus:

| <b>Name of Director</b>    | <b>Designation</b>             | <b>Relation</b>   |
|----------------------------|--------------------------------|---|
| Mr. Biharilal Ravilal Shah | Chairman cum Managing Director | He is Father of Mr. Amish Biharilal Shah and Father-in-law of Mr. Jigar Dhiresh Shah          |
| Mr. Amish Biharilal Shah   | Whole Time Director            | He is Son of Mr. Biharilal Ravilal Shah and Brother-in-law of Mr. Jigar Dhiresh Shah          |
| Mr. Jigar Dhiresh Shah     | Whole Time Director            | He is Son in law of Mr. Biharilal Ravilal Shah and Brother-in-law of Mr. Amish Biharilal Shah |

#### **ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS AND OTHERS**

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above-mentioned Directors was selected as director or member of senior management.

#### **SERVICE CONTRACTS**

Except as Discussed below, none of our directors have entered into any service contracts with our company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company. However, Executive Directors except for Chairman cum Managing Director and Whole-time Directors of our Company are appointed for specific terms and conditions for which no formal agreements are executed, however their terms and conditions of appointment and remuneration are specified and approved by the Board of Directors and Shareholders of the Company.

- Our Chairman cum Managing Director Mr. Biharilal Ravilal Shah has entered into service agreement with our company for a tenure of 5 years w.e.f. July 01, 2023.
- Our Whole time Director Mr. Amish Biharilal Shah has entered into a service agreement with our company for a tenure of 5 years w.e.f. July 01, 2023.
- Our Whole time Director Mr. Jigar Dhiresh Shah has entered into a service agreement with our company for a tenure of 5 years w.e.f. July 01, 2023.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of employment.

## **BORROWING POWERS OF THE BOARD OF DIRECTORS**

Pursuant to a special resolution passed at an Annual General Meeting of our Company held on September 18, 2023 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 500 crore (Rupees Five Hundreds Crores only).

## **BRIEF PROFILE OF OUR DIRECTORS**

### **Mr. Biharilal Ravilal Shah**

Mr. Biharilal Ravilal Shah aged 74 years is Promoter of the company as well as Chairman cum Managing Director of the Company. He holds degree of B.E. (Electrical Engineering) from Shivaji University and Diploma in Fundamentals of Microprocessors & Microcomputers: Architecture, Software & Application from Indian Institute of Cybernetics. He has more than 43 years of experience in the Engineering, Procurement, and Construction/ Commissioning (EPC) of Electrical Works. Initially, He was appointed under Promoter Category as an Executive Director of the Company since incorporation of the company i.e., December 05, 1995. Thereafter, Pursuant to approval of Board of Director in the Board Meeting held on February 26, 2015, he was appointed as a Managing Director of the Company with effect from March 1<sup>st</sup> 2015 for a period of 5 years. Now, pursuant to the approval of member in the Extra Ordinary general meeting held on June 30, 2023, he was re-appointed as a Chairman cum Managing director of the Company with effect from July 01, 2023.

### **Mr. Amish Biharilal Shah**

Mr. Amish Biharilal Shah aged 43 years is Whole Time Director of the company. He holds degree of B.E. (Electronics Engineering) from University of Mumbai and Master of Science (Electrical Engineering) from Syracuse University and Post Graduate Program in Management (Family Managed Business) from S.P Jain Institute of Management and Research. He has more than 16 years of experience in the Engineering, Procurement, and Construction/ Commissioning (EPC) of Electrical Works. He was appointed under Promoter Category as an Additional Executive Director of the Company w.e.f. April 02, 2016. Subsequently, pursuant to the approval of members in the Annual General Meeting held on September 30, 2016 he was appointed as Executive Director of the company. Thereafter, pursuant to the approval of members in the Extra Ordinary General Meeting held on June 30, 2023, he was appointed as a whole-time director of the company with effect from July 01, 2023.

### **Mr. Jigar Dhiresh Shah**

Mr. Jigar Dhiresh Shah aged 38 years, is Whole Time Director of the company. He holds degree of Bachelor of Engineering in Chemical Engineering from Visveswaraiiah Technological University, Belgaum, Karnataka and Master of Business Administration in Agri Business from Symbiosis International University, Pune. He has more than 10 years of experience in the field of Marketing and Project Management. He was appointed as Additional Executive Director of the company on March 27, 2023. Subsequently, pursuant to the approval of members in the Extra Ordinary General Meeting held on June 30, 2023, he was appointed as a whole-time director of the company with effect from July 01, 2023.

### **Ms. Manisha Abhay Lalan**

Ms. Manisha Abhay Lalan aged 50 years, is an Independent Director of the company. She holds degree of Bachelor of Commerce from Mahatma Gandhi University. She is having 1 year experience in the field of Accountancy. She was appointed as an Additional Independent Director of the company w.e.f. August 01, 2023. Subsequently, pursuant to the approval of members in the Annual General Meeting held on September 18, 2023, she was appointed as a Non-Executive Independent Women Director of the Company with effect from August 01, 2023 to July 31, 2028.

**Mrs. Amita Sachin Karia**

Mrs. Amita Sachin Karia aged 35 years, is an Independent Director of the company. She Holds Degree of Bachelor of Commerce from University of Mumbai and Company Secretary from the Institute of Company Secretaries of India. She is having more than 8 years of Experience in the field of Infrastructure Industry and Trading Industry. She was appointed in the Annual General meeting held on September 18, 2023 as a Non-Executive & Independent Director of the company effect from September 18, 2023.

**Mr. Ranjan Brij Mohan Mathur**

Mr. Ranjan Brij Mohan Mathur aged 71 years is an Independent Director of the company. He holds degree of B.E (Hons.) in Electrical from Motilal Nehru National Institute of Technology, Allahabad, India and member of Institute of Engineers, India. He has more than 30 years of experience in the field of Global Energy Industry. He was appointed as an Additional Independent Director of the company w.e.f. August 01, 2023. Subsequently, pursuant to the approval of members in the Annual General Meeting held on September 18, 2023, he was appointed as a Non-Executive & Independent Director of the Company with effect from August 01, 2023.

| Name  | Mr. Biharilal Ravilal Shah  | Mr. Amish Biharilal Shah   | Mr. Jigar Dhiresh Shah  |
|---|---|--|---|
| Designation   | Chairman Cum Managing Director  | Whole Time Director  | Whole Time Director   |
| Date of Appointment/ Change in Designation              | Initially, He was appointed under Promoter Category as an Executive Director of the Company since incorporation of the company i.e., December 05, 1995. Thereafter, Pursuant to approval of Board of Director in the Board Meeting held on February 26, 2015, he was appointed as a Managing Director of the Company with effect from March 1 <sup>st</sup> 2015 for a period of 5 years. Now, pursuant to the approval of member in the Extra Ordinary general meeting held on June 30, 2023, he was re-appointed as a Chairman cum Managing director of the Company with effect from July 01, 2023. | He was appointed under Promoter Category as an Additional Executive Director of the Company w.e.f. April 02, 2016. Subsequently, pursuant to the approval of members in the Annual General Meeting held on September 30, 2016 he was appointed as Executive Director of the company. Thereafter, pursuant to the approval of members in the Extra Ordinary General Meeting held on June 30, 2023, he was appointed as a whole-time director of the company with effect from July 01, 2023. | He was appointed as Additional Executive Director of the company on March 27, 2023. Subsequently, pursuant to the approval of members in the Extra Ordinary General Meeting held on June 30, 2023, he was appointed as a whole-time director of the company with effect from July 01, 2023. |
| Period  | 5 (Five) years w.e.f. July 01, 2023 and liable to retire by rotation.   | 5 (Five) years w.e.f. July 01, 2023 and liable to retire by rotation.  | 5 (Five) years w.e.f. July 01, 2023 and liable to retire by rotation.   |
| Salary  | Rs. 6000400/- per annum excluding perquisite.   | Rs. 8400100/- per annum excluding perquisite.  | Rs. 50,00,000 per annum including variable pay of Rs. 10,00,000. Does not include perquisite.   |
| Bonus   | -   | -  | -   |
| Perquisite/Benefits                                     | -   | -  | -   |
| Commission:   | -   | -  | -   |
| Compensation/ remuneration paid during the F.Y. 2022-23 | Rs. 3609996/-   | Rs. 5921196/-  | Rs. 2204472/-   |

**SITTING FEES PAYABLE TO EXECUTIVE DIRECTORS**

Till date, our Company has not paid any sitting fees to any of the Executive Directors for attending any of the Board or Committee Meetings. Further, The Board of Directors is into discussion to approve and pay sitting fees to Executive Directors for attending any of the Board or Committee Meetings.

### SHAREHOLDING OF DIRECTORS

The shareholding of our directors as on the date of this Prospectus is as follows:

| Sr. No. | Name of Directors            | No. Equity Shares held | Category/ Status               |
|---------|------------------------------|------------------------|--------------------------------|
| 1.      | Mr. Biharilal Ravilal Shah   | 6676950                | Chairman cum Managing Director |
| 2.      | Mr. Amish Biharilal Shah     | 2034318                | Whole Time Director            |
| 3.      | Mr. Jigar Dhiresh Shah       | 352000                 | Whole Time Director            |
| 4.      | Ms. Manisha Abhay Lalan      | Nil                    | Independent Director           |
| 5.      | Mrs. Amita Sachin Karia      | Nil                    | Independent Director           |
| 6.      | Mr. Ranjan Brij Mohan Mathur | Nil                    | Independent Director           |

### INTEREST OF DIRECTORS

All the Executive directors of the company may be deemed to be interested to the extent of fees, payable to them for attending meetings of the Board or Committee if any as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws.

The directors may be regarded as interested in the shares and dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as directors, members, partners and or trustees. All directors may be deemed to be interested in the contracts, agreements/arrangements to be entered into by the issuer company with any company in which they hold directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

Executive Director is interested to the extent of remuneration paid to them for services rendered to the company and also payment of interest on unsecured loan and lease rent.

Except as stated under “Annexure –33- Related Party Disclosures” under Chapter titled “Restated Financial Information” beginning on page 208 of the Prospectus, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Prospectus in which our directors are interested directly or indirectly.

### CHANGES IN THE BOARD OF DIRECTORS DURING THE LAST THREE YEARS

| Name of Key Managerial Personnel | Date of Event      | Nature of Event       | Reason for the changes  |
|----------------------------------|--------------------|-----------------------|---|
| Mr. Biharilal Ravilal Shah       | July 01, 2023      | Change in Designation | His Designation was changed to Chairman cum Managing Director of the company from Managing Director of the company            |
| Mr. Amish Biharilal Shah         | July 01, 2023      | Change in Designation | His Designation was changed to Whole Time Director.   |
| Mr. Jigar Dhiresh Shah           | July 01, 2023      | Change in Designation | His Designation was changed to Whole Time Director of the Company.  |
| Ms. Manisha Abhay Lalan          | August 01, 2023    | Appointment           | She has been appointed as an Additional Independent Director of the company   |
| Mr. Ritesh Kailas Veera          | August 01, 2023    | Appointment           | He has been appointed as an Additional Independent Director of the company  |
| Mr. Ranjan Brij Mohan Mathur     | August 01, 2023    | Appointment           | He has been appointed as an Additional Independent Director of the company  |
| Mr. Ritesh Kailash Veera         | August 25, 2023    | Cessation             | He Resign from the post of Additional Independent Director of the Company due to personal reason of Mr. Ritesh Kailash Veera. |
| Ms. Manisha Abhay Lalan          | September 18, 2023 | Change in Designation | She was appointed as a Non-Executive Independent Women Director of the Company.   |
| Mr. Ranjan Brij Mohan Mathur     | September 18, 2023 | Change in Designation | He was appointed as a Non-Executive Independent Director of the Company.  |

| Name of Key Managerial Personnel | Date of Event      | Nature of Event | Reason for the changes  |
|----------------------------------|--------------------|-----------------|---|
| Mrs. Amita Sachin Karia          | September 18, 2023 | Appointment     | She was appointed as a Non-Executive Independent Director of the Company. |

## CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges.

As on date of this Prospectus , as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the requirements specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 are not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. In spite of certain regulations and schedules of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is not applicable to our Company, our Company endeavors to comply with the good corporate governance and accordingly certain exempted regulations have been compiled by our Company.

Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### Composition of Board of Directors

Currently our Board is consisting of 6 (Six) directors and 3 (Three) Directors are Executive Directors and 3 (Three) Directors are Independent Directors

Composition of Board of Directors is set forth in the below mentioned table:

| Sr. No. | Name of Directors            | Designation                    | Status        | DIN      |
|---------|------------------------------|--------------------------------|---------------|----------|
| 1.      | Mr. Biharilal Ravilal Shah   | Chairman cum Managing Director | Executive     | 00337318 |
| 2.      | Mr. Amish Biharilal Shah     | Whole-Time Director            | Executive     | 01415766 |
| 3.      | Mr. Jigar Dhiresh Shah       | Whole-Time Director            | Executive     | 10082070 |
| 4.      | Ms. Manisha Abhay Lalan      | Independent Director           | Non-Executive | 10259129 |
| 5.      | Mrs. Amita Sachin Karia      | Independent Director           | Non-Executive | 07068393 |
| 6.      | Mr. Ranjan Brij Mohan Mathur | Independent Director           | Non-Executive | 02842552 |

### Constitution of Committees

Our company has constituted the following Committees of the Board:

- Audit Committee**
- Stakeholders Relationship Committee**
- Nomination and Remuneration Committee**

Details of composition, terms of reference etc. of each of the above committees are provided hereunder:

#### **1. Audit Committee:**

The Board of Directors of our Company has, in pursuance to provisions of Section 177 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on September 28 constituted Audit Committee.

The constitution of the Audit Committee is as follows:

| Name of the Directors    | Designation | Nature of Directorship |
|--------------------------|-------------|------------------------|
| Ms. Manisha Lalan        | Chairman    | Independent Director   |
| Mr. Ranjan Mathur        | Member      | Independent Director   |
| Mr. Amish Biharilal Shah | Member      | Whole-time Director    |

Our Company Secretary and Compliance Officer will act as the secretary of the Committee.

### **Terms of Reference**

The Role of Audit Committee not limited to but includes: -

1. The recommendation for the appointment, re-appointment and, if required, the replacement or removal of the auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;
2. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
3. Examination of financial statement and auditors' report thereon including interim financial result before submission to the Board of Directors for approval;
  - a. Changes, if any, in accounting policies and practices and reasons for the same
  - b. Major accounting entries involving estimates based on the exercise of judgment by management
  - c. Significant adjustments made in the financial statements arising out of audit findings
  - d. Compliance with listing and other legal requirements relating to financial statements
  - e. Disclosure of any related party transactions
  - f. Qualifications in the draft audit report.
4. Approval or any subsequent modification of transactions of the Company with related party;

Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to such conditions as may be prescribed under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof;

Provided further that in case of transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;

Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee;

5. Reviewing, with the management, and monitoring 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 offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
6. Scrutiny of Inter-corporate loans and investments;
7. Reviewing and discussing 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;
8. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
9. Valuation of undertakings or assets of the company, where ever it is necessary;
10. Evaluation of internal financial controls and risk management systems and reviewing, with the management, performance of internal auditors, and adequacy of the internal control systems; and
11. 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;
12. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate; and
13. Carrying out any other function as assigned by the Board of Directors from time to time.

### **Review of Information**

- i. Management discussion and analysis of financial condition and results of operations;

- ii. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the Internal Auditor.
- vi. Annual statement of funds utilized for purpose other than those stated in the offer document/ prospectus.

**Powers of Committee**

- i. To investigate any activity within its terms of reference;
- ii. To seek information from any employees;
- iii. To obtain outside legal or other professional advice; and
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Quorum and Meetings**

The audit committee shall meet as and when required to discuss and approve the items included in its role. The quorum of the meeting of the Audit Committee shall be one third of total members of the Audit Committee or 2, whichever is higher, subject to minimum two Independent Director shall present at the Meeting.

**2. Stakeholders Relationship Committee:**

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on September 18, 2023 constituted Stakeholders Relationship Committee.

The constitution of the Stakeholders Relationship Committee is as follows:

| Name of the Directors | Designation | Nature of Directorship |
|-----------------------|-------------|------------------------|
| Mrs. Amita Karia      | Chairman    | Independent Director   |
| Ms. Manisha Lalan     | Member      | Independent Director   |
| Mr. Biharilal Shah    | Member      | Managing Director      |

Our Company Secretary and Compliance Officer will act as the secretary of the Committee.

**Terms of Reference**

To supervise and ensure;

- i. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;
- ii. Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.;
- iii. Issue duplicate/split/consolidated share certificates;
- iv. Dematerialization/Rematerialization of Share;
- v. Review of cases for refusal of transfer / transmission of shares and debentures;
- vi. Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances; Provided that inability to resolve or consider any grievance by the Stakeholders Relationship Committee in good faith shall not constitute a contravention of Section 178 of Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof.

Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

**Quorum and Meetings**

The Stakeholders Relationship Committee shall meet at least once in financial year. The quorum shall be one third of total members of the Stakeholders Relationship Committee or 2 members, whichever is higher.

**3. Nomination and Remuneration Committee:**



The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on September 18, 2023 constituted Nomination and Remuneration Committee.

The constitution of the Nomination and Remuneration Committee is as follows:

| Name of the Directors | Designation | Nature of Directorship |
|-----------------------|-------------|------------------------|
| Mr. Ranjan Mathur     | Chairman    | Independent Director   |
| Ms. Manisha Lalan     | Member      | Independent Director   |
| Mrs. Amita Karia      | Member      | Independent Director   |

Our Company Secretary and Compliance Officer will act as the secretary of the Committee.

#### **Terms of reference**

##### **Role of Nomination and Remuneration Committee not limited to but includes: -**

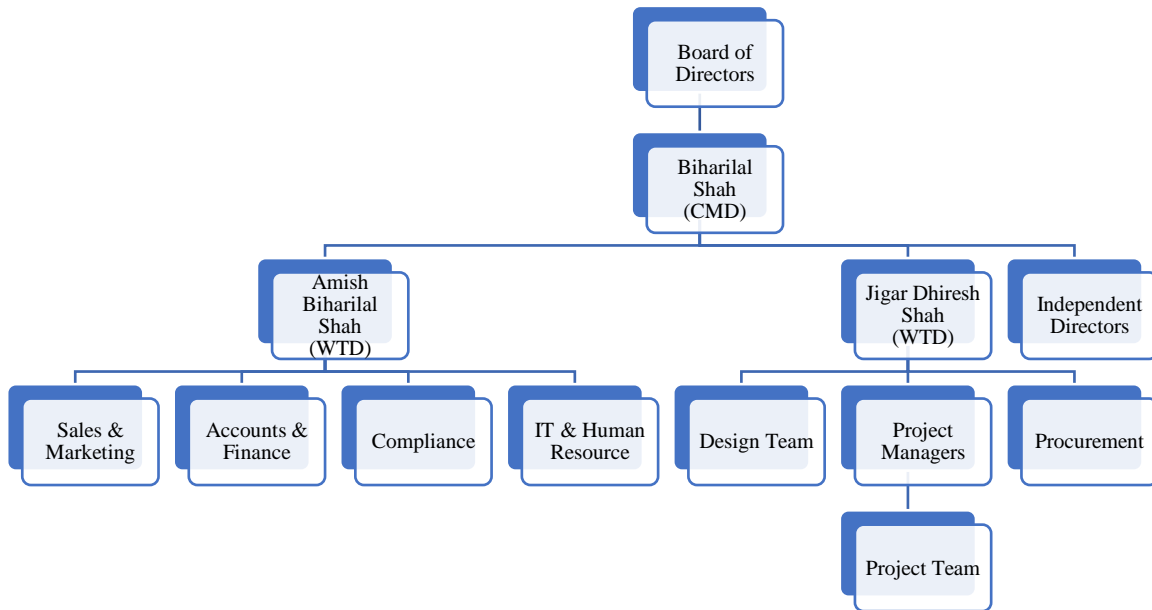
- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iv. 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 of Directors their appointment and removal and shall carry out evaluation of every director's performance.

#### **Quorum and Meetings**

The Committee is required to meet at least once in financial year. The quorum necessary for a meeting of the Nomination and Remuneration Committee is one third of total members of the Nomination and Remuneration Committee or 2 members, whichever is higher.

## MANAGEMENT ORGANISATION CHART

The Management Organization Structure of the company is depicted from the following chart:





## OUR KEY MANAGEMENT PERSONNEL

The Key Managerial Personnel of our Company other than our Directors are as follows:

| Name, Designation and Date of Joining |  | Qualification   | Previous Employment | Remuneration paid in F.Y. 2022-23 (₹ in Lakhs) |
|---------------------------------------|--|---|---------------------|--|
| <b>Name</b>                           | Molly Antony   | She holds Degree of Bachelor of Science from Mahatma Gandhi University.   | -                   | RS. 1043148/-                                  |
| <b>Designation</b>                    | Chief Financial Officer  |   |                     |  |
| <b>Date of Appointment</b>            | August 01, 2023  |   |                     |  |
| <b>Overall Experience</b>             | She has Experience for more than 25 years of Experience in the field of accounting.  |   |                     |  |
| <b>Name</b>                           | Shatabdi Salve   | She is a member of the Institute of Company Secretaries of India. She holds Degree of Master of Commerce and Diploma in Tax Management and MS-CIT from Maharashtra state certificate in Information Technology. | -                   | N. A   |
| <b>Designation</b>                    | Company Secretary and Compliance Officer   |   |                     |  |
| <b>Date of Appointment</b>            | August 01, 2023  |   |                     |  |
| <b>Overall Experience</b>             | She has experience for more than 2 years in the field of accounting and she has an Experience for more than 2 years in the field of Corporate Law. |   |                     |  |

## OUR SENIOR MANAGEMENT PERSONNEL

| Name, Designation and Date of Joining |  | Qualification                          | Previous Employment | Remuneration paid in F.Y. 2022-23 (₹ in Lakhs) |
|---------------------------------------|--|--|---------------------|--|
| <b>Name</b>                           | Mr. Pravin Patel   | Diploma in Electrical Engineering      | N.A.                | 23.44  |
| <b>Designation</b>                    | Vice President   |  |                     |  |
| <b>Date of Appointment</b>            | January 01, 1996   |  |                     |  |
| <b>Overall Experience</b>             | He has Experience for more than 25 years in the field of Project Management.                           |  |                     |  |
| <b>Name</b>                           | Mrs. Deepali Jain  | Bachelor of Engineering in Electricals | N.A.                | 9.74   |
| <b>Designation</b>                    | Design Team Head   |  |                     |  |
| <b>Date of Appointment</b>            | May 15, 2010   |  |                     |  |
| <b>Overall Experience</b>             | She has experience for more than 13 years in the field of Electrical Design consulting.                |  |                     |  |
| <b>Name</b>                           | Mr. Jatin Shah   | Bachelor. Commerce                     | N.A.                | 3.84   |
| <b>Designation</b>                    | IT and Human Resource Head   |  |                     |  |
| <b>Date of Appointment</b>            | October 05, 2020   |  |                     |  |
| <b>Overall Experience</b>             | He has Experience of 3 years of Experience in the field of Human Resources and Information Technology. |  |                     |  |
| <b>Name</b>                           | Mr. Sumesh Kochath Kuttan  | Diploma in Electrical Engineering      | N.A.                | 17.25  |



| Name, Designation and Date of Joining |  | Qualification | Previous Employment | Remuneration paid in F.Y. 2022-23 (₹ in Lakhs) |
|---------------------------------------|--|---------------|---------------------|--|
| <b>Designation</b>                    | Senior Project Manager   |               |                     |  |
| <b>Date of Appointment</b>            | August 09, 2006  |               |                     |  |
| <b>Overall Experience</b>             | He has Experience for more than 16 years in the field of Project Management. |               |                     |  |

#### **BONUS OR PROFIT-SHARING PLAN FOR THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT**

Currently, Our Company does not have any bonus or profit-sharing plan for our Key Managerial personnel and Senior management. In future, Discretionary bonus may be paid as may be decided by Nomination and Remuneration Committee/Board of Directors, depending upon the performance of the Key Managerial Personnel and Senior management, working of the Company and other relevant factors subject to Maximum of annual salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.

#### **CHANGES IN THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT**

The following are the changes in the Key Management Personnel (Other than Directors) in the last three years preceding the date of filing this Prospectus, otherwise than by way of retirement in due course.

| Name of Key Managerial Personnel | Date of Event    | Nature of Event | Reason for the changes  |
|----------------------------------|------------------|-----------------|---|
| Mrs. Molly Antony                | August 01, 2023  | Appointment     | Appointed as Chief Financial Officer of the Company.                |
| Ms. Shatabdi Salve               | August 01, 2023  | Appointment     | Appointed as Company Secretary and Compliance Officer.              |
| Mr. Jatin Shah                   | October 05, 2020 | Appointment     | Appointed as Human Resources and Information Technology Department. |

#### **EMPLOYEE STOCK OPTION SCHEME**

As of the date of filing of Prospectus, our company does not have any ESOP Scheme for its employees.

#### **RELATIONSHIP BETWEEN KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT**

There is no relationship between Key Management Personnel and Senior Management (Other than Directors) on date of filing Prospectus.

#### **PAYMENT OF BENEFIT TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)**

Except the statutory payments made by our Company, in the last two years, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers.

#### **Notes:**

- All the key managerial personnel and Senior Management Personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel have been recruited.
- None of our Key Managerial Personnel and Senior Management Personnel has been granted any benefits in kind from our Company, other than their remuneration.
- Except as disclosed below, None of our Key Managerial Personnel and Senior Management Personnel has entered into any service contracts with our no benefits are granted upon their termination from employment other than statutory benefits provided by our company and further, our Company has appointed certain Key Managerial Personnel and Senior Management Personnel for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.



- (1) We have entered into Service Agreement dated June 30, 2023 with our Chairman cum Managing Director Mr. Biharilal Ravilal Shah for tenure of 5 years w.e.f. July 01, 2023
- (2) We have entered into Service Agreement dated June 30, 2023 with our Whole Time Director Mr. Amish Biharilal Shah for tenure of 5 years w.e.f. July 01, 2023
- (3) We have entered into Service Agreement dated June 30, 2023 with our Whole Time Director Mr. Jigar Dhiresh Shah for tenure of 5 years w.e.f. July 01, 2023

#### **SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL / SENIOR MANAGEMENT PERSONNEL**

Except as disclosed below, none of the Key Managerial Personnel and Senior Management Personnel hold any Equity Shares of our Company as on the date of this Prospectus.



| <b>Sr. No.</b> | <b>Name of Key Management Personnel</b> | <b>No. Equity Shares held</b> | <b>Category/ Status</b>                  |
|----------------|---|-------------------------------|--|
| 1.             | Mr. Biharilal Ravilal Shah              | 6676950                       | Chairman cum Managing Director           |
| 2.             | Mr. Amish Biharilal Shah                | 2034318                       | Whole Time Director                      |
| 3.             | Mr. Jigar Dhiresh Shah                  | 352000                        | Whole Time Director                      |
| 4.             | Mrs. Molly Antony                       | 11000                         | Chief Financial Officer                  |
| 5.             | Ms. Shatabdi Salve                      | Nil                           | Company Secretary and Compliance Officer |
| 6.             | Mr. Pravin Patel                        | 11000                         | Vice President                           |
| 7.             | Ms. Deepali Jain                        | Nil                           | Design Head                              |
| 8.             | Mr. Jatin Shah                          | 385000                        | HR and IT Head                           |
| 9.             | Mr. Sumesh Kochath Kuttan               | 11000                         | Senior Project Manager                   |



## OUR PROMOTERS AND PROMOTERS GROUP

Promoters of Our Company is Mr. Biharilal Ravilal Shah and Mr. Amish Biharilal Shah. For details of the Capital build-up of our Promoters, see chapter titled “*Capital Structure*” beginning on page no. 65 of this Prospectus.

The details of our Promoters are as follows:

|   |  |
|---|--|
|    | <p><b>Mr. Biharilal Ravilal Shah</b></p> <p>Mr. Biharilal Ravilal Shah aged 74 years is Promoter and Chairman cum Managing Director of the Company, Initially, He was appointed under Promoter Category as an Executive Director of the Company since incorporation of the company i.e., December 05, 1995. Thereafter, Pursuant to approval of Board of Director in the Board Meeting held on February 26, 2015, he was appointed as a Managing Director of the Company with effect from March 1<sup>st</sup> 2015 for a period of 5 years. Now, pursuant to the approval of member in the Extra Ordinary general meeting held on June 30, 2023, he was re-appointed as a Chairman cum Managing director of the Company with effect from July 01, 2023. He is having more than 43 years of experience in the Engineering, Procurement, and Construction/ Commissioning (EPC) of Electrical Works.</p> |
| <p><b>Date of Birth</b></p>   | <p>August 17, 1949</p>   |
| <p><b>Age</b></p>   | <p>74</p>  |
| <p><b>PAN</b></p>   | <p>AACPS8481R</p>  |
| <p><b>Educational Qualification</b></p>   | <p>He has completed B.E. (Electrical Engineering) From Shivaji University in the year 1971, and Diploma in Fundamentals of Microprocessors &amp; Microcomputers: Architecture, Software &amp; Application from Indian Institute of Cybernetics in the year 1983</p>  |
| <p><b>Present Residential Address</b></p>   | <p>1003/04, Bhoomi Tower ‘A’ Wing, Opp. Jain Temple, off. Nehru Road, Santacruz (East) Mumbai-400 055</p>  |
| <p><b>Position/posts held in the past</b></p>                                       | <p>Executive Director</p>  |
| <p><b>Directorship held</b></p>   | <p>Konstelec Hitech Engineers Private Limited<br/>CES Automation Engineers Private Limited</p>   |
| <p><b>Other Ventures</b></p>  | <p>CES Automation Engineers Private Limited<br/>KEPL EPC Nigeria Limited<br/>B.R Shah HUF</p>  |
|  | <p><b>Mr. Amish Biharilal Shah</b></p> <p>Mr. Amish Biharilal Shah aged 43 years is Promoter cum Whole Time Director of the Company, He was appointed under Promoter Category as an Additional Executive Director of the Company w.e.f. April 02, 2016. Subsequently, pursuant to the approval of members in the Annual General Meeting held on September 30, 2016 he was appointed as Executive Director of the company. Thereafter, pursuant to the approval of members in the Extra Ordinary General Meeting held on June 30, 2023, he was appointed as a whole-time director of the company with effect from July 01, 2023 He is having more than 16 years of experience in the Engineering, Procurement, and Construction/ Commissioning (EPC) of Electrical Works.</p>   |
| <p><b>Date of Birth</b></p>   | <p>November 21, 1979</p>   |
| <p><b>Age</b></p>   | <p>43</p>  |
| <p><b>PAN</b></p>   | <p>AZEPS6077L</p>  |
| <p><b>Educational Qualification</b></p>   | <p>He has completed B.E. (Electronics Engineering) from University of Mumbai in the year 2003, and Master of Science (Electrical Engineering) from Syracuse University in the year 2004 and post graduate program in management (family managed business) from</p>   |



|  |  |
|--|--|
|  | S.P. Jain Institute of Management and Research in the year 2008.   |
| <b>Present Residential Address</b>     | A-1303, Sigma Emerald, Anand Nagar Vishal CHSL, Guranarayan Road Near Yes Bank, Santacruz (East), Mumbai 400055, Maharashtra                           |
| <b>Position/posts held in the past</b> | Executive Director   |
| <b>Directorship held</b>               | CES Automation Engineers Private Limited<br>KEPL EPC Nigeria Limited (Entity Incorporated Outside India)<br>Konstelec Hitech Engineers Private Limited |
| <b>Other Ventures</b>                  | CES Automation Engineers Private Limited<br>KEPL EPC Nigeria Limited (Entity Incorporated Outside India)   |

## DECLARATION

We declare and confirm that the details of the permanent account numbers, bank account numbers, passport numbers, Aadhar card number and Driving License number of our Promoter are being submitted to the NSE, stock exchange on which the specified securities are proposed to be listed along with filing of this Prospectus with the Stock Exchange.

## CHANGE IN THE CONTROL OR MANAGEMENT OF THE ISSUER IN LAST FIVE YEARS

There has been no change in control or management of the issuer since incorporation.

## INTEREST OF OUR PROMOTER

- Except as stated in “Annexure – 33 - Related Party Disclosures” under section “Restated Financial Information” beginning from page no. 208 of this Prospectus and to the extent of compensation, remuneration/ sitting fees to be paid, Perquisites to be given, reimbursement of expenses to be made in accordance with their respective terms of appointment and to the extent of their shareholding and benefits, if any, arise on the shareholding, our Promoter do not have any other interest in our business.
- Further, our Promoter may be deemed to be interested to the extent of the payments made by our Company, if any, to the Group entities and payment to be made by our Company to the Group Entities. For the payments that are made by our Company to certain Group entities, please refer “Annexure – 33 - Related Party Disclosures” under section “Restated Financial Information” beginning from page no. 208 of this Prospectus.
- Our Promoter, Directors or Group Companies do not have any interest in any property acquired by our Company in the preceding three years before filing this Prospectus. Further, they do not have any interest in any property to be acquired by our Company till the date of this Prospectus.
- Excepted as otherwise as stated in this Prospectus, we have not entered into any contract, agreements or arrangements during the preceding three years from the date of this Prospectus in which Promoter is directly or indirectly interested.

## PAYMENT OF BENEFITS TO OUR PROMOTER

Except as stated in the section “Annexure – 33 - Related Party Disclosures” under section “Restated Financial Information” beginning from page no. 208 of this Prospectus, there has been no payment of benefits made to our Promoter in the two years preceding the filing of this Prospectus. Further, our Company may enter into transaction with or make payment of benefit to the Promoter Directors or Promoters’ Group, towards remunerations as decided by Board of Directors.

## CONFIRMATIONS

Our Company and Promoter confirmed that they have not been declared as wilful defaulters or Fraudulent Borrowers or by the RBI or by any other government authority and there are no violations of securities laws committed by them in the past or are currently pending against them or restraining period are continued.

Further, our Promoter, Promoter group or directors have not been directly or indirectly, debarred from accessing the capital market or have not been restrained by any regulatory authority, directly or indirectly from acquiring the securities.

Additionally, our Promoter, Promoter group or directors do not have direct or indirect relation with the companies, its Promoter and whole-time director, which are compulsorily delisted by any recognized stock exchange or the companies which is debarred from accessing the capital market by the Board.

Also, our Promoter or directors are not a fugitive economic offender.

We and Our Promoter, Group Entities, and Companies promoted by the Promoter confirm that:

- No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past one year against us;



- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs during the past three years.
- The details of outstanding litigation including its nature and status are disclosed in the section title “*Outstanding Litigation and Material Developments*” appearing on page no. 223 of this Prospectus.

#### **DISASSOCIATION OF PROMOTER IN THE LAST THREE YEAR:**

Our Promoter have not disassociated himself from any Company or Firm during the preceding three years.

#### **RELATIONSHIP OF PROMOTER WITH EACH OTHER AND WITH OUR DIRECTORS**

Except as disclosed herein, none of our Promoter(s) are related to any of our Company’s Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

| <b>Name of Promoters</b>   | <b>Relation</b>   |
|----------------------------|---|
| Mr. Biharilal Ravilal Shah | He is Father of Mr. Amish Biharilal Shah (Whole Time Director) and Father-in-law of Mr. Jigar Dhiresh Shah (Whole Time Director)            |
| Mr. Amish Biharilal Shah   | He is Son of Mr. Biharilal Ravilal Shah (Chairman cum Managing Director and Brother-in-law of Mr. Jigar Dhiresh Shah (Whole Time Director). |

#### **OUR PROMOTER’ GROUP**

In addition to our Promoter named above, the following individuals and entities form a part of the Promoter’ Group:

##### **a. Natural persons who are part of our Individual Promoter Group:**

| <b>Relationship with Promoter</b> | <b>Biharilal Ravilal Shah</b> | <b>Amish Biharilal Shah</b> |
|-----------------------------------|-------------------------------|-----------------------------|
| Father                            | Late Ravilal Shah             | Biharilal Shah              |
| Mother                            | Late Ramila Shah              | Nirupama Shah               |
| Spouse                            | Nirupama Shah                 | Rajul Shah                  |
| Brother/s                         | Mahesh Shah                   | -                           |
| Sister/s                          | Usha Prakash Tirodkar         | Dipti Shah                  |
|                                   | Kirtida Mahendra Shah         |                             |
| Son/s                             | Amish Shah                    | -                           |
| Daughter/s                        | Dipti Shah                    | Drishti Shah                |
| Spouse’s Father                   | Late Jentilal Jadavji Shah    | Harilal Malde               |
| Spouse’s Mother                   | Nirmala Jentilal Shah         | Indira Harilal Malde        |
| Spouse’s Brother/s                | Niranjan Jentilal Shah        | Deep Harilal Malde          |
|                                   | Ketan Jentilal Shah           |                             |
| Spouse’s Sister/s                 | -                             | -                           |

##### **b. Companies related to our Promoter Company: Not Applicable as our Promoter is not Company.**

| <b>Nature of Relationship</b>  | <b>Name of Entities</b> |
|--|-------------------------|
| Subsidiary or holding company of Promoter Company.   | Not Applicable          |
| Any Body corporate in which Promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the Promoter (Body Corporate). | Not Applicable          |

##### **c. Companies, Proprietary concerns, HUF’s related to our Promoter**

| <b>Nature of Relationship</b>  | <b>Name of Entities</b>  |
|--|--|
| Any Body Corporate in which twenty percent or more of the equity share capital is held by Promoter or an immediate relative of the Promoter or a firm or HUF in which Promoter or any one or more of his immediate relatives are a member. | CES Automation Engineers Private Limited<br>KEPL EPC Nigeria Limited (Entity Incorporated Outside India) |
| Any Body corporate in which Body Corporate as provided above holds twenty percent or more of the equity share capital.   | -  |





| Nature of Relationship  | Name of Entities |
|---|------------------|
| Any Hindu Undivided Family or Firm in which the aggregate shareholding of the Promoter and his immediate relatives is equal to or more than twenty percent. | B.R Shah HUF     |

**d. Person whose shareholding is aggregated under the heading “Shareholding of the Promoters Group”**

| Name of Entities / Person |
|---------------------------|
| Jigar Dhiresh Shah        |

For further details on our Group Companies refer Chapter titled “*Information with respect to Group Companies/Entities*” beginning on page no. 243 of this Prospectus.



## DIVIDEND POLICY

The declaration and payment of dividend is recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013 and the Companies (Declaration and Payment of Dividends) Rules, 2014.

The dividend, if any, declared will depend on a number of internal and external factors, including but not limited to future expansion plans of the Company, including brand acquisitions, expansion plans, capital expenditure, capital requirements, contractual restrictions, fund requirements to finance the working capital expenditure needs and long-term investments, net profits earned and free cash generated by the Company during the fiscal year, liquidity and applicable taxes including dividend distribution tax, if any, payable by our Company. In addition, our ability to pay dividends may be impacted by restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

The details of dividend on Equity Shares declared and paid by our Company in the last three financial years is set out in following table:

| Particulars  | Financial Year ended March 31, 2023 | Financial Year ended March 31, 2022 | Financial Year ended March 31, 2021 |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| No. of Equity Shares   | 10,00,000                           | 10,00,000                           | 10,00,000                           |
| Face value per share (in ₹)                                  | 10/-                                | 10/-                                | 10/-                                |
| Aggregate Dividend (Interim + Final) (₹ in Lakhs)            | 10.00                               | NIL                                 | NIL                                 |
| Dividend per share (Interim + Final) (in ₹ Per Equity Share) | 1.00                                | NIL                                 | NIL                                 |
| Rate of dividend (%)   | 10%                                 | NIL                                 | NIL                                 |
| Dividend Distribution Tax (%)                                | NIL                                 | NIL                                 | NIL                                 |
| Dividend Distribution Tax (in ₹ in Lakhs)                    | NIL                                 | NIL                                 | NIL                                 |
| Mode of payment of dividend                                  | NEFT/ Cheque                        | NIL                                 | NIL                                 |

The amount of dividend paid in past is not necessarily indicative of the dividend policy of our Company or dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid or the amount thereof will not be decreased in the future. For details, see “Risk Factors” – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements” on page 29 of this Prospectus.



**SECTION IX – FINANCIAL STATEMENTS**

**RESTATED FINANCIAL INFORMATION**

| Sr. No. | Particulars                                 | Page Nos.   |
|---------|---|-------------|
| 1       | Restated Consolidated Financial Information | F-1 to F-35 |

**Independent Auditor’s Examination Report on Restated Consolidated Financial Information**  
*(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**  
**Konstelec Engineers Limited**  
308, Creative Industrial Estate, Sunder Nagar,  
Lane No.2, Kalina, Santacruz (East),  
Mumbai 400 098, Maharashtra, India

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of **Konstelec Engineers Limited** (Formerly known as Konstelec Engineers Private Limited) (the “Company) and its Joint Venture i.e., Konstelec-Hi-Tech Private Limited (Collectively referred as “Group”), comprising the restated Consolidated statement of Assets and Liabilities as at 30<sup>th</sup> September 2023, 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021 and the related Restated Consolidated Statement of Profit & Loss and Restated Consolidated Statement of Cash Flow for the period ended on 30<sup>th</sup> September 2023, for years ended on 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021, the Summary Statement of Significant Accounting Policies, and other explanatory information annexed to this report for the purpose of inclusion in the offer document prepared by the Company (collectively the “**Restated Summary Statements**” or “**Restated Consolidated Financial Statements**”). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the Company in connection with the Initial Public Offering of Equity Shares (IPO) in SME Emerge Platform of National Stock Exchange of India Limited.
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
  - (i) Section 26 of Part I of Chapter-III to the Companies Act, 2013 (“**Act**”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“**ICDR Regulations**”) issued by the Securities and Exchange Board of India (“**SEBI**”) in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time; and
  - (iii) 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**”).
3. The Company’s Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the Red Herring Prospectus / Prospectus to be filed with Emerge Platform of NSE (NSE EMERGE) in connection with proposed IPO. The management of the Company has prepared the Restated Consolidated financial information. The Board of Directors of the Company are responsible for 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.
4. We have examined such Restated Consolidated 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 18<sup>th</sup> -November 2023 in connection with the proposed IPO of equity shares of the Issuer;

- b) The Guidance Note. 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 Consolidated 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. This Restated Consolidated Financial information of the Company have been compiled by the management from
- The Audited Special purpose consolidated Financial Statements of the Company for the six month period ended on 30<sup>th</sup> September 2023, prepared in accordance with the accounting standards notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on November 18, 2023.
  - The Audited Consolidated financial statements for years ended on 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021, prepared in accordance with the accounting standards notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 20<sup>th</sup> June 2023, 28<sup>th</sup> September 2022 and 12<sup>th</sup> November 2021 respectively.
6. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
- (i) The “**Restated Consolidated Statement of Assets and Liabilities**” as set out in **Annexure A** to this report, of the Company as at 30<sup>th</sup> September 2023, 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021, 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 individual financial statements of the Company, as in our opinion were appropriate.
- (ii) The “**Restated Consolidated Statement of Profit and Loss**” as set out in **Annexure B** to this report, of the Company for the period ended 30<sup>th</sup> September 2023, for years ended on 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021, 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 individual financial statements of the Company, as in our opinion were appropriate.
- (iii) The “**Restated Consolidated Statement of Cash Flow as Restated**” as set out in **Annexure C** to this report, of the Company for the period ended 30<sup>th</sup> September 2023, for years ended on 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021, 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 individual financial statements of the Company, as in our opinion were appropriate.
7. We have audited the special purpose consolidated financial information of the Company period ended 30<sup>th</sup> September, for years ended on 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021 prepared by the Company in accordance with the Accounting Standards for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the “Peer Review Board” of the ICAI as required by ICDR Regulations in relation to proposed IPO. We have issued our report on

these special purpose financial information to the Board of Directors who have approved these in their meeting held on January 08, 2024.

8. For the purpose of our examination, we have relied on:
- Auditors' Report issued by the Statutory Auditor i.e., Shah P.M. and Associates (the "Statutory Auditors") dated November 18, 2023, June 20, 2023, September 28 2022, & September 25, 2021 on the Consolidated financial statements of the group as at and for the period ended 30<sup>th</sup> September 2023, for years ended 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022 & 31<sup>st</sup> March 2021 respectively.
  - The audits for the period ended 30<sup>th</sup> September 2023, for years ended 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022 & 31<sup>st</sup> March 2021 were conducted by the Statutory auditors of the company i.e., Shah P.M. and Associates, and accordingly reliance has been placed on the Consolidated statement of assets and liabilities and Consolidated statements of profit and loss, statements of changes in equity and cash flow statements, the Significant Accounting Policies, and other explanatory information and (collectively, the Consolidated Audited Financial Statement") examined by them for the said years.
9. The audit reports issued by the Statutory Auditors on the consolidated financial statements included following other matter for six month ended 30<sup>th</sup> September 2023, for years ended 31<sup>st</sup> March 2023, 2022 and 2021:

" We did not audit the financial statements of Joint Venture whose share of total assets, total revenues and share of profit/ loss in its joint venture included in the Consolidated Financial Statements, for the relevant years is tabulated below, which have been audited by other auditor, whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditor."

(in ₹ Lakhs)

| Particulars                                 | For the period ended September 30, 2023 | For the year ended March 31, 2023 | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|-----------------------------------|-----------------------------------|-----------------------------------|
| Total assets                                | 17.25                                   | -0.27                             | -0.26                             | -0.33                             |
| Total Revenue                               | Nil                                     | Nil                               | 0.02                              | 0.01                              |
| Share of profit/ loss in its joint ventures | 47%                                     | 47%                               | 47%                               | 47%                               |

Our opinion on the consolidated AS financial statements is not modified in respect of these matters."

On performing restatement of consolidated financial statements, the share of total assets in its joint venture were regrouped for years ended March 31 2023, 2022 and 2021 and the figures included in the Restated Consolidated financial statements are tabulated below: -

(in ₹ Lakhs)

| Particulars  | For the year ended March 31, 2023 | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Total assets | 17.28                             | 17.29                             | 17.27                             |

10. The audit reports on the Special purpose Consolidated financial statements for the six month period ended on 30<sup>th</sup> September 2023 issued by the Statutory auditors Shah P.M and Associates carried a note for emphasis of matter with relation to calculation of unbilled revenue and the Key Audit Matters relating to revenue recognition and recoverability of trade receivables from M/s KEPL EPC Nigeria Limited. The same is also applicable for Consolidated restated financial statements for the six month period ended on 30<sup>th</sup> September 2023.

The audit reports on the Consolidated financial statements for the year ended on 31<sup>st</sup> March 2023 issued by the Statutory auditors Shah P.M and Associates carried a note for emphasis of matter with relation to calculation of unbilled revenue and Key Audit Matter relating to Revenue recognition. The same is also applicable for Consolidated restated financial statements for the year ended on 31<sup>st</sup> March 2023.

11. Based on our examination and according to the information and explanations given to us (and also as per the reliance placed on the audit report submitted by the Statutory Auditors for the respective years), we are of the opinion that the Restated Financial Statements have been made after incorporating:
- a) Adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in respective six month period ended 30<sup>th</sup> September 2023 and years ended 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022 & 31<sup>st</sup> March 2021 to reflect the same accounting treatment as per the accounting policies and grouping/ classifications for all the reporting periods, if any.
  - b) Adjustments for prior period and other material amounts in the respective financial years to which they relate and there are no qualifications which require adjustments.
  - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
  - d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the period ended on 30<sup>th</sup> September 2023 and for year ended on 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021, which would require adjustments in this Restated Financial Statements of the Company.
  - e) These 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.
  - f) These have been prepared in accordance with the Act, ICDR Regulations and Guidance note.
12. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the period ended on 30<sup>th</sup> September 2023 and for years ended on 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021, proposed to be included in the Red Herring Prospectus (“**Offer Document**”).
13. The Restated consolidated financial information do not reflect the effects of the events that occurred subsequent to the respective dates of the reports on the special purpose financial statements and audited financial statements mentioned in paragraph 5 above.

**Annexure of Restated Financial Statements of the Company:-**

1. Restated Statement of Assets and Liabilities in Annexure A
2. Restated Statement of Profit & Loss Account in Annexure B
3. Restated Statement of Cash Flow in Annexure C
4. Significant Accounting Policies and Notes to Accounts as restated in Note 1 & 2;
5. Restated notes to Statement of Assets and Liabilities and Profit and Loss Account from Note 3 to Note 49
6. Statement of Tax Shelters as Restated as appearing in Note 50 to this report

7. Reconciliation of Restated Profit as appearing in Note 51 to this report.
  8. Reconciliation of Other Equity as appearing in Note 52 to this report.
  9. Details of Summary of Accounting Ratios as Restated as appearing in Note 53 to this report
  10. Details of Summary of Accounting Ratios Schedule III as Restated as appearing in Note 36 to this report
  11. Details of Related Parties Transactions as Restated as appearing in Note 33 to this report
  12. Capitalization Statement as Restated as at 31<sup>st</sup> March 2023 as appearing in Note 54 to this report;
  13. Details of Terms & Condition of Long term borrowing as restated as appearing in Note 55 to this report
  14. Details of Terms & Condition of Short term borrowing as restated as appearing in Note 56 to this report
- 
14. We, Shaparia Mehta & Associates LLP, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
  15. The preparation and presentation of the consolidated Financial Statements referred to above are based on the consolidated Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The consolidated Financial Statements and information referred to above is the responsibility of the management of the Company.
  16. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
  17. We have no responsibility to update our report for events and circumstances occurring after the date of the report. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For M/s. Shaparia Mehta & Associates LLP**  
**Chartered Accountants**  
**Firm Reg. No. 112350W / W-100051**

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**CA Sanjiv Mehta**  
**Partner**  
**Membership No. 034950**  
**UDIN: 24034950BKCAXT2527**

**Place: Mumbai**  
**Date: January 08<sup>th</sup>, 2024**



**KONSTELEC ENGINEERS LIMITED**  
**RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**  
(All amounts in rupees lakhs, except per share data and as stated otherwise)

Annexure-A

|          | Particulars   | Note No. | As at 30 September 2023 | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2021 |
|----------|---|----------|-------------------------|---------------------|---------------------|---------------------|
| <b>A</b> | <b>EQUITY AND LIABILITIES</b>   |          |                         |                     |                     |                     |
| <b>1</b> | <b>Shareholders' funds</b>  |          |                         |                     |                     |                     |
|          | (a) Share capital   | 3        | 1,100.00                | 100.00              | 100.00              | 100.00              |
|          | (b) Reserves and surplus  | 4        | 5,547.68                | 6,091.51            | 5,323.73            | 4,971.49            |
|          |   |          | <b>6,647.68</b>         | <b>6,191.51</b>     | <b>5,423.73</b>     | <b>5,071.49</b>     |
| <b>2</b> | <b>Non-current liabilities</b>  |          |                         |                     |                     |                     |
|          | (a) Long-term borrowings  | 5        | 481.92                  | 600.21              | 267.13              | 278.46              |
|          |   |          | <b>481.92</b>           | <b>600.21</b>       | <b>267.13</b>       | <b>278.46</b>       |
| <b>3</b> | <b>Current liabilities</b>  |          |                         |                     |                     |                     |
|          | (a) Short-term borrowings   | 6        | 3,627.54                | 2,906.94            | 2,383.46            | 2,269.66            |
|          | (b) Trade payables  | 7        | 3,532.16                | 3,589.07            | 2,643.74            | 1,664.33            |
|          | (i) total outstanding dues of micro enterprises and small enterprises                       |          | 936.77                  | 778.99              | 501.05              | 75.57               |
|          | (ii) total outstanding dues of creditors other than micro enterprises and small enterprises |          | 2,595.38                | 2,810.09            | 2,142.69            | 1,588.77            |
|          | (c) Other current liabilities   | 8        | 1,446.15                | 1,128.25            | 892.89              | 864.40              |
|          | (d) Short-term provisions   | 9        | 487.79                  | 197.01              | 273.47              | 215.69              |
|          |   |          | <b>9,093.64</b>         | <b>7,821.28</b>     | <b>6,193.57</b>     | <b>5,014.08</b>     |
|          | <b>TOTAL</b>  |          | <b>16,223.23</b>        | <b>14,613.01</b>    | <b>11,884.44</b>    | <b>10,364.03</b>    |
| <b>B</b> | <b>ASSETS</b>   |          |                         |                     |                     |                     |
| <b>1</b> | <b>Non-current assets</b>   |          |                         |                     |                     |                     |
|          | (a) Property, Plant and Equipment and Intangible Assets                                     | 10       | 796.29                  | 837.25              | 750.29              | 776.44              |
|          | (i) Property plant and Equipment  |          | 792.56                  | 832.46              | 742.46              | 766.33              |
|          | (ii) Intangible Assets  |          | 3.72                    | 4.78                | 7.83                | 10.10               |
|          | (b) Non current investment  | 11       | 24.00                   | 156.64              | 246.83              | 189.39              |
|          | (c) Deferred Tax Assets/(Deferred Tax Liabilities) (Net)                                    | 12       | 10.22                   | 0.48                | 5.63                | 8.53                |
|          | (d) Other Non Current Assets  | 13       | 74.57                   | 61.32               | 55.24               | 52.35               |
|          | (e) Long-term loans and advances  | 14       | 84.78                   | 64.82               | 15.28               | 15.41               |
|          |   |          | <b>989.86</b>           | <b>1,120.50</b>     | <b>1,073.27</b>     | <b>1,042.12</b>     |
| <b>2</b> | <b>Current assets</b>   |          |                         |                     |                     |                     |
|          | (a) Inventories   |          |                         |                     |                     |                     |
|          | (b) Trade receivables   | 15       | 4,177.06                | 5,317.25            | 5,127.67            | 3,269.74            |
|          | (c) Cash and bank balances  | 16       | 1,543.29                | 1,212.20            | 987.77              | 1,150.90            |
|          | (d) Short-term loans and advances   | 17       | 1,129.23                | 1,228.41            | 1,101.80            | 1,419.70            |
|          | (e) Other Current Assets  | 18       | 8,383.79                | 5,734.63            | 3,593.92            | 3,481.56            |
|          |   |          | <b>15,233.38</b>        | <b>13,492.51</b>    | <b>10,811.17</b>    | <b>9,321.91</b>     |
|          | <b>TOTAL</b>  |          | <b>16,223.23</b>        | <b>14,613.01</b>    | <b>11,884.44</b>    | <b>10,364.03</b>    |
|          | Summary of significant accounting policies  | 2        |                         |                     |                     |                     |

In terms of our report of even date attached  
For Shaparia Mehta & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No: 112350W / W-100051

For and on behalf of the Board of Directors

Chairman and Managing Director  
Biharilal Shah  
DIN: 00337318

Whole Time Director  
Amish Shah  
DIN: 01415766

Name : Sanjiv Mehta  
Partner

Membership No.: 034950  
UDIN: 24034950BKCAXT2527

Place: Mumbai

Date: 08 January, 2024

Chief Financial Officer  
Mrs. Molly Antony  
PAN: AGAPA5417F

Company Secretary and Compliance Officer  
Ms. Shatabdi Salve  
PAN: DEIPS6143M

**KONSTELEC ENGINEERS LIMITED**  
**RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS**  
(All amounts in rupees lakhs, except per share data and as stated otherwise)

Annexure -B

|   | Particulars   | Note No. | For the Period Ended 30 September 2023 | For the year ended 31 March 2023 | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|----------|--|----------------------------------|----------------------------------|----------------------------------|
| 1 | Revenue from operations                                   | 19       | 9,305.27                               | 15,340.49                        | 10,704.72                        | 10,489.43                        |
| 2 | Other income  | 20       | 128.78                                 | 159.56                           | 197.59                           | 127.73                           |
| 3 | <b>Total Income</b>                                       |          | <b>9,434.05</b>                        | <b>15,500.05</b>                 | <b>10,902.31</b>                 | <b>10,617.16</b>                 |
| 4 | <b>Expenses</b>   |          |  |                                  |                                  |                                  |
|   | (a) Purchases   | 21       | 4,248.30                               | 7,398.65                         | 4,012.79                         | 4,064.96                         |
|   | (b) Employee benefits expense                             | 22       | 1,447.58                               | 2,372.95                         | 1,778.67                         | 1,720.43                         |
|   | (c) Finance costs   | 23       | 249.40                                 | 378.80                           | 223.34                           | 236.98                           |
|   | (d) Depreciation and amortization expense                 | 10       | 47.31                                  | 81.49                            | 77.53                            | 92.04                            |
|   | (e) Other expenses  | 24       | 2,901.48                               | 4,154.36                         | 4,328.88                         | 4,223.33                         |
|   | <b>Total expenses</b>                                     |          | <b>8,894.07</b>                        | <b>14,386.26</b>                 | <b>10,421.21</b>                 | <b>10,337.74</b>                 |
| 5 | <b>Profit before Tax</b>                                  |          | 539.99                                 | 1,113.80                         | 481.10                           | 279.42                           |
| 6 | <b>Tax expense:</b>                                       |          |  |                                  |                                  |                                  |
|   | Current Tax   |          | 156.74                                 | 330.87                           | 125.95                           | 85.80                            |
|   | Deferred Tax  |          | -9.74                                  | 5.15                             | 2.90                             | 3.28                             |
|   | (Excess) Short provision for tax                          |          | -63.17                                 | -                                | -                                | -                                |
| 7 | <b>Profit for the year</b>                                |          | <b>456.16</b>                          | <b>777.77</b>                    | <b>352.25</b>                    | <b>190.34</b>                    |
| 8 | <b>Earnings Per Share (of face value of Rs.10/- each)</b> |          |  |                                  |                                  |                                  |
|   | <b>Basic and Diluted</b>                                  | 34       | <b>4.15</b>                            | <b>7.07</b>                      | <b>3.20</b>                      | <b>1.73</b>                      |
|   | <b>Summary of significant accounting policies</b>         | 2        |  |                                  |                                  |                                  |

In terms of our report of even date attached  
For Shaparia Mehta & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No: 131576W

For and on behalf of the Board of Directors

Name : Sanjiv Mehta  
Partner  
Membership No.: 034950  
UDIN: 24034950BKCAXT2527  
Place: Mumbai  
Date: 08 January, 2024

Chairman and Managing Director  
Biharilal Shah  
DIN: 00337318

Whole Time Director  
Amish Shah  
DIN: 01415766

Chief Financial Officer  
Mrs. Molly Antony  
PAN: AGAPA5417F

Company Secretary and Compliance Officer  
Ms. Shatabdi Salve  
PAN: DEIPS6143M

**KONSTELEC ENGINEERS LIMITED**  
**RESTATED CONSOLIDATED STATEMENT OF CASH FLOW STATEMENT**  
(All amounts in rupees lakhs, except per share data and as stated otherwise)

Annexure-C

| Sr. No. | Particulars  | For the Period Ended 30 September 2023 |           | For the Year Ended 31 March 2023 |           | For the Year Ended 31 March 2022 |         | For the Year Ended 31 March 2021 |         |
|---------|--|--|-----------|----------------------------------|-----------|----------------------------------|---------|----------------------------------|---------|
| (A)     | <b>Cash Flow From Operating Activities:</b>  |  |           |                                  |           |                                  |         |                                  |         |
|         | Profit before taxation   |  | 539.99    |                                  | 1,113.80  |                                  | 481.10  |                                  | 279.42  |
|         | <b>Adjustments for:</b>  |  |           |                                  |           |                                  |         |                                  |         |
|         | Depreciation   | 47.31                                  |           | 81.49                            |           | 77.53                            |         | 92.04                            |         |
|         | (Profit)/Loss on sale of Fixed Assets  | -                                      |           | -2.38                            |           | -0.89                            |         | -0.06                            |         |
|         | (Profit)/Loss on sale of Investments   | -45.22                                 |           | -11.98                           |           | -93.64                           |         |                                  |         |
|         | Interest expense   | 232.81                                 |           | 348.76                           |           | 218.08                           |         | 213.09                           |         |
|         | Dividend income  | -0.22                                  |           | -1.75                            |           | -2.13                            |         | -1.28                            |         |
|         | Other adjustments pertaining to previous years   | -                                      |           |                                  |           |                                  |         | -23.65                           |         |
|         | <b>Cash generated from operating activities</b>  | 234.68                                 |           | 414.14                           |           | 198.94                           |         | 280.13                           |         |
|         | <b>Adjustments for working capital:</b>  |  |           |                                  |           |                                  |         |                                  |         |
|         | Increase/ (decrease) in trade payables   | -56.92                                 |           | 945.33                           |           | 979.41                           |         | -1,407.06                        |         |
|         | Increase / (decrease) in provisions  | 290.78                                 |           | -76.46                           |           | 57.79                            |         | 86.26                            |         |
|         | Increase / (decrease) in other current liabilities   | 317.91                                 |           | 235.35                           |           | 28.49                            |         | 337.08                           |         |
|         | Decrease / (increase) in trade receivables   | 1,140.19                               |           | -189.58                          |           | -1,857.93                        |         | 415.27                           |         |
|         | Decrease / (increase) in loans and advances  | 79.23                                  |           | -176.15                          |           | 318.04                           |         | -151.86                          |         |
|         | Decrease / (increase) in other assets (including fixed deposits having original maturity more than 3 months) | -3,062.65                              | -1,056.78 | -2,723.51                        | -1,570.89 | -162.82                          | -438.08 | -173.15                          | -613.33 |
|         | <b>Cash used in operations</b>   |  | -516.80   |                                  | -457.09   |                                  | 43.01   |                                  | -333.91 |
|         | Income Tax Refund/ (Paid) (Net)  |  |           |                                  |           |                                  |         |                                  |         |
|         | <b>Net cash generated From operating activities</b>  |  | -516.80   |                                  | -457.09   |                                  | 43.01   |                                  | -333.91 |
| (B)     | <b>Cash Flow From Investing Activities:</b>  |  |           |                                  |           |                                  |         |                                  |         |
|         | Sale of Fixed Assets   | -                                      |           | 4.79                             |           | 3.07                             |         | 0.32                             |         |
|         | Acquisition of fixed assets  | -6.35                                  |           | -170.85                          |           | -53.55                           |         | -123.67                          |         |
|         | Investment / (Redemption) in Mutual Fund & Shares (Net)  | 177.85                                 |           | 102.17                           |           | 36.20                            |         | -101.38                          |         |
|         | Dividend   | 0.22                                   | 171.72    | 1.75                             | -62.14    | 2.13                             | -12.15  | 1.28                             | -223.45 |
|         | <b>Net cash utilised for investing activities</b>  |  | 171.72    |                                  | -62.14    |                                  | -12.15  |                                  | -223.45 |
| (C)     | <b>Cash Flow From Financing Activities:</b>  |  |           |                                  |           |                                  |         |                                  |         |
|         | Proceeds/(Repayment) of long-term borrowings (Net)   | -118.30                                |           | 333.08                           |           | -11.32                           |         | 197.93                           |         |
|         | Net increase / (decrease) in short term borrowings   | 720.59                                 |           | 523.49                           |           | 113.79                           |         | 545.70                           |         |
|         | Interest paid  | -232.81                                |           | -348.76                          |           | -218.08                          |         | -213.09                          |         |
|         | Dividend Paid (inclusive of Tax on Dividend)   | -                                      | 369.49    | -10.00                           | 497.80    | -115.60                          |         | -                                | 530.54  |
|         | <b>Net Cash generated from Financing Activities</b>  |  | 369.49    |                                  | 497.80    |                                  | -115.60 |                                  | 530.54  |
|         | <b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>  |  | 24.41     |                                  | -21.42    |                                  | -84.74  |                                  | -26.83  |
|         | Add: Cash and Cash Equivalents (Opening)   |  | 42.06     |                                  | 63.48     |                                  | 148.22  |                                  | 175.05  |
|         | <b>Cash and cash equivalents (Closing)</b>   |  | 66.47     |                                  | 42.06     |                                  | 63.48   |                                  | 148.22  |
| (D)     | <b>Cash and Cash Equivalents includes:</b>   |  |           |                                  |           |                                  |         |                                  |         |
|         | Cash on hand   |  | 3.83      |                                  | 3.84      |                                  | 5.94    |                                  | 6.08    |
|         | Bank Balances (Including deposits)   |  | 62.64     |                                  | 38.23     |                                  | 57.54   |                                  | 142.14  |
|         |  |  | 66.47     |                                  | 42.06     |                                  | 63.48   |                                  | 148.22  |

In terms of our report of even date attached  
For Shaparia Mehta & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No: 131576W

For and on behalf of the Board of Directors

Name : Sanjiv Mehta  
Partner  
Membership No.: 034950  
UDIN: 24034950BKCAXT2527  
Place: Mumbai  
Date: 08 January, 2024

Chairman and Managing Director  
Biharilal Shah  
DIN: 00337318

Whole Time Director  
Amish Shah  
DIN: 01415766

Chief Financial Officer  
Mrs. Molly Antony  
PAN: AGAPA5417F

Company Secretary and Compliance Officer  
Ms. Shatabdi Salve  
PAN: DEIPS6143M

**KONSTELEC ENGINEERS LIMITED**  
**Notes forming part of the consolidated financial statements**  
**(All amounts in rupees lakhs, except per share data and as stated otherwise)**

| Note  | Particulars   |   |   |  |    |
|---|---|---|---|--|----|
| <b>1</b>  | <p><b>Basis of Consolidation</b></p> <p>The consolidated financial statements comprising of the financial statements of Konstelec Engineers Limited ("the Company") and its Joint Venture Entity are prepared in accordance with Accounting Standard - 21 (AS-21), "Consolidated Financial Statements" and Accounting Standard – 27 (AS – 27) on "Financial Reporting of Interests in Joint Ventures". Interest in jointly controlled entity (incorporated joint venture) is reported using proportionate consolidation method in the Consolidated Financial Statements.</p> <p><b>Interest in Joint Venture is as under</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Name of the Joint Venture Entity<br/>(Country of Origin)</th> <th style="text-align: center;">Percentage of ownership interest as on 30th September 2023, 31st March 2023,<br/>31st March 2022 and 31st March 2021</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Konstelec Hitech Engineers Private Limited (India)</td> <td style="text-align: center;">47</td> </tr> </tbody> </table>  | Name of the Joint Venture Entity<br>(Country of Origin) | Percentage of ownership interest as on 30th September 2023, 31st March 2023,<br>31st March 2022 and 31st March 2021 | Konstelec Hitech Engineers Private Limited (India) | 47 |
| Name of the Joint Venture Entity<br>(Country of Origin) | Percentage of ownership interest as on 30th September 2023, 31st March 2023,<br>31st March 2022 and 31st March 2021   |   |   |  |    |
| Konstelec Hitech Engineers Private Limited (India)      | 47  |   |   |  |    |
| <b>2</b>  | <p><b>Restated Significant Accounting Policies</b></p> <p><b>i Basis of Preparation</b></p> <p>The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p> <p><b>ii Use of estimates</b></p> <p>The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.</p> <p><b>iii Property, Plant and Equipment and Intangible assets</b></p> <p>Property, Plant and Equipment are stated at the cost of acquisition, less accumulated depreciation and impairment losses, if any. Cost comprises purchase price, duties, levies and any directly attributable cost of bringing the asset to its working condition for the intended use. Interest on borrowed money, allotted to and utilized for qualifying tangible assets, pertaining to the period up to the date of capitalization is added to the cost of the assets. Advances paid towards the acquisition of tangible assets outstanding at each Balance Sheet date and the cost of tangible assets not ready for their intended use before such date are disclosed under capital work-in-progress.</p> |   |   |  |    |

**KONSTELEC ENGINEERS LIMITED**

**Notes forming part of the consolidated financial statements**

**(All amounts in rupees lakhs, except per share data and as stated otherwise)**

| Note                            | Particulars  |                               |    |                      |         |                        |         |          |         |                  |   |           |        |                        |   |                                 |   |                             |   |
|---------------------------------|--|-------------------------------|----|----------------------|---------|------------------------|---------|----------|---------|------------------|---|-----------|--------|------------------------|---|---------------------------------|---|-----------------------------|---|
|                                 | <p><b>Depreciation on Property, plant and equipment and Intangible assets</b></p> <p>Depreciation on property, plant and equipment is calculated based on written down value method using the rates arrived at, based on the useful lives estimated by the management. The company has used the following useful lives to provide depreciation on its property, plant and equipment.</p> <p><b>Useful lives estimated by the management (years)</b></p> <table border="1"> <tr> <td>Office Buildings and Premises</td> <td align="center">60</td> </tr> <tr> <td>Plant and equipments</td> <td align="center">4 to 15</td> </tr> <tr> <td>Furniture and fixtures</td> <td align="center">5 to 10</td> </tr> <tr> <td>Vehicles</td> <td align="center">8 to 10</td> </tr> <tr> <td>Office equipment</td> <td align="center">5</td> </tr> <tr> <td>Computers</td> <td align="center">3 to 6</td> </tr> <tr> <td>Leasehold improvements</td> <td align="center">5</td> </tr> <tr> <td>Building - Temporary Structures</td> <td align="center">3</td> </tr> <tr> <td>Software - Intangible Asset</td> <td align="center">5</td> </tr> </table> <p>The management estimates for the useful lives of Property, Plant and Equipment and Intangible assets is based on past experience of the Company and supported by independent assessment by professionals, which may differ in some cases from useful lives mentioned in Companies Act 2013</p> | Office Buildings and Premises | 60 | Plant and equipments | 4 to 15 | Furniture and fixtures | 5 to 10 | Vehicles | 8 to 10 | Office equipment | 5 | Computers | 3 to 6 | Leasehold improvements | 5 | Building - Temporary Structures | 3 | Software - Intangible Asset | 5 |
| Office Buildings and Premises   | 60   |                               |    |                      |         |                        |         |          |         |                  |   |           |        |                        |   |                                 |   |                             |   |
| Plant and equipments            | 4 to 15  |                               |    |                      |         |                        |         |          |         |                  |   |           |        |                        |   |                                 |   |                             |   |
| Furniture and fixtures          | 5 to 10  |                               |    |                      |         |                        |         |          |         |                  |   |           |        |                        |   |                                 |   |                             |   |
| Vehicles                        | 8 to 10  |                               |    |                      |         |                        |         |          |         |                  |   |           |        |                        |   |                                 |   |                             |   |
| Office equipment                | 5  |                               |    |                      |         |                        |         |          |         |                  |   |           |        |                        |   |                                 |   |                             |   |
| Computers                       | 3 to 6   |                               |    |                      |         |                        |         |          |         |                  |   |           |        |                        |   |                                 |   |                             |   |
| Leasehold improvements          | 5  |                               |    |                      |         |                        |         |          |         |                  |   |           |        |                        |   |                                 |   |                             |   |
| Building - Temporary Structures | 3  |                               |    |                      |         |                        |         |          |         |                  |   |           |        |                        |   |                                 |   |                             |   |
| Software - Intangible Asset     | 5  |                               |    |                      |         |                        |         |          |         |                  |   |           |        |                        |   |                                 |   |                             |   |
| <b>iv</b>                       | <p><b>Impairment of Assets</b></p> <p>An asset is considered as impaired in accordance with Accounting Standard 28 on Impairment of Assets, when at balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which it belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use.) An impairment loss is charged off to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of its recoverable amount.</p>  |                               |    |                      |         |                        |         |          |         |                  |   |           |        |                        |   |                                 |   |                             |   |
| <b>v</b>                        | <p><b>Borrowing Costs</b></p> <p>Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.</p>  |                               |    |                      |         |                        |         |          |         |                  |   |           |        |                        |   |                                 |   |                             |   |
| <b>vi.</b>                      | <p><b>Investment</b></p> <p>Investments which are readily realizable and intended to be held for not more than one year from the date of such investments are made, are classified as current investments. All other investments are classified as long term investments.</p> <p>On initial recognition, all investments are measured at cost. The cost comprises of purchase price and directly attributable acquisition charges such as brokerage, fees and duties.</p> <p>Current investments are carried in the financial statements at lower of cost or fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.</p> <p>On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charge or credited to the statement of profit and loss.</p>  |                               |    |                      |         |                        |         |          |         |                  |   |           |        |                        |   |                                 |   |                             |   |

**KONSTELEC ENGINEERS LIMITED****Notes forming part of the consolidated financial statements****(All amounts in rupees lakhs, except per share data and as stated otherwise)**

| Note        | Particulars   |
|-------------|---|
| <b>vii.</b> | <b>Inventories</b> <p>The Company executes its projects by purchasing material as per the orders and ships it directly to the construction site. Therefore, the material lying at site is considered under work in progress and taken in the books as unbilled revenue. Raw Material or Stock-in-trade will be valued at cost or market value whichever is lower.</p>   |
| <b>viii</b> | <b>Revenue recognition</b> <p><b>Sales:</b><br/>Revenue from Sales of products is recognized when substantial risks and rewards of ownership of products are passed on to the buyer under the terms of the contract. Sales exclude goods and service tax and trade discounts. Transportation cost forming part of work order is included as part of Sales.<br/>The Company is recognizing the revenue based on percentage completion method as it satisfies performance obligations over time.<br/>The company derives revenue primarily from EPC Contracts relating to works and services.<br/>Contract revenue and cost are recognised by reference to the stage of completion of the activity at the balance sheet date, as measured by the proportion that contract cost incurred for the work performed to date bear to the estimated total contract cost. In case of contracts with defined milestones it recognises revenue on transfer of significant risks and rewards which coincided with achievement of milestones and its acceptance by the customer. Provision is made for all losses incurred to the balance sheet date. Any further losses that are foreseen in bringing contracts to completion are also recognised.<br/>Contract revenue earned in excess of billing is reflected under “Unbilled Revenue“ and billing in excess of work done is reflected as “Unearned Revenue” under liabilities.</p> <p><b>Dividends:</b><br/>Dividend income is recognized when the company’s right to receive dividend is established by the reporting date.</p> |
| <b>ix</b>   | <b>Foreign Currency Transaction</b> <p><b>Initial recognition:</b><br/>Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.</p> <p><b>Conversion:</b><br/>Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date.<br/>Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.</p> <p><b>Forward Contracts:</b><br/>The premium or discount arising at the inception of forward exchange contract is amortised and recognized as a expense/income over the life of the contract. Exchange differences on such contracts, except the contracts which are long term foreign currency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.</p>   |

**KONSTELEC ENGINEERS LIMITED**  
**Notes forming part of the consolidated financial statements**  
**(All amounts in rupees lakhs, except per share data and as stated otherwise)**

| Note | Particulars   |
|------|---|
| x    | <p><b>Employee Benefits</b><br/> Employee Benefits include provident fund, gratuity and compensated absences.</p> <p><b>Defined contribution plans</b><br/> The company has defined contribution plans for post employment benefits namely provident fund which are recognized by income tax authorities and administered through appropriate authorities.<br/> The company contributes to a government administered provident fund and has no further obligation beyond making its contribution.<br/> The company's contribution to above fund is charged to revenue every year.</p> <p><b>Defined benefit plan:</b><br/> The company provides for gratuity obligation through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The gratuity plan provides a lump sum payment to vested employees at retirement or termination of employment based on respective employee salary and years of employment with the company. The company makes annual contribution to LIC for the gratuity plan in respect of employees at certain circles.</p> <p><b>Other employee benefits:</b><br/> The employees of the company are entitled to leave as per the leave policy of the company. The liability in respect of unutilized leave balances is charged to revenue when option is exercised by employees.</p> |
| xi   | <p><b>Accounting for Taxes</b><br/> Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates.<br/> Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences 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. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.</p>  |
| xii  | <p><b>Provisions and contingencies</b><br/> Provision is recognized in the balance sheet when, the company has a present obligation as a result of past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate of the amount of the obligation can be made. A disclosure by way of a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require a outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.</p>  |
| xiii | <p><b>Cash and Cash Equivalents</b><br/> Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.</p>  |

**KONSTELEC ENGINEERS LIMITED**  
**Notes forming part of the consolidated financial statements**  
**(All amounts in rupees lakhs, except per share data and as stated otherwise)**

| Note        | Particulars   |
|-------------|---|
| <b>xvi</b>  | <p><b>Earnings Per Share</b></p> <p>The Company reports basic earnings per share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. The Basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. The diluted earning per share is computed by dividing the net profit attributable to the equity share holder for the period by the weighted average number of equity shares outstanding during the reporting period after adjusting for the effects of dilution.</p>  |
| <b>xv</b>   | Accounting policies not specifically referred to above are in consonance with generally accepted accounting principles.   |
| <b>xvi</b>  | <p><b>Changes in Accounting policies in the years covered in restated financials: -</b></p> <p>The accounting policy for work in progress (inventory) was changed for year ending 31st March 2023,2022 &amp;2021. Earlier work in progress for works contracts was being shown as inventory even though it was in the nature of Contract assets (as only an act of invoicing was pending) where there is an unconditional right to receive cash, and only passage of time is required, as per the contractual terms.</p> <p>The same has been regrouped in above mentioned years covered in restated financial statements and shown as part of Revenue from Operations in Profit and Loss and under Other Current Assets in the Balance Sheet.</p>  |
| <b>xvii</b> | <p><b>Notes on accounts as restated: -</b></p> <p>The financial statements including financial information have been reworked, regrouped, and reclassified wherever considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in financial statements/ information may not be necessarily same as those appearing in the respective audited financial statements for the relevant period/years.</p> <p>An amount of Rs 187.02 lakhs is being shown as Vat receivable for the period ended 30 September 2023. The company is in the process of follow up with the authorities of various states to recover these amounts. However, theses amounts are liable to assesments and the suerty of receiving them is uncertain. These amounts would therefore hit the Profit and Loss Account of the subsequent financial years if the outcome of the assessment's do not come in favour of the Company.</p> |



**KONSTELEC ENGINEERS LIMITED**  
Notes forming part of the consolidated financial statements  
(All amounts in rupees lakhs, except per share data and as stated otherwise)

**Note 3 Restated Statement of Share capital**

(Amount in ₹ Lakhs)

| Particulars   | As at 30 September 2023 | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2021 |
|---|-------------------------|---------------------|---------------------|---------------------|
| (a) Authorised<br>20,000,000 (Previous Years 1,000,000) Equity shares of Rs 10 each                           | 2,000.00                | 100.00              | 100.00              | 100.00              |
| (b) Issued, Subscribed and fully paid up<br>11,000,000 (Previous Years 1,000,000) Equity shares of Rs 10 each | 1,100.00                | 100.00              | 100.00              | 100.00              |
| <b>Total</b>  | <b>1,100.00</b>         | <b>100.00</b>       | <b>100.00</b>       | <b>100.00</b>       |

**Note 3.1**

**Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:**

(Amount in ₹ Lakhs)

| Particulars                               | As at 30 September 2023 | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2021 |
|---|-------------------------|---------------------|---------------------|---------------------|
| As at the beginning of the year           | 1,000,000               | 1,000,000           | 1,000,000           | 1,000,000           |
| Add: Issued during the year               | 10,000,000              | -                   | -                   | -                   |
| <b>Outstanding at the end of the year</b> | <b>11,000,000</b>       | <b>1,000,000</b>    | <b>1,000,000</b>    | <b>1,000,000</b>    |

**Note 3.2**

- Our Company has increased its authorised capital from ₹ 100.00 Lakhs to ₹ 2000.00 Lakhs pursuant to Shareholder's resolution passed in the Extra-ordinary General Meeting held on June 30,
- Our Company has allotted 1,00,00,000 Bonus Equity Shares on July 07, 2023 in the ratio of 10:1 i.e., 10 (Ten) New Equity Shares for every 1 (One) Equity Shares held as on record date

**Note 3.3 Shares held by promoters at the end of the year**

**Rights, Preferences and Restrictions attached to Equity shares**

- The Company has only one class of equity share having a par value of Rs.10 per share. Each holder of equity share is entitled for one vote per share. Accordingly, all equity shares rank equally with regards to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time.
- On winding up of the Company, the holder's of equity shares will be entitled to receive the residual assets of the Company after distribution of all preferential amounts in proportion to the number of equity shares held.

**Note 3.4 Shares held by promoters at the end of the year**

| Sr No | Particulars          | As at 30th September 2023 |                   | As at 31st March 2023 |                   | As at 31st March 2022 |                   | As at 31st March 2021 |                   |
|-------|----------------------|---------------------------|-------------------|-----------------------|-------------------|-----------------------|-------------------|-----------------------|-------------------|
|       |                      | No of shares              | % of total shares | No of shares          | % of total shares | No of shares          | % of total shares | No of shares          | % of total shares |
| 1     | Amish Biharil Shah   | 2,034,318                 | 18.49%            | 151,938               | 15.19%            | 151,938               | 15.19%            | 121,550               | 12.15%            |
| 2     | Biharil Ravilal Shah | 6,676,950                 | 60.70%            | 652,450               | 65.25%            | 652,450               | 65.25%            | 652,450               | 65.25%            |

**% Change during the period:**

- During the period ended September 30, 2023, Shareholding of Biharil Shah was decreased by 4.55% from 65.25% in March 31, 2023 to 60.70% and Shareholding of Amish Biharil Shah was increased by 3.30% from 15.19% in March 31, 2023 to 18.49%.
- During the Financial Year 2021-22, Shareholding of Amish Biharil Shah was increased by 3.04% from 12.15% in March 31, 2021 to 15.19%.

**Note 3.5**

**Details of shares held by each shareholder holding more than 5% shares:**

| Sr No | Name of shareholder | As at 30th September 2023 |                                   | As at 31 March 2023   |                                   | As at 31st March 2022 |                                   | As at 31st March 2021 |                                   |
|-------|---------------------|---------------------------|-----------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
|       |                     | Number of shares held     | % holding in that class of shares | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| 1     | Biharil Shah        | 6,676,950                 | 60.70%                            | 652,450               | 65.25%                            | 652,450               | 65.25%                            | 652,450               | 65.25%                            |
| 2     | Biharil Shah (HUF)  | -                         | -                                 | 100,000               | 10.00%                            | 100,000               | 10.00%                            | 100,000               | 10.00%                            |
| 3     | Nirupama Shah       | 510,884                   | 4.64%                             | 40,444                | 4.04%                             | 40,444                | 4.04%                             | 91,000                | 9.10%                             |
| 4     | Amish Shah          | 2,034,318                 | 18.49%                            | 151,938               | 15.19%                            | 151,938               | 15.19%                            | 121,550               | 12.16%                            |

**Note 4 Restated Statement of Reserves and Surplus**

(Amount in ₹ Lakhs)

| Particulars   | As at 30 September 2023 | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2021 |
|---|-------------------------|---------------------|---------------------|---------------------|
| (a) General Reserve                                 |                         |                     |                     |                     |
| As per Last Balance Sheet                           | 362.21                  | 362.21              | 362.21              | 385.87              |
| Add: Other adjustments pertaining to previous years | -                       | -                   | -                   | (23.65)             |
| Closing balance                                     | <b>362.21</b>           | <b>362.21</b>       | <b>362.21</b>       | <b>362.21</b>       |
| (b) Surplus in Statement of Profit and Loss         |                         |                     |                     |                     |
| As per Last Balance Sheet                           | 5,729.30                | 4,961.52            | 4,609.27            | 4,433.10            |
| Share in opening reserves of Joint Venture          | -                       | -                   | -                   | (14.17)             |
| Add: Profit for the year                            | 456.16                  | 777.77              | 352.25              | 190.34              |
| Less: Issue of Bonus Shares                         | 1,000.00                | -                   | -                   | -                   |
| Less: Dividend                                      | -                       | 10.00               | -                   | -                   |
| Closing balance                                     | <b>5,185.46</b>         | <b>5,729.30</b>     | <b>4,961.52</b>     | <b>4,609.27</b>     |
| <b>Total</b>  | <b>5,547.68</b>         | <b>6,091.51</b>     | <b>5,323.73</b>     | <b>4,971.49</b>     |

**KONSTELEC ENGINEERS LIMITED**  
Notes forming part of the consolidated financial statements  
(All amounts in rupees lakhs, except per share data and as stated otherwise)

**Note 5 Restated Statement of Long-term borrowings** (Amount in ₹ Lakhs)

| Particulars  | As at 30 September 2023 | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2021 |
|--|-------------------------|---------------------|---------------------|---------------------|
| <b>Secured</b>   |                         |                     |                     |                     |
| Term Loans and Vehicle Loans from Banks (Refer Sub-Note below) | 698.05                  | 776.10              | 433.46              | 341.91              |
| Less: Current Maturities of long term debts                    | (216.13)                | (175.88)            | (166.33)            | (63.45)             |
| <b>Total</b>   | <b>481.92</b>           | <b>600.21</b>       | <b>267.13</b>       | <b>278.46</b>       |

**Sub-Note:**  
**Nature of Security**  
Secured by Immovable property, Hypothecation of Vehicles, Hypothecation of Book-Debts, Work-in-Progress in relation to works contract, Fixed deposits, Personal Guarantee and Insurance Policies of Directors.  
(Refer Note 55 for detailed of security and terms of repayment of long term borrowings)

**Note 6 Restated Statement of Short-term borrowings** (Amount in ₹ Lakhs)

| Particulars                                       | As at 30 September 2023 | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2021 |
|---|-------------------------|---------------------|---------------------|---------------------|
| <b>Secured</b>                                    |                         |                     |                     |                     |
| Cash credit from banks (Refer Sub-Note Below)     | 2,928.54                | 2,616.17            | 2,159.40            | 2,158.81            |
| Current Maturities of long term borrowings        |                         |                     |                     |                     |
| - Term Loans and Vehicle Loans                    | 216.13                  | 175.88              | 166.33              | 63.45               |
| <b>Unsecured</b>                                  |                         |                     |                     |                     |
| Loans and advances from related parties           | 15.72                   | 17.39               | 40.18               | 29.80               |
| Loans from financial institutions / Schedule Bank | 450.00                  | 79.96               |                     |                     |
| Loans and advances from Joint Venture             | 17.15                   | 17.55               | 17.55               | 17.60               |
| <b>Total</b>                                      | <b>3,627.54</b>         | <b>2,906.94</b>     | <b>2,383.46</b>     | <b>2,269.66</b>     |

**Nature of Security**  
Secured by Immovable property, Hypothecation of Vehicles, Hypothecation of Book-Debts, Work-in-Progress in relation to works contract, Fixed deposits, Personal Guarantee and Insurance Policies of Directors.  
(Refer Note 56 for detailed of security and terms of repayment of short term borrowings)

**Note 7 Restated Statement of Trade payables Ageing Schedule** (Amount in ₹ Lakhs)

| Particulars                                   | As at 30 September 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|---|-------------------------|------------------------|------------------------|------------------------|
| <b>Undisputed Dues</b>                        |                         |                        |                        |                        |
| <b>(a) Micro, Small and Medium Enterprise</b> |                         |                        |                        |                        |
| Less than 1 Year                              | 932.33                  | 774.59                 | 497.48                 | 68.92                  |
| 1 to 2 Years                                  | 0.80                    | 0.39                   | 0.13                   | -                      |
| 2 to 3 Years                                  | 0.07                    | 0.13                   | 3.44                   | 2.65                   |
| More than 3 Years                             | 3.57                    | 3.88                   | -                      | 4.00                   |
| <b>(b) Others</b>                             |                         |                        |                        |                        |
| Less than 1 Year                              | 2,309.11                | 2,474.77               | 1,809.26               | 1,286.38               |
| 1 to 2 Years                                  | 138.67                  | 159.07                 | 224.49                 | 155.81                 |
| 2 to 3 Years                                  | 73.41                   | 51.38                  | 28.73                  | 80.20                  |
| More than 3 Years                             | 74.19                   | 124.88                 | 80.21                  | 66.38                  |
| <b>Total</b>                                  | <b>3,532.16</b>         | <b>3,589.08</b>        | <b>2,643.74</b>        | <b>1,664.3</b>         |

| Particulars   | As at 30 September 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|---|-------------------------|------------------------|------------------------|------------------------|
| (i) total outstanding dues of micro enterprises and small enterprises                       | <b>936.77</b>           | <b>778.99</b>          | <b>501.05</b>          | <b>75.57</b>           |
| (a) total outstanding dues of sundry creditors for purchase                                 | 936.77                  | 756.04                 | 501.05                 | 75.57                  |
| (b) total outstanding dues of sundry creditors for expenses                                 | -                       | 22.95                  | -                      | -                      |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | <b>2,595.38</b>         | <b>2,810.09</b>        | <b>2,142.69</b>        | <b>1,588.77</b>        |
| (a) total outstanding dues of sundry creditors for purchase                                 | 1,799.17                | 1,842.42               | 1,376.45               | 688.92                 |
| (b) total outstanding dues of subcontractors  | 771.77                  | 916.11                 | 717.53                 | 795.59                 |
| (c) total outstanding dues of sundry creditors for expenses                                 | 24.45                   | 51.56                  | 48.71                  | 104.26                 |
| <b>Total</b>  | <b>3,532.16</b>         | <b>3,589.07</b>        | <b>2,643.74</b>        | <b>1,664.331</b>       |

**KONSTELEC ENGINEERS LIMITED**  
Notes forming part of the consolidated financial statements  
(All amounts in rupees lakhs, except per share data and as stated otherwise)

**Note 8 Restated Statement of Other current liabilities**

(Amount in ₹ Lakhs)

| Particulars   | As at 30 September 2023 | As at 31 March 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|---|-------------------------|---------------------|------------------------|------------------------|
| (i) TDS Payable   | 24.80                   | 32.58               | 16.54                  | 21.73                  |
| (ii) Advances from customers                                  | 1,094.40                | 733.90              | 464.35                 | 506.28                 |
| (iii) Security Deposit  | 20.98                   | 20.98               | 16.13                  | 15.13                  |
| (iv) Accrued salaries and benefits and related statutory dues | 262.27                  | 170.11              | 134.06                 | 124.50                 |
| (v) Gratuity Payable to Employees                             | 13.41                   | 2.47                | 0.40                   | -                      |
| (vi) Balance Payable to public Bodies                         | 24.16                   | 156.34              | 261.41                 | 196.76                 |
| (vii) Interest accrued but not due                            | 6.14                    | 11.88               | -                      | -                      |
| <b>Total</b>  | <b>1,446.15</b>         | <b>1,128.25</b>     | <b>892.89</b>          | <b>864.40</b>          |

**Note 9 Restated Statement of Short-term provisions**

(Amount in ₹ Lakhs)

| Particulars                             | As at 30 September 2023 | As at 31 March 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|---|-------------------------|---------------------|------------------------|------------------------|
| Provision for Bonus                     | 59.29                   | 50.58               | 43.19                  | 46.74                  |
| Provision for Leave                     | 18.76                   | 12.99               | 8.53                   | 9.28                   |
| Provision for Income Tax                | 4.62                    | -                   | -                      | -                      |
| Provision for CSR expenses              | 12.45                   | 0.33                | 61.74                  | 58.23                  |
| Provision for Gratuity                  | 35.62                   | 24.42               | 20.01                  | 11.26                  |
| Provision for Future losses on contract | -                       | 7.14                | -                      | -                      |
| Share of Joint Venture                  | 0.06                    | 0.22                | 0.09                   | 0.09                   |
| Provision for expenses                  | 357.00                  | 101.34              | 139.92                 | 90.08                  |
| <b>Total</b>                            | <b>487.79</b>           | <b>197.01</b>       | <b>273.47</b>          | <b>215.69</b>          |

**KONSTELEC ENGINEERS LIMITED**  
Notes forming part of the consolidated financial statements  
(All amounts in rupees lakhs, except per share data and as stated otherwise)

**Note 10. Restated Statement of Property, Plant and Equipments and Intangible Assets**

| As at 30th September 2023 |                                 |                       |             |            |                             |                       |              |            |                            |                            |                        |
|---------------------------|---------------------------------|-----------------------|-------------|------------|-----------------------------|-----------------------|--------------|------------|----------------------------|----------------------------|------------------------|
| Sr. No.                   | Particulars                     | Gross Block           |             |            | Depreciation / Amortisation |                       |              |            | Net block                  | Net block                  |                        |
|                           |                                 | As at<br>1 April 2023 | Additions   | Deductions | As at<br>30 September 2023  | As at<br>1 April 2023 | For the year | Deductions | As at<br>30 September 2023 | As at<br>30 September 2023 | As at<br>31 March 2023 |
| <b>(i)</b>                | <b>Tangible Assets</b>          |                       |             |            |                             |                       |              |            |                            |                            |                        |
| (a)                       | Freehold Land                   | 6.64                  | -           | -          | 6.64                        | -                     | -            | -          | -                          | 6.64                       | 6.64                   |
| (b)                       | Office Building and Premises    | 1,032.98              | -           | -          | 1,032.98                    | 394.50                | 15.39        | -          | 409.89                     | 623.09                     | 638.48                 |
| (c)                       | Plant & Equipments              | 193.08                | -           | -          | 193.08                      | 146.84                | 4.21         | -          | 151.05                     | 42.03                      | 46.24                  |
| (d)                       | Furniture and Fixtures          | 55.72                 | -           | -          | 55.72                       | 38.87                 | 3.50         | -          | 42.37                      | 13.35                      | 16.85                  |
| (e)                       | Vehicles                        | 262.58                | -           | -          | 262.58                      | 179.00                | 12.46        | -          | 191.46                     | 71.12                      | 83.58                  |
| (f)                       | Office Equipments               | 46.60                 | 1.10        | -          | 47.70                       | 35.27                 | 2.41         | -          | 37.68                      | 10.02                      | 11.33                  |
| (g)                       | Computers                       | 73.07                 | 5.25        | -          | 78.32                       | 47.19                 | 8.16         | -          | 55.35                      | 22.97                      | 25.88                  |
| (h)                       | Leasehold Improvements          | 62.87                 | -           | -          | 62.87                       | 59.63                 | 0.09         | -          | 59.72                      | 3.14                       | 3.24                   |
| (i)                       | Building - Temporary Structures | 3.91                  | -           | -          | 3.91                        | 3.68                  | 0.04         | -          | 3.72                       | 0.20                       | 0.23                   |
| <b>(ii)</b>               | <b>Intangible Assets</b>        |                       |             |            |                             |                       |              |            |                            |                            |                        |
| (a)                       | Software                        | 27.60                 | -           | -          | 27.60                       | 22.82                 | 1.06         | -          | 23.88                      | 3.72                       | 4.78                   |
|                           | <b>Total</b>                    | <b>1,765.06</b>       | <b>6.35</b> | <b>-</b>   | <b>1,771.41</b>             | <b>927.81</b>         | <b>47.31</b> | <b>-</b>   | <b>975.12</b>              | <b>796.29</b>              | <b>837.24</b>          |

| As at 31st March 2023 |                                 |                     |               |              |                             |                     |              |              |                     |                     |                     |
|-----------------------|---------------------------------|---------------------|---------------|--------------|-----------------------------|---------------------|--------------|--------------|---------------------|---------------------|---------------------|
| Sr. No.               | Particulars                     | Gross Block         |               |              | Depreciation / Amortisation |                     |              |              | Net block           | Net block           |                     |
|                       |                                 | As at 31 March 2023 | Additions     | Deductions   | As at 31 March 2023         | As at 31 March 2023 | For the year | Deductions   | As at 31 March 2023 | As at 31 March 2023 | As at 31 March 2022 |
| <b>(i)</b>            | <b>Tangible Assets</b>          |                     |               |              |                             |                     |              |              |                     |                     |                     |
| (a)                   | Freehold Land                   | 6.64                | -             | -            | 6.64                        | -                   | -            | -            | -                   | 6.64                | 6.64                |
| (b)                   | Office Building and Premises    | 964.09              | 68.89         | -            | 1,032.98                    | 365.08              | 29.42        | -            | 394.50              | 638.48              | 599.01              |
| (c)                   | Plant & Equipments              | 178.60              | 14.48         | -            | 193.08                      | 136.92              | 9.92         | -            | 146.84              | 46.24               | 41.68               |
| (d)                   | Furniture and Fixtures          | 55.65               | 0.07          | -            | 55.72                       | 33.05               | 5.82         | -            | 38.87               | 16.85               | 22.60               |
| (e)                   | Vehicles                        | 232.50              | 53.53         | 23.45        | 262.58                      | 182.62              | 17.43        | 21.05        | 179.00              | 83.58               | 49.87               |
| (f)                   | Office Equipments               | 39.21               | 7.39          | -            | 46.60                       | 30.00               | 5.27         | -            | 35.27               | 11.33               | 9.21                |
| (g)                   | Computers                       | 47.10               | 25.97         | -            | 73.07                       | 37.13               | 10.06        | -            | 47.19               | 25.88               | 9.97                |
| (h)                   | Leasehold Improvements          | 62.87               | -             | -            | 62.87                       | 59.63               | -            | -            | 59.63               | 3.24                | 3.23                |
| (i)                   | Building - Temporary Structures | 3.91                | -             | -            | 3.91                        | 3.68                | -            | -            | 3.68                | 0.23                | 0.24                |
| <b>(ii)</b>           | <b>Intangible Assets</b>        |                     |               |              |                             |                     |              |              |                     |                     |                     |
| (a)                   | Software                        | 27.08               | 0.52          | -            | 27.60                       | 19.25               | 3.57         | -            | 22.82               | 4.78                | 7.83                |
|                       | <b>Total</b>                    | <b>1,617.65</b>     | <b>170.85</b> | <b>23.45</b> | <b>1,765.05</b>             | <b>867.36</b>       | <b>81.49</b> | <b>21.05</b> | <b>927.81</b>       | <b>837.25</b>       | <b>750.29</b>       |

**KONSTELEC ENGINEERS LIMITED**  
**Notes forming part of the consolidated financial statements**  
**(All amounts in rupees lakhs, except per share data and as stated otherwise)**

| As at 31st March 2022 |                                 |                       |              |              |                             |                       |              |              |                        |                        |                        |
|-----------------------|---------------------------------|-----------------------|--------------|--------------|-----------------------------|-----------------------|--------------|--------------|------------------------|------------------------|------------------------|
| Sr. No.               | Particulars                     | Gross Block           |              |              | Depreciation / Amortisation |                       |              |              | Net block              | Net block              |                        |
|                       |                                 | As at<br>1 April 2021 | Additions    | Deductions   | As at<br>31 March 2022      | As at<br>1 April 2021 | For the year | Deductions   | As at<br>31 March 2022 | As at<br>31 March 2022 | As at<br>31 March 2021 |
| <b>(i)</b>            | <b>Tangible Assets</b>          |                       |              |              |                             |                       |              |              |                        |                        |                        |
| (a)                   | Freehold Land                   | 6.64                  | -            | -            | 6.64                        | -                     | -            | -            | -                      | 6.64                   | 6.64                   |
| (b)                   | Office Building and Premises    | 964.09                | -            | -            | 964.09                      | 334.71                | 30.37        | -            | 365.08                 | 599.01                 | 629.38                 |
| (c)                   | Plant & Equipments              | 168.32                | 14.66        | 4.37         | 178.60                      | 131.88                | 7.71         | 2.67         | 136.92                 | 41.68                  | 36.44                  |
| (d)                   | Furniture and Fixtures          | 33.25                 | 22.40        | -            | 55.65                       | 29.59                 | 3.46         | -            | 33.05                  | 22.60                  | 3.65                   |
| (e)                   | Vehicles                        | 241.27                | -            | 8.77         | 232.50                      | 170.29                | 20.65        | 8.32         | 182.62                 | 49.87                  | 70.98                  |
| (f)                   | Office Equipments               | 33.97                 | 5.58         | 0.34         | 39.21                       | 27.35                 | 2.98         | 0.32         | 30.00                  | 9.21                   | 6.62                   |
| (g)                   | Computers                       | 38.82                 | 8.28         | -            | 47.10                       | 31.94                 | 5.19         | -            | 37.13                  | 9.97                   | 6.88                   |
| (h)                   | Leasehold Improvements          | 62.87                 | -            | -            | 62.87                       | 57.36                 | 2.27         | -            | 59.63                  | 3.23                   | 5.50                   |
| (i)                   | Building - Temporary Structures | 3.91                  | -            | -            | 3.91                        | 3.68                  | -            | -            | 3.68                   | 0.24                   | 0.24                   |
| <b>(ii)</b>           | <b>Intangible Assets</b>        | -                     | -            | -            | -                           | -                     | -            | -            | -                      | -                      | -                      |
| (a)                   | Software                        | 24.45                 | 2.63         | -            | 27.08                       | 14.35                 | 4.90         | -            | 19.25                  | 7.83                   | 10.10                  |
|                       | <b>Total</b>                    | <b>1,577.59</b>       | <b>53.55</b> | <b>13.49</b> | <b>1,617.65</b>             | <b>801.15</b>         | <b>77.53</b> | <b>11.32</b> | <b>867.36</b>          | <b>750.29</b>          | <b>776.44</b>          |

| As at 31st March 2021 |                                 |                       |               |             |                             |                       |              |             |                        |                        |                        |
|-----------------------|---------------------------------|-----------------------|---------------|-------------|-----------------------------|-----------------------|--------------|-------------|------------------------|------------------------|------------------------|
| Sr. No.               | Particulars                     | Gross Block           |               |             | Depreciation / Amortisation |                       |              |             | Net block              | Net block              |                        |
|                       |                                 | As at<br>1 April 2020 | Additions     | Deductions  | As at<br>31 March 2021      | As at<br>1 April 2020 | For the year | Deductions  | As at<br>31 March 2021 | As at<br>31 March 2021 | As at<br>31 March 2020 |
| <b>(i)</b>            | <b>Tangible Assets</b>          |                       |               |             |                             |                       |              |             |                        |                        |                        |
| (a)                   | Freehold Land                   | 6.64                  | -             | -           | 6.64                        | -                     | -            | -           | -                      | 6.64                   | 6.64                   |
| (b)                   | Office Building and Premises    | 881.89                | 82.20         | -           | 964.09                      | 305.33                | 29.38        | -           | 334.71                 | 629.38                 | 576.57                 |
| (c)                   | Plant & Equipments              | 165.33                | 2.99          | -           | 168.32                      | 120.56                | 11.32        | -           | 131.88                 | 36.44                  | 44.76                  |
| (d)                   | Furniture and Fixtures          | 33.15                 | 0.10          | -           | 33.25                       | 27.90                 | 1.69         | -           | 29.59                  | 3.65                   | 5.25                   |
| (e)                   | Vehicles                        | 219.03                | 27.22         | 4.98        | 241.27                      | 147.24                | 27.77        | 4.72        | 170.29                 | 70.98                  | 71.78                  |
| (f)                   | Office Equipments               | 30.57                 | 3.40          | -           | 33.97                       | 23.30                 | 4.04         | -           | 27.35                  | 6.62                   | 7.27                   |
| (g)                   | Computers                       | 33.16                 | 5.67          | -           | 38.82                       | 26.18                 | 5.76         | -           | 31.94                  | 6.88                   | 6.97                   |
| (h)                   | Leasehold Improvements          | 62.87                 | -             | -           | 62.87                       | 52.85                 | 4.52         | -           | 57.36                  | 5.50                   | 10.02                  |
| (i)                   | Building - Temporary Structures | 3.91                  | -             | -           | 3.91                        | 3.52                  | 0.16         | -           | 3.68                   | 0.24                   | 0.40                   |
| <b>(ii)</b>           | <b>Intangible Assets</b>        | -                     | -             | -           | -                           | -                     | -            | -           | -                      | -                      | -                      |
| (a)                   | Software                        | 22.36                 | 2.09          | -           | 24.45                       | 6.95                  | 7.39         | -           | 14.35                  | 10.10                  | 15.40                  |
|                       | <b>Total</b>                    | <b>1,458.90</b>       | <b>123.67</b> | <b>4.98</b> | <b>1,577.59</b>             | <b>713.83</b>         | <b>92.04</b> | <b>4.72</b> | <b>801.15</b>          | <b>776.44</b>          | <b>745.07</b>          |

**KONSTELEC ENGINEERS LIMITED**  
Notes forming part of the consolidated financial statements  
(All amounts in rupees lakhs, except per share data and as stated otherwise)

**Note 11 Restated Statement of Non Current investment**

| Particulars   | As at 30 September 2023 | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2021 |
|---|-------------------------|---------------------|---------------------|---------------------|
| <b>Non Trade Investment (Unquoted &amp; Quoted)</b> |                         |                     |                     |                     |
| In Mutual Funds - Quoted                            | 24.00                   | 82.88               | 174.95              | 92.07               |
| In Equity Instruments Quoted                        | 0.00                    | 73.76               | 71.88               | 97.33               |
| <b>Total</b>  | <b>24.00</b>            | <b>156.64</b>       | <b>246.83</b>       | <b>189.39</b>       |

(Amount in ₹ Lakhs)

| Particulars                          | As at 30 September 2023 | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2021 |
|--------------------------------------|-------------------------|---------------------|---------------------|---------------------|
| <b>Aggregate Cost of Investments</b> |                         |                     |                     |                     |
| Quoted                               | 24.00                   | 156.64              | 246.83              | 189.39              |
| <b>Aggregate Market Value</b>        |                         |                     |                     |                     |
| Quoted MF                            | 27.85                   | 77.30               | 195.09              | 107.02              |
| Quoted Equity                        | 0.24                    | 101.39              | 85.45               | 151.99              |

**Note 12 Restated Statement of Deferred Tax Asset**

(Amount in ₹ Lakhs)

| Particulars   | As at 30 September 2023 | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2021 |
|---|-------------------------|---------------------|---------------------|---------------------|
| <b>Deferred Tax Asset</b>                           |                         |                     |                     |                     |
| Related to Fixed Assets, Leave encashment and Bonus | 10.22                   | 0.48                | 5.63                | 8.53                |
| <b>Total</b>  | <b>10.22</b>            | <b>0.48</b>         | <b>5.63</b>         | <b>8.53</b>         |

**Note 13 Restated Statement of Other non current assets**

(Amount in ₹ Lakhs)

| Particulars                                  | As at 30 September 2023 | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2021 |
|--|-------------------------|---------------------|---------------------|---------------------|
| Unsecured considered Good - Security Deposit | 74.57                   | 61.32               | 55.24               | 52.35               |
| <b>Total</b>                                 | <b>74.57</b>            | <b>61.32</b>        | <b>55.24</b>        | <b>52.35</b>        |

**Note 14 Restated Statement of Long-term loans and advances**

(Amount in ₹ Lakhs)

| Particulars            | As at 30 September 2023 | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2021 |
|------------------------|-------------------------|---------------------|---------------------|---------------------|
| Capital Advances       | 46.74                   | 40.95               | -                   | -                   |
| Prepaid expenses       | 22.76                   | 8.60                | -                   | -                   |
| Share of Joint Venture | 15.28                   | 15.28               | 15.28               | 15.41               |
| <b>Total</b>           | <b>84.78</b>            | <b>64.82</b>        | <b>15.28</b>        | <b>15.41</b>        |

**Note 15 Restated Statement of Trade receivables**

(Amount in ₹ Lakhs)

| Particulars  | As at 30 September 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|--|-------------------------|-----------------------|-----------------------|-----------------------|
| <b>(Unsecured and Considered Good)</b>   |                         |                       |                       |                       |
| <b>a. From Directors/Promoters/ Promoter Group/Associates/Relatives of Directors / Group Companies</b> |                         |                       |                       |                       |
| <b>Upto 6 Months</b>   |                         |                       |                       |                       |
| Less than 6 months   |                         |                       |                       |                       |
| 6 months to 1 Year   |                         |                       |                       |                       |
| 1-2 Years  |                         |                       |                       |                       |
| 2-3 Years  |                         |                       |                       |                       |
| More than 3 Years  |                         |                       |                       |                       |
| <b>b. From Others</b>  |                         |                       |                       |                       |
| Less than 6 months   | 2,006.54                | 3,675.02              | 3,836.81              | 2,196.15              |
| 6 months to 1 Year   | 670.57                  | 437.73                | 382.28                | 224.03                |
| 1-2 Years  | 711.46                  | 465.68                | 270.58                | 416.66                |
| 2-3 Years  | 188.93                  | 205.62                | 312.38                | 148.48                |
| <b>More than 3 Years</b>   | 599.56                  | 533.21                | 325.62                | 284.41                |
| <b>Total</b>   | <b>4,177.06</b>         | <b>5,317.25</b>       | <b>5,127.67</b>       | <b>3,269.74</b>       |

**KONSTELEC ENGINEERS LIMITED**  
Notes forming part of the consolidated financial statements  
(All amounts in rupees lakhs, except per share data and as stated otherwise)

**Note 16 Restated Statement of Cash and Bank balances**

(Amount in ₹ Lakhs)

| Particulars  | As at 30 September 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|--|-------------------------|-----------------------|-----------------------|-----------------------|
| <b>Cash and Cash equivalents</b>   |                         |                       |                       |                       |
| Cash on hand   | 3.83                    | 3.84                  | 5.94                  | 6.08                  |
| <b>Bank Balances</b>   |                         |                       |                       |                       |
| - Current Accounts   | 61.61                   | 37.19                 | 56.49                 | 141.23                |
| - Deposit Accounts (Deposits with original maturity of 3 months)   |                         | -                     | -                     | -                     |
| <b>Other Bank Balances</b>   |                         |                       |                       |                       |
| Deposits with Original maturity for more than 3 Months and less than equal to 12 months (held as margin money or security against the borrowings, guarantees and letter of credit) | 1,027.20                | 927.87                | 383.79                | 378.81                |
| Bank Deposits with remaining maturity for more than twelve months (held as margin money or security against the borrowings, gurantee and letter of credit)                         | 449.62                  | 242.27                | 540.50                | 623.87                |
| Share of Joint Venture   | 1.03                    | 1.03                  | 1.04                  | 0.91                  |
| <b>Total</b>   | <b>1,543.29</b>         | <b>1,212.20</b>       | <b>987.77</b>         | <b>1,150.90</b>       |

**Note 17 Restated Statement of Short-term loans and advances**

(Amount in ₹ Lakhs)

| Particulars                             | As at 30 September 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|---|-------------------------|-----------------------|-----------------------|-----------------------|
| <b>Unsecured - Considered Good</b>      |                         |                       |                       |                       |
| Earnest Money Deposits                  | 72.95                   | 49.54                 | 76.49                 | 88.29                 |
| Prepaid expenses                        | 64.34                   | 62.64                 | 57.01                 | 74.14                 |
| Loans to employees                      | 24.88                   | 32.29                 | 29.52                 | 24.24                 |
| Duty Drawback receivable                | -                       | -                     | 12.83                 | -                     |
| Trade advances                          | 314.63                  | 355.85                | 317.69                | 413.37                |
| Income tax payments (Net of provisions) | 98.07                   | 58.85                 | 125.13                | 92.51                 |
| Balances with government authorities    | 542.16                  | 661.22                | 475.04                | 721.48                |
| Advance given to employees (Imprest)    | 11.04                   | -                     | 5.06                  | 3.31                  |
| Share of Joint Venture                  | 0.94                    | 0.97                  | 0.97                  | 0.95                  |
| Others                                  | 0.22                    | 7.04                  | 2.06                  | 1.41                  |
| <b>Total</b>                            | <b>1,129.23</b>         | <b>1,228.41</b>       | <b>1,101.80</b>       | <b>1,419.70</b>       |

**Note 18 Restated Statement of Other Current Assets**

(Amount in ₹ Lakhs)

| Particulars                        | As at 30 September 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|------------------------------------|-------------------------|-----------------------|-----------------------|-----------------------|
| Unbilled Receivables               | 8,226.74                | 5,734.20              | 3,593.92              | 3,481.56              |
| Receivable on MF Redemption        | 154.26                  | -                     | -                     | -                     |
| Accured interest on fixed deposits | 2.80                    | 0.44                  | -                     | -                     |
| <b>Total</b>                       | <b>8,383.79</b>         | <b>5,734.63</b>       | <b>3,593.92</b>       | <b>3,481.56</b>       |

**KONSTELEC ENGINEERS LIMITED**  
Notes forming part of the consolidated financial statements  
(All amounts in rupees lakhs, except per share data and as stated otherwise)

**Note No 19 Restated Statement of Revenue From Operations**

(Amount in ₹ Lakhs)

| Particulars                        | For the period ended 30<br>September, 2023 | For the year ended 31<br>March 2023 | For the year ended 31<br>March 2022 | For the year ended 31<br>March 2021 |
|------------------------------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Sale of products (Refer Note 19.1) | 335.70                                     | 1,170.54                            | 2,371.95                            | 1,114.88                            |
| Sale of services                   | 651.04                                     | 2,992.46                            | 510.03                              | 319.35                              |
| Composite Supply                   | 8,318.53                                   | 11,177.50                           | 7,822.74                            | 9,055.20                            |
| <b>Total</b>                       | <b>9,305.27</b>                            | <b>15,340.49</b>                    | <b>10,704.72</b>                    | <b>10,489.43</b>                    |

**Note No 19.1**

(Amount in ₹ Lakhs)

| Particulars             | For the period ended 30<br>September, 2023 | For the year ended 31<br>March 2023 | For the year ended 31<br>March 2022 | For the year ended 31<br>March 2021 |
|-------------------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| <u>Sale of products</u> |  |                                     |                                     |                                     |
| Export Sales            | 17.14                                      | 699.07                              | 1,160.43                            | 460.71                              |
| Domestic Sales          | 318.56                                     | 471.47                              | 1,211.53                            | 654.16                              |
| <b>Total</b>            | <b>335.70</b>                              | <b>1,170.54</b>                     | <b>2,371.95</b>                     | <b>1,114.88</b>                     |

**Note No 20 Restated Statement of Other Income**

(Amount in ₹ Lakhs)

| Particulars                                 | For the period ended 30<br>September, 2023 | For the year ended 31<br>March 2023 | For the year ended 31<br>March 2022 | For the year ended 31<br>March 2021 |
|---|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Interest Income ( Refer Sub-Note Below)     | 31.69                                      | 45.63                               | 44.71                               | 62.26                               |
| Interest on Income Tax                      | -  | -                                   | -                                   | 10.40                               |
| Miscellaneous Income                        | 10.29                                      | 7.47                                | 0.07                                | 9.97                                |
| Rental Income                               | 24.45                                      | 40.84                               | 16.98                               | 11.35                               |
| Capital Gain                                | 45.22                                      | 11.98                               | 93.64                               | -                                   |
| Dividend Income                             | 0.22                                       | 1.75                                | 2.13                                | 1.28                                |
| Profit on sale of fixed assets (Net)        | -  | 2.38                                | 0.89                                | 0.06                                |
| Share of Joint Venture                      | -  | -                                   | 0.02                                | 0.01                                |
| Liabilities no longer required written back | 12.76                                      | 2.24                                | 9.50                                | 33.88                               |
| Foreign Exchange Fluctuation (net)          | 4.15                                       | 38.93                               | 16.81                               | -2.22                               |
| Duty Drawback                               | -  | 8.34                                | 12.83                               | 0.73                                |
| <b>Total</b>                                | <b>128.78</b>                              | <b>159.56</b>                       | <b>197.59</b>                       | <b>127.73</b>                       |

**Interest Income Comprises of :-**

|                   |              |              |              |              |
|-------------------|--------------|--------------|--------------|--------------|
| On Fixed Deposits | 31.69        | 45.63        | 44.71        | 62.26        |
| <b>Total</b>      | <b>31.69</b> | <b>45.63</b> | <b>44.71</b> | <b>62.26</b> |

**Note No 21 Restated Statement of Purchases**

(Amount in ₹ Lakhs)

| Particulars                            | For the period ended 30<br>September, 2023 | For the year ended 31<br>March 2023 | For the year ended 31<br>March 2022 | For the year ended 31<br>March 2021 |
|--|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Raw Materials consumed during the year | 4,248.30                                   | 7,398.65                            | 4,012.79                            | 4,064.96                            |
| <b>Total</b>                           | <b>4,248.30</b>                            | <b>7,398.65</b>                     | <b>4,012.79</b>                     | <b>4,064.96</b>                     |

Note: There is no segregation of purchases of stock-in-trade and for composite contracts

**Note No 22 Restated Statement of Employee Benefits Expenses**

(Amount in ₹ Lakhs)

| Particulars                               | For the period ended 30<br>September, 2023 | For the year ended 31<br>March 2023 | For the year ended 31<br>March 2022 | For the year ended 31<br>March 2021 |
|---|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Salaries, Wages and Bonus                 | 1,213.14                                   | 2,013.43                            | 1,478.49                            | 1,453.44                            |
| Contribution to Provident and Other Funds | 199.64                                     | 315.01                              | 268.19                              | 238.74                              |
| Staff Welfare                             | 34.80                                      | 44.51                               | 31.99                               | 28.24                               |
| <b>Total</b>                              | <b>1,447.58</b>                            | <b>2,372.95</b>                     | <b>1,778.67</b>                     | <b>1,720.43</b>                     |



**KONSTELEC ENGINEERS LIMITED**  
Notes forming part of the consolidated financial statements  
(All amounts in rupees lakhs, except per share data and as stated otherwise)

**Note No 23 Restated Statement of Finance Costs**

(Amount in ₹ Lakhs)

| Particulars                  | For the period ended 30<br>September, 2023 | For the year ended 31<br>March 2023 | For the year ended 31<br>March 2022 | For the year ended 31<br>March 2021 |
|------------------------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Interest on Loan/Cash Credit | 232.81                                     | 348.76                              | 218.08                              | 213.09                              |
| LC Charges                   | 16.60                                      | 30.05                               | 5.27                                | 23.89                               |
| <b>Total</b>                 | <b>249.40</b>                              | <b>378.80</b>                       | <b>223.34</b>                       | <b>236.98</b>                       |

**Note No 24 Restated Statement of Other Expenses**

(Amount in ₹ Lakhs)

| Particulars   | For the period ended 30<br>September, 2023 | For the year ended 31<br>March 2023 | For the year ended 31<br>March 2022 | For the year ended 31<br>March 2021 |
|---|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Bank Guarantee Charges                                | 21.64                                      | 49.89                               | 70.19                               | 96.09                               |
| Bank Charges  | 4.57                                       | 13.63                               | 4.13                                | 3.97                                |
| Processing fees and related expenses                  | 17.15                                      | 44.23                               | 29.46                               | 26.11                               |
| Discount/Brokerage/Commission                         | 44.92                                      | 2.22                                | 4.37                                | 8.56                                |
| Late delivery charges                                 | -  | -                                   | 5.56                                | 9.22                                |
| Site expenses   | 51.78                                      | 48.39                               | 37.66                               | 17.72                               |
| Power & Fuel  | 11.29                                      | 12.70                               | 9.77                                | 8.63                                |
| Rent  | 120.37                                     | 185.02                              | 140.50                              | 117.08                              |
| Rates and Taxes                                       | 37.07                                      | 52.09                               | 27.10                               | 42.67                               |
| Tax, Interest and Fee on Delayed Payment of Taxes     | 32.56                                      | 2.58                                | 114.49                              | 19.69                               |
| Repairs and Maintenance                               | 22.14                                      | 41.20                               | 15.02                               | 12.40                               |
| Insurance   | 11.52                                      | 27.49                               | 27.60                               | 30.64                               |
| Sub-Contractors's and General Labour Payments         | 2,013.80                                   | 2,899.00                            | 3,249.40                            | 3,367.22                            |
| Legal and Professional Fees                           | 74.65                                      | 105.08                              | 60.55                               | 44.46                               |
| ROC Expenses (Increase in Capital and Issue of Bonus) | 18.05                                      | -                                   | -                                   | -                                   |
| Payment to Auditors (Refer note below)                | 5.75                                       | 8.00                                | 9.04                                | 6.15                                |
| Travelling and Conveyance Expenses                    | 324.93                                     | 443.80                              | 301.83                              | 239.66                              |
| Advertising & Sales Promotion Expenses                | 6.87                                       | 0.87                                | 0.03                                | 0.39                                |
| Transport, Freight and Octroi charges                 | 22.73                                      | 61.21                               | 14.36                               | 44.08                               |
| Printing and Stationery                               | 6.55                                       | 11.41                               | 9.21                                | 6.03                                |
| Postage and courier charges                           | 2.02                                       | 4.98                                | 3.44                                | 1.45                                |
| Export related Expenses                               | 0.81                                       | 56.83                               | 77.42                               | 22.51                               |
| Communication cost                                    | 3.00                                       | 6.20                                | 4.05                                | 4.92                                |
| Bad debts written off                                 | -  | -                                   | 38.57                               | 13.28                               |
| Donation  | 1.49                                       | 3.00                                | 2.71                                | 2.81                                |
| IPO Expenses  | 6.74                                       | -                                   | -                                   | -                                   |
| Membership and Subscription Expenses                  | 0.41                                       | 0.56                                | 0.23                                | 0.11                                |
| Inspection Charges                                    | 4.38                                       | 4.75                                | 3.47                                | 7.93                                |
| Miscellaneous Expenditure                             | 21.49                                      | 50.89                               | 62.17                               | 54.62                               |
| Share of Joint Venture                                | 0.22                                       | 0.14                                | 0.05                                | 0.05                                |
| CSR expenses  | 12.56                                      | 10.89                               | 6.50                                | 14.88                               |
| Provision for expected loss                           | -  | 7.14                                | -                                   | -                                   |
| Prior Period Expenses                                 | -  | 0.17                                | -                                   | -                                   |
| <b>Total</b>  | <b>2,901.48</b>                            | <b>4,154.36</b>                     | <b>4,328.88</b>                     | <b>4,223.33</b>                     |

**Restated Statement of Payment to Auditor**

(Amount in ₹ Lakhs)

| Particulars                                  | For the period ended 30<br>September, 2023 | For the year ended 31<br>March 2023 | For the year ended 31<br>March 2022 | For the year ended 31<br>March 2021 |
|--|--|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>As auditor:</b>                           |  |                                     |                                     |                                     |
| Audit fee                                    | 2.75                                       | 2.75                                | 2.20                                | 2.20                                |
| Tax audit fee                                | -  | 0.75                                | 0.75                                | 0.75                                |
| <b>In other capacity:</b>                    |  |                                     |                                     |                                     |
| Taxation matters                             | -  | 3.25                                | 5.20                                | 2.54                                |
| Management services (including certificates) | 3.00                                       | 1.25                                | 0.89                                | 0.66                                |
| Reimbursement of expenses                    | -  | -                                   | -                                   | -                                   |
|  | <b>5.75</b>                                | <b>8.00</b>                         | <b>9.04</b>                         | <b>6.15</b>                         |

**KONSTELEC ENGINEERS LIMITED**  
**Notes forming part of the consolidated financial statements**  
**(All amounts in rupees lakhs, except per share data and as stated otherwise)**

**25 Contingent Liabilities**

There are certain on-going litigations as at 30th September, 2023 under various state and central tax legislations, the outcome of which is unascertainable. The company is contesting the demands and the management believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.

| Nature of Transaction  | Nature of Dues        | Amount involved (Rs. Lakhs) | Period to which amount relates |
|--|-----------------------|-----------------------------|--------------------------------|
| 250 of Income Tax Act, 1961  | Income Tax            | 0.79                        | A.Y. 2005-06                   |
| 143(1) of Income Tax Act, 1961   | Income Tax            | 63.39                       | A.Y. 2008-09                   |
| 154 of Income Tax Act, 1961  | Income Tax            | 13.41                       | A.Y. 2009-10                   |
| 143(1) of Income Tax Act, 1961   | Income Tax            | 84.63                       | A.Y. 2010-11                   |
| 143(3 of Income Tax Act, 1961  | Income Tax            | 15.09                       | A.Y. 2012-13                   |
| 271(1)(c) of Income Tax Act, 1961  | Income Tax            | 0.50                        | A.Y. 2012-13                   |
| 143(3) of Income Tax Act, 1961   | Income Tax            | 2.63                        | A.Y. 2013-14                   |
| 143(3) of Income Tax Act, 1961   | Income Tax            | 0.34                        | A.Y. 2015-16                   |
| 143(1) of Income Tax Act, 1961   | Income Tax            | 1.38                        | A.Y. 2018-19                   |
| 143(1) of Income Tax Act, 1961   | Income Tax            | 19.82                       | A.Y. 2020-21                   |
| 143(1) of Income Tax Act, 1961   | Income Tax            | 9.54                        | A.Y. 2023-24                   |
| TDS Defaults   | Income Tax            | 7.72                        | A.Y. 2023-24                   |
| TDS Defaults   | Income Tax            | 0.38                        | A.Y. 2022-23                   |
| TDS Defaults   | Income Tax            | 0.55                        | A.Y. 2021-22                   |
| TDS Default  | Income Tax            | 3.12                        | A.Y. 2019-20                   |
| TDS Default  | Income Tax            | 8.97                        | Prior Years                    |
| Show Cause Notice in Form GST DRC-01:- ITC Mismatch GSTR-3B Vs GSTR-2A   | Good and Services Tax | 5.94                        | F.Y. 2020-21                   |
| Show Cause Notice in Form GST DRC- 01 Comparison of (GSTR 3B Vs GSTR 7), | Good and Services Tax | 10.83                       | F.Y. 2019-20                   |
| Show Cause Notice in Form GST DRC -01 Comparison of (GSTR 1 Vs GSTR 7)   | Good and Services Tax | 130.86                      | F.Y. 2018-19                   |
| Show Cause Notice in Form GST DRC- 01 GSTR 3B Vs GSTR 9 Vs 26AS          | Good and Services Tax | 4.61                        | F.Y. 2018-19                   |
| GST DRC-01: Difference in GSTR 3B vs GSTR 2A                             | Good and Services Tax | 14.31                       | F.Y. 2017-18                   |
| GST DRC-01: Difference in GSTR 3B vs GSTR 2A                             | Good and Services Tax | 2.78                        | F.Y. 2017-18                   |
| GST DRC-01: Difference in GSTR 3B vs GSTR 2A                             | Good and Services Tax | 9.41                        | F.Y. 2017-18                   |
| GST DRC-01: Difference in GSTR 3B vs GSTR 2A                             | Good and Services Tax | 5.53                        | F.Y. 2017-18                   |
| GST DRC-01: Difference in GSTR 3B vs GSTR 2A                             | Good and Services Tax | 1.32                        | F.Y. 2018-19                   |
| GST DRC-01: Difference in GSTR 2A vs 3B                                  | Good and Services Tax | 34.49                       | F.Y. 2021-22                   |
| GST DRC-01: Turnover Mismatch (GSTR-7 Vs GSTR-1) and ITC Mismatch        | Good and Services Tax | 6.30                        | F.Y. 2020-21                   |
| GST DRC-01: Turnover Mismatch (GSTR-7 Vs GSTR-1) and ITC Mismatch        | Good and Services Tax | 1.13                        | F.Y. 2020-21                   |
| GST DRC-01: Turnover Mismatch (GSTR-7 Vs GSTR-1) and ITC Mismatch        | Good and Services Tax | 4.32                        | F.Y. 2019-20                   |
| GST DRC-01: Turnover Mismatch (GSTR-7 Vs GSTR-1) and ITC Mismatch        | Good and Services Tax | 6.55                        | F.Y. 2019-20                   |
| SCN for Penalty  | Good and Services Tax | 0.20                        | F.Y. 2017-18                   |
| GST DRC-01: ITC Mismatch GSTR-3B Vs GSTR-2A                              | Good and Services Tax | 25.88                       | F.Y. 2017-18                   |

26 The company has future capital commitments to be paid as on 31st March 2023 amounting to Rs.23.89 lakhs.

27 The Company has availed letter of credit facility with ICICI Bank, HDFC Bank and Bank of Baroda for the below amount towards creditors for purchase of materials  
For 31st March, 2021- Rs. 354.85 lakhs  
For 31st March, 2022- Rs. 1362.13 lakhs  
For 31st March, 2023- Rs. 1969.82 lakhs  
For 30th September, 2023 - Rs. 2208.39 lakhs  
The Company has no outstanding forward booking contract.

**KONSTELEC ENGINEERS LIMITED**  
Notes forming part of the consolidated financial statements  
(All amounts in rupees lakhs, except per share data and as stated otherwise)

28 Amounts due to Micro Small and Medium Enterprises  
Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

| Particulars   | (Amount in ₹ Lakhs)        |                        |                        |                        |
|---|----------------------------|------------------------|------------------------|------------------------|
|   | As at 30th September, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
| The principal amount remaining unpaid to any supplier at the end of the year  | 936.77                     | 778.99                 | 501.05                 | 75.57                  |
| Interest due remaining unpaid to any supplier at the end of the year  | -                          | -                      | -                      | -                      |
| The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year  | -                          | -                      | -                      | -                      |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006  | -                          | -                      | -                      | -                      |
| The amount of interest accrued and remaining unpaid at the end of each accounting year  | -                          | -                      | -                      | -                      |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006 | -                          | -                      | -                      | -                      |
| <b>Note:</b> The above information is compiled by the Company on the basis of the information made available by vendors and the same has been relied upon by the Statutory Auditors.  |                            |                        |                        |                        |

29 Balances of Sundry Debtors, Advances and Sundry Creditors are subject to confirmation.

30 Details of Foreign exchange inflows and outflows

Details of earning in foreign exchange

| Particulars                                      | (Amount in ₹ Lakhs)                     |                                  |                                  |                                  |
|--|---|----------------------------------|----------------------------------|----------------------------------|
|  | For the period ended 30 September, 2023 | For the year ended 31 March 2023 | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
| Export of goods/services calculated on FOB basis | 17.14                                   | 699.07                           | 1160.43                          | 460.71                           |

Details of expenditure in foreign exchange

| Particulars                             | (Amount in ₹ Lakhs)                     |                                  |                                  |                                  |
|---|---|----------------------------------|----------------------------------|----------------------------------|
|   | For the period ended 30 September, 2023 | For the year ended 31 March 2023 | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
| Expenditure on account of other matters | 0.0714                                  | 3.38                             | 0.08                             | 0.00                             |

31 Disclosure under Accounting Standard 15 (revised 2005) "Employee Benefits"

Defined Contribution Plans:

The Company has availed a Group Gratuity scheme for its employees from Life Insurance Corporation of India and the Life Insurance Corporation gives actuarial valuation which is certified by their in house actuary and the same is relied upon by the auditors.

The Company has recognized the amounts in the Profit and Loss Account under the head Company's Contribution to Provident Fund: Rs. 172.20 lakhs for period ending on 30th September 2023, Rs. 250.11 lakhs for 31st March 2023, Rs. 196.06 lakhs for 31st March 2022 and Rs. 172.80 lakhs for 31st March 2021.

| Particulars  | 31-03-23       | 31-03-22       |
|--|----------------|----------------|
| <b>a) The amounts recognized in the balance sheet</b>                                  |                |                |
| Present value of obligations as at the end of year                                     | 189.54         | 166.90         |
| Fair value of plan assets as at the end of the year                                    | 165.12         | 146.90         |
| <b>Net asset/(liability) recognized in balance sheet</b>                               | <b>(24.42)</b> | <b>(20.01)</b> |
| <b>b) Reconciliation of opening and closing balances of Defined Benefit Obligation</b> |                |                |
| Present value of obligations as at beginning of year                                   | 166.90         | 160.75         |
| Interest cost  | 12.10          | 11.65          |
| Current Service Cost   | 11.24          | 10.09          |
| Benefits Paid  | (23.08)        | (32.54)        |
| Actuarial (gain)/ loss on obligations  | 22.38          | 16.95          |
| <b>Present value of obligations as at end of year</b>                                  | <b>189.54</b>  | <b>166.90</b>  |
| <b>c) Reconciliation of opening and closing balances of fair value of Plan Assets</b>  |                |                |
| Fair value of plan assets at beginning of year   | 146.90         | 149.49         |
| Expected return on plan assets   | 10.06          | 8.53           |
| Contributions  | 31.24          | 21.42          |
| Benefits Paid  | (23.08)        | (32.54)        |
| Actuarial gain/(loss) on Plan assets   | NIL            | NIL            |
| <b>Fair value of plan assets at the end of year</b>                                    | <b>165.12</b>  | <b>146.90</b>  |
| <b>d) Actuarial Assumptions</b>  |                |                |
| Discount Rate  | 7.25%          | 7.25%          |
| Salary Escalation  | 4.00%          | 4.00%          |

The above information cannot be compiled for Period ending on 30th September, 2023 and FY 20-21 as the AS-15 report is not available with the company.

32 Segment Reporting (AS-17)

The Company has only one reportable segment i.e. electrical and EPC contracts and hence separate disclosure requirement of AS-17 Segment Reporting does not arise for any of the financial years

34 Earnings Per Equity Share (AS - 20)

Basic and Diluted earning per equity share :

| Particulars                                |                 | For the period ended 30 September, 2023 | For the year ended 31 March 2023 | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|--|-----------------|---|----------------------------------|----------------------------------|----------------------------------|
| <b>Numerator:</b>                          |                 |   |                                  |                                  |                                  |
| Profit after tax                           | Rupees in lakhs | 456.16                                  | 777.77                           | 352.25                           | 190.34                           |
| <b>Denominator:</b>                        |                 |   |                                  |                                  |                                  |
| Weighted average number of equity shares   | Number          | 11000000                                | 11000000                         | 11000000                         | 11000000                         |
| Nominal value of equity shares             | Rupees          | 10.00                                   | 10.00                            | 10.00                            | 10.00                            |
| Basic and Diluted earning per equity share | Rupees          | 4.15                                    | 7.07                             | 3.20                             | 1.73                             |

Note: EPS is calculated considering the effect of 1,00,00,000 Bonus Equity Shares allotted on July 07, 2023 in the ratio of 10:1 i.e., 10 (Ten) New Equity Shares for every 1 (One) Equity Shares held as on record date

35 Operating lease: Company as lessee

Future minimum rentals payable under non-cancellable operating leases are Nil.

| Particulars                                 | As at 30th September, 2023 | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2021 |
|---|----------------------------|---------------------|---------------------|---------------------|
| Within one year                             | -                          | -                   | -                   | -                   |
| After one year but not more than five years | -                          | -                   | -                   | -                   |
| More than five years                        | -                          | -                   | -                   | -                   |
| <b>Total</b>                                | -                          | -                   | -                   | -                   |

**KONSTELEC ENGINEERS LIMITED**  
Notes forming part of the consolidated financial statements  
(All amounts in rupees lakhs, except per share data and as stated otherwise)

36 Summary of Accounting Ratios

Annexure I

| Particulars Ratios                              | As at 30 September 2023 | Reason for movement   | As at 31 March 2023 | Reason for movement  | As at 31 March 2022 | Reason for movement   | As at 31 March 2021 |
|---|-------------------------|---|---------------------|--|---------------------|---|---------------------|
| <b>Name of the ratios</b>                       |                         |   |                     |  |                     |   |                     |
| (a) Current Ratio (in times)                    | 1.68                    | Refer Note 36.1   | 1.73                | Refer Note 36.1  | 1.75                | Refer Note 36.1   | 1.86                |
| (b) Debt-Equity Ratio (in times)                | 0.62                    | Refer Note 36.1   | 0.57                | Refer Note 36.1  | 0.49                | Refer Note 36.1   | 0.50                |
| (c) Debt Service Coverage Ratio (in times)      | 1.36                    | Refer Note 36.1   | 1.61                | Refer Note 36.1  | 2.26                | Refer Note 36.1   | 2.09                |
| (d) Return on Equity Ratio (in %)               | 7.11%                   | Refer Note 36.3   | 13.39%              | Increase in Profit Margins   | 6.71%               | Increase in Profit Margins  | 3.81%               |
| (e) Inventory turnover ratio                    | -                       | Refer Note 36.2   | -                   | Refer Note 36.2  | -                   | Refer Note 36.2   | -                   |
| (f) Trade Receivables turnover ratio (in times) | 1.96                    | Refer Note 36.3   | 2.94                | Refer Note 36.1  | 2.55                | Refer Note 36.1   | 3.02                |
| (g) Trade payables turnover ratio(in times)     | 1.19                    | Refer Note 36.3   | 2.37                | Refer Note 36.1  | 1.86                | Refer Note 36.1   | 1.72                |
| (h) Net capital turnover ratio(in times)        | 1.52                    | Refer Note 36.3   | 2.70                | Refer Note 36.1  | 2.32                | Refer Note 36.1   | 2.43                |
| (i) Net profit ratio (in %)                     | 4.90%                   | Refer Note 36.1   | 5.07%               | Refer Note 36.1  | 3.29%               | Increase in Sales and Distribution of Fixed Overheads                               | 1.81%               |
| (j) Return on Capital employed(in %)            | 7.34%                   | Refer Note 36.3   | 15.40%              | Refer Note 36.1  | 8.73%               | Refer Note 36.1   | 6.79%               |
| (k) Return on investment(in %)                  | 34.09%                  | Current year lot of investments were sold which led to higher Return on Investments | 6.81%               | Previous year lot of investments were sold which led to higher Return on Investments | 43.91%              | Current Year lot of investments were sold which led to higher Return on Investments | 0.92%               |

Note 36.1

Reason for movement is not required since movement is less than 25%

Note 36.2

As The Company is engaged in Service Sector, Inventory consumption varies as per different projects' stage, So Inventory Turnover Ratio varies significantly

Note 36.3

Since Current year financials are for six month period, hence comparable is not feasible

37 Corporate Social Responsibility (CSR) expenditure

| Particulars   | For the period ended 30 September, 2023             | For the year ended 31 March 2023                    | For the year ended 31 March 2022                    | For the year ended 31 March 2021                    |
|---|---|---|---|---|
| 1. Amount required to be spent by the company during the year | 12.45   | 10.89   | 12.05   | 14.88   |
| 2. Amount of expenditure incurred on :                        |   |   |   |   |
| i) Construction/Acquisition of any asset                      | NA  | NA  | NA  | NA  |
| ii) On purpose other than (i) above                           | -   | 10.89   | 3.00  | 14.88   |
| 3.Shortfall at the end of the year                            | -   | -   | 9.05  | 0.00  |
| 4. Total of previous years shortfall                          | 5.33  | 5.33  | 52.69   | 53.81   |
| 5. Reason for shortfall                                       | The Company is not able to find any suitable agency | The Company is not able to find any suitable agency | The Company is not able to find any suitable agency | The Company is not able to find any suitable agency |
| 6. Nature of CSR Activities                                   | N.A.  | Education of weaker section                         | School Building extension                           | School Building extension                           |

Note: The Company had not transferred unspent amount of Rs.61.74 Lakhs till 31 March 2022 to Fund specified in Schedule VII to the Act within due date. However Rs.56.41 Lakhs has been spent mainly for education of weaker section in Financial year 2022-23. An amount of Rs 5.33 lakhs remains to be spent out of the earlier year's shortfall.

38 Title deeds of immovable property taken on lease by the Company not held in the name of the company

| Relevant line item in the Balance sheet | Description of item of property    | Gross Carrying Value    | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter / director | Property held since which date | Reason for not being held in the name of the company                        |
|---|------------------------------------|-------------------------|---------------------------------|---|--------------------------------|---|
| Others                                  | Property taken on lease by Company | NA (Refer note 1 below) | Amish Shah                      | Director/Promoter   | 01-Oct-12                      | Agreement between the company and the director/promoter is not yet prepared |
| Others                                  | Property taken on lease by Company |                         |                                 |   | Refer Note 2 below             |   |

Note 1: The Company has taken property on lease from Director/Promoter and paying rent. Therefore Gross carrying value of the property is not disclosed in above table.

Note 2: The Company has taken several properties on lease from various parties at various sites of the Company. The Company is of the opinion that it is not possible for the Company to execute each and every lease agreement and therefore in most of the cases, the lease contract is not formal or not executed in favour of lessee or not executed in any other manner.

39 Details of Benami Property held

There are no proceedings initiated or pending against the group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

40 Security of current assets against borrowings

The quarterly returns or statement filed by the company with such banks are in agreement with the books of accounts of the company except in cases where the amounts have been updated in books post submission of quarterly returns or statement for the reported periods.

41 Willful Defaulter

The Company is not declared as willful defaulter by any bank of financial institution or other lender during the reported periods.

42 Relationship with struck off Companies

The group do not have any transactions with Companies struck off during the reported periods.

43 Registration of charges or satisfaction with Registrar of Companies

1. No Registration of charge is registered with Registrar of Companies for 5 Vehicle loans amount outstanding as on 30 September 2023 of Rs. 24.46 Lakhs (P.Y. Rs. 34.19 Lakhs) and Loan against Asset amount outstanding as on 30 September 2023 of NIL (P.Y. Rs.34.37 Lakhs). Vehicles are registered at various locations and loan is taken on various dates.

44 Since the Company does not have any subsidiary, the provision of section 2 of clause 87 of the Act, read with Companies (Restriction on number of Layers) Rules, 2017, is not applicable to the Company.

45 Revaluation of Property, Plant and Equipment

There is no such revaluation of Property, Plant and equipment and Intangible assets during the reported periods

46 Utilization of Borrowed funds

The group have not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries during the reported periods

The group have not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries during the reported periods

**KONSTELEC ENGINEERS LIMITED**  
**Notes forming part of the consolidated financial statements**  
**(All amounts in rupees lakhs, except per share data and as stated otherwise)**

47 **Undisclosed Income**  
The group has not done any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any relevant provisions of the Income Tax Act, 1961 during the reported periods)

48 **Crypto currency or Virtual currency**  
The Group have not traded or invested in Crypto currency or virtual currency during the reported periods

49 Previous years figures have been regrouped/reclassified to confirm to current year's presentation.

As per our separate report of even date attached

For Shaparia Mehta & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No: 112350W / W-100051

Name : Sanjiv Mehta  
Partner  
Membership No.: 034950  
UDIN: 24034950BKCAXT2527  
Place: Mumbai  
Date: 08 January, 2024

For and on behalf of the Board of Directors

Chairman and Managing Director  
Biharilal Shah  
DIN: 00337318

Chief Financial Officer  
Mrs. Molly Antony  
PAN: AGAPA5417F

Whole Time Director  
Amish Shah  
DIN: 01415766

Company Secretary and Compliance Officer  
Ms. Shatabdi Salve  
PAN: DEIPS6143M

**KONSTELEC ENGINEERS LIMITED**  
**Notes forming part of the consolidated financial statements**  
**(All amounts in rupees lakhs, except per share data and as stated otherwise)**

**Related Party disclosure (AS-18)**

As per Accounting Standard (AS-18), issued by the Institute of Chartered Accountants of India, the disclosure of transactions with related parties as defined in the Accounting Standard is given below:

**List of Related Parties with Names of related parties where control exists irrespective of whether transaction have occurred or not:**

| Particulars   | Related Parties   |
|---|---|
| Key Management Personnel  | 1. Biharilal. R. Shah<br>2. Amish. B. Shah<br>3. Jigar Shah (w.e.f 27th March 2023)<br>4. Molly Antony (w.e.f 01st August 2023)<br>5. Shatabdi Salve (w.e.f 01st August 2023) |
| Relative of Key Management Personnel  | 1. Nirupama. B. Shah - Wife of Biharilal R. Shah<br>2. Rajul. A. Shah - Wife of Amish B. Shah<br>3. Dipti Jigar Shah - Daughter of Biharilal R. Shah                          |
| Joint Venture   | Konstelec Hitech Engineers Private Limited  |
| Enterprises over which key management personnel and relatives of such personnel is able to exercise significant influence | 1. KEPL EPC Nigeria Limited<br>2. CES Automation Engineers Private Limited<br>3. B R Shah HUF   |

**Related parties under AS 18 with whom transaction have taken place during the year:**

(Amount in ₹ Lakhs)

| Particulars                           | Relation  | Name                                | For the period ended<br>30 September 2023 | For the year ended<br>31 March 2023 | For the year ended<br>31 March 2022 | For the year ended<br>31 March 2021 |
|---------------------------------------|---|-------------------------------------|---|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>Income</b>                         |   |                                     |   |                                     |                                     |                                     |
| Revenue from operations               | Enterprises over which key management personnel and relatives of such personnel is able to exercise significant influence | KEPL EPC Nigeria Limited            | -   | 107.85                              | -                                   | 29.64                               |
| <b>Expenses</b>                       |   |                                     |   |                                     |                                     |                                     |
| Remuneration/Salary                   | Key Management Personnel  | Mr. B.R Shah                        | 29.95                                     | 36.10                               | 36.10                               | 30.40                               |
|                                       |   | Mr. Amish B. Shah                   | 41.73                                     | 59.21                               | 59.21                               | 72.13                               |
|                                       |   | Mr. Jigar D. Shah                   | 13.93                                     |                                     |                                     |                                     |
|                                       |   | Mrs. Molly Antony                   | 6.02                                      |                                     |                                     |                                     |
|                                       |   | Ms. Shatabdi Salve                  | 0.25                                      |                                     |                                     |                                     |
|                                       | Relative of Key Management Personnel  | Mrs. Nirupama B. Shah               | -   | 12.00                               | 9.00                                | 5.65                                |
|                                       |   | Mrs. Rajul A. Shah                  | 11.95                                     | 24.00                               | 18.01                               | 10.66                               |
| Subcontractor Expenses                | Enterprises over which key management personnel and relatives of such personnel is able to exercise significant influence | KEPL EPC Nigeria Limited            | -   | -                                   | 285.90                              | -                                   |
| Rent                                  | Key Management Personnel  | Mr. Amish B. Shah                   | -   | 2.16                                | 2.16                                | 3.00                                |
|                                       | Relative of Key Management Personnel  | Mrs. Nirupama B. Shah               | -   | -                                   | -                                   | 3.08                                |
| Reimbursement of expenses             |   |                                     |   |                                     |                                     | -                                   |
| <b>Loans</b>                          |   |                                     |   |                                     |                                     |                                     |
| Amount received during the year       | Key Management Personnel  | Mr. B.R Shah                        | 380.03                                    | 86.10                               | 36.00                               | 100.53                              |
| Amount repaid during the year         | Key Management Personnel  | Mr. Amish B. Shah                   | 26.00                                     | 140.25                              | 45.00                               | -                                   |
|                                       |   | Mr. B.R Shah                        | 382.58                                    | 95.19                               | 39.45                               | 72.95                               |
| Amount repaid during the year         | Joint venture   | Mr. Amish B. Shah                   | 25.12                                     | 153.96                              | 31.17                               | -                                   |
|                                       |   | Konstelec Hi Tech Engineers Pvt Ltd | 0.74                                      | -                                   | 0.10                                | 0.18                                |
| <b>Share Capital</b>                  |   |                                     |   |                                     |                                     |                                     |
| Shares Issued during the year         |   |                                     |   |                                     |                                     |                                     |
| Shares transferred In during the year | Key Management Personnel  | Mr. Amish B. Shah                   | 3.30                                      | -                                   | 3.04                                | -                                   |
| Shares transferred In during the year | Key Management Personnel  | Mr. Jigar Shah                      | 3.20                                      | -                                   | -                                   | -                                   |

**KONSTELEC ENGINEERS LIMITED**  
**Notes forming part of the consolidated financial statements**  
**(All amounts in rupees lakhs, except per share data and as stated otherwise)**

**Related Party disclosure (AS-18)**

|  |   |                                     |        |        |           |        |
|--|---|-------------------------------------|--------|--------|-----------|--------|
| Shares transferred In during the year  | Key Management Personnel  | Mrs. Molly Antony                   | 0.10   | -      | -         | -      |
| Shares transferred In during the year  | Relative of Key Management Personnel  | Mrs. Nirupama Shah                  | 0.60   | -      | -         | -      |
| Shares transferred In during the year  | Relative of Key Management Personnel  | Mrs. Rajul Shah                     | 2.60   | -      | -         | -      |
| Shares transferred In during the year  | Relative of Key Management Personnel  | Mrs. Dipti Jigar Shah               | -      | -      | 2.02      | -      |
| Shares transferred Out during the year | Key Management Personnel  | B R Shah HUF                        | 10.00  | -      | -         | -      |
| Shares transferred Out during the year | Key Management Personnel  | Mr. B.R Shah                        | 50.00  | -      | -         | -      |
| Shares transferred Out during the year | Relative of Key Management Personnel  | Mrs. Nirupama B. Shah               | -      | -      | 5.06      | -      |
| <b>Balance Outstanding Assets</b>      |   |                                     |        |        |           |        |
| Advance against expenses               | Key Management Personnel  | Mr. Amish B. Shah                   | 2.39   | 2.39   | 0.83      | 0.45   |
|  | Relative of Key Management Personnel  | Mrs. Rajul A. Shah                  | -      | -      | -         | 0.31   |
| Investment                             | Joint Venture   | Konstelec Hi Tech Engineers Pvt Ltd | 47.00  | 47.00  | 47.00     | 47.00  |
| Receivable                             | Enterprises over which key management personnel and relatives of such personnel is able to exercise significant influence | KEPL EPC Nigeria Limited            | 208.10 | 219.50 | 128.66156 | 150.69 |
| <b>Liabilities</b>                     |   |                                     |        |        |           |        |
| Share Capital                          | Key Management Personnel  | Mr. B.R Shah                        | 667.70 | 75.25  | 75.25     | 75.25  |
|  |   | Mr. Amish B. Shah                   | 203.43 | 15.19  | 15.19     | 12.15  |
|  |   | Mr. Jigar D. Shah                   | 35.20  | -      | -         | -      |
|  |   | Mrs. Molly Antony                   | 1.10   | -      | -         | -      |
|  | Relative of Key Management Personnel  | Nirupama B. Shah                    | 51.09  | 4.04   | 4.04      | 9.10   |
|  |   | Dipti Jigar Shah                    | 22.18  | 2.02   | 2.02      | -      |
|  |   | Rajul Shah                          | 28.60  | -      | -         | -      |
| Borrowings                             | Key Management Personnel  | Mr. B.R Shah                        | 13.72  | 16.27  | 25.35     | 28.80  |
|  |   | Mr. Amish B. Shah                   | 2.00   | 1.12   | 14.83     | 1.00   |
|  | Joint Venture   | Konstelec Hi Tech Engineers Pvt Ltd | 32.36  | 33.11  | 33.11     | 33.21  |
| Rent payable                           | Key Management Personnel  | Mr. Amish B. Shah                   | 0.36   | 0.75   | 1.36      | 2.68   |
|  |   | Nirupama B. Shah                    | -      | 3.52   | 5.28      | 5.40   |
|  | Relative of Key Management Personnel  |                                     |        |        |           |        |
| Salary Payable                         | Key Management Personnel  | Mr. B.R Shah                        | 3.44   | 2.28   | 2.27      | -      |
|  |   | Mr. Amish B. Shah                   | 4.64   | 3.45   | 3.45      | -      |
|  |   | Mr. Jigar D Shah                    | 2.51   | -      | -         | -      |
|  |   | Mrs. Molly Antony                   | 0.89   | -      | -         | -      |
|  |   | Ms. Shatabdi Salve                  | 0.25   | -      | -         | -      |
|  | Relative of Key Management Personnel  | Mrs. Nirupama B. Shah               | -      | 0.88   | 0.69      | -      |
| Other Payable                          | Relative of Key Management Personnel  | Mrs. Rajul A. Shah                  | 1.61   | 1.53   | 1.24      | -      |
|  | Enterprises over which key management personnel and relatives of such personnel is able to exercise significant influence | KEPL EPC Nigeria Limited            | -      | -      | -         | 31.61  |

**Notes related to Related Party disclosure**

1. Related party relationships and transactions have been identified by the management and relied upon by the Auditors
2. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year. The Company is required to update and put in place the information latest by the due date of filing its income tax return. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for tax.

**KONSTELEC ENGINEERS LIMITED**  
**Notes forming part of the consolidated financial statements**  
**(All amounts in rupees lakhs, except per share data and as stated otherwise)**

Note No. 50

**Statement of Tax Shelters**

(Amt. in Rs. Lakhs)

| Particulars   | For the year ended 30 September 2023 | For the year ended 31 March 2023 | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|--------------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Profit before tax as per books (A)                          | 539.99                               | 1,113.80                         | 481.10                           | 279.42                           |
| Normal Corporate Tax Rate (%)                               | 25.17%                               | 29.12%                           | 27.82%                           | 27.82%                           |
| Normal Corporate Tax Rate (Others)(%)                       | 25.17%                               | 29.12%                           | 27.82%                           | 27.82%                           |
| Normal Corporate Tax Rate (Short term capital gain)         | 16.69%                               | 17.47%                           | 16.69%                           | 16.69%                           |
| Normal Corporate Tax Rate (Long term capital gain)          | 11.13%                               | 11.13%                           | 11.13%                           | 11.13%                           |
| MAT Rates   |                                      |                                  |                                  |                                  |
| Tax at normal profits                                       | 135.90                               | 324.34                           | 133.84                           | 77.73                            |
| Adjustments :   |                                      |                                  |                                  |                                  |
| Permanent Differences(B)                                    |                                      |                                  |                                  |                                  |
| Expenses disallowed under Income Tax Act, 1961              | 68.73                                | 54.26                            | 49.08                            | 36.79                            |
| Exempt Income   | -                                    | (2.38)                           | (0.89)                           | (0.06)                           |
| Donations 80G   | -                                    | (1.50)                           | (1.36)                           | (0.76)                           |
| Total Permanent Differences(B)                              | <b>68.73</b>                         | <b>50.38</b>                     | <b>46.83</b>                     | <b>35.98</b>                     |
| Income considered separately (C)                            | (45.43)                              | (13.73)                          | (140.48)                         | (73.94)                          |
| Total Income considered separately (C)                      | <b>(45.43)</b>                       | <b>(13.73)</b>                   | <b>(140.48)</b>                  | <b>(73.94)</b>                   |
| Timing Differences (D)                                      |                                      |                                  |                                  |                                  |
| <b>Difference between tax depreciation and book</b>         | <b>(2.72)</b>                        | <b>(21.11)</b>                   | <b>(17.38)</b>                   | <b>(7.03)</b>                    |
| Dep As Per Book   | 47.31                                | 81.50                            | 77.53                            | 92.04                            |
| Dep As Per Income Tax                                       | 50.03                                | 102.61                           | 94.91                            | 99.07                            |
| Difference due to any other items of addition u/s 28 to 44I | <b>41.36</b>                         | -                                | -                                | -                                |
| Total Timing Differences (D)                                | <b>38.64</b>                         | <b>(21.11)</b>                   | <b>(17.38)</b>                   | <b>(7.03)</b>                    |
| Net Adjustments E = (B+C+D)                                 | <b>61.93</b>                         | <b>15.54</b>                     | <b>(111.03)</b>                  | <b>(44.99)</b>                   |
| Tax expense / (saving) thereon                              | 15.59                                | 4.52                             | (30.89)                          | (12.52)                          |
| <b>Income from Capital Gain (F)</b>                         | 41.21                                | 11.98                            | 85.76                            |                                  |
| Tax expense / (saving) thereon                              | 5.21                                 | 1.55                             | 10.09                            |                                  |
| Tax saving due to Grand Fathering and exemption             | (0.11)                               | (0.12)                           | (0.11)                           |                                  |
| <b>Income from Other Sources (G)</b>                        | 0.22                                 | 1.75                             | 46.84                            | 73.94                            |
| Tax expense / (saving) thereon                              | 0.05                                 | 0.51                             | 13.03                            | 20.57                            |
| Loss of P.Y. Brought Forward & Adjusted(H)                  |                                      |                                  | (0.06)                           |                                  |
| <b>Taxable Income/(Loss) (A+E+F+G+H)</b>                    | <b>643.35</b>                        | <b>1143.07</b>                   | <b>502.62</b>                    | <b>308.36</b>                    |
| Taxable Income/(Loss) as per MAT                            | 539.99                               | 1,113.80                         | 481.10                           | 279.42                           |
| Tax as per MAT  | <b>90.13</b>                         | <b>185.92</b>                    | <b>80.30</b>                     | <b>46.64</b>                     |
| Basic Tax   | 81.00                                | 167.07                           | 72.16                            | 41.91                            |
| Surcharge   | 5.67                                 | 11.69                            | 5.05                             | 2.93                             |
| Edu Cess  | 3.47                                 | 7.15                             | 3.09                             | 1.79                             |
| Tax as per Normal Calculation                               | <b>156.74</b>                        | <b>330.87</b>                    | <b>125.95</b>                    | <b>85.80</b>                     |
| Basic Tax   | 137.01                               | 284.06                           | 113.18                           | 77.10                            |
| Surcharge   | 13.70                                | 34.09                            | 7.92                             | 5.40                             |
| Edu Cess  | 6.03                                 | 12.73                            | 4.84                             | 3.30                             |
| Income Tax as returned/computed                             | <b>156.74</b>                        | <b>303.15</b>                    | <b>130.30</b>                    | <b>109.32</b>                    |
| Tax paid as per normal or MAT                               | Normal                               | Normal                           | Normal                           | Normal                           |



**KONSTELEC ENGINEERS LIMITED**  
**Notes forming part of the consolidated financial statements**  
**(All amounts in rupees lakhs, except per share data and as stated otherwise)**

**Reconciliation of Restated Profit**

**Note No. 51**  
**(Amt. in Rs. Lakhs)**

**1 Material Regrouping**

Appropriate adjustments have been made in the Restated Standalone 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.

**2. Material Adjustments :**

The Summary of results of restatement made in the Audited Financial Statements for the respective years and its impact on the profit/(loss) of the Company is as follows:

| Particulars   | For the period ended<br>30 September 2023 | For the year ended<br>31 March 2023 | For the year ended 31<br>March 2022 | For the year ended 31<br>March 2021 |
|---|---|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>Net profit/(Loss) after Tax as per Audited Profit &amp; Loss Account (A)</b> | 289.41                                    | 718.41                              | 376.54                              | 242.98                              |
| <b>Adjustments for:</b>   |   |                                     |                                     |                                     |
| 1) Expense of Previous Year (P.Y.) accounted correctly                          |   | 115.75                              | 90.08                               | 35.41                               |
| 2) Outsanding expense of Current Year (C.Y.) Trf to Exps                        |   |                                     | (115.75)                            | (90.08)                             |
| 3) Prepaid Expenses of current year accounted correctly                         |   | -                                   | -                                   | 2.80                                |
| 4) Prepaid Expenses of current year trf to expense                              |   | -                                   | (2.80)                              | -                                   |
| 5) Short Provision of Employee Benefit Expense                                  |   | (12.13)                             | (8.74)                              | (17.07)                             |
| 6) Income receivable trf to income of C.Y                                       |   |                                     | 12.83                               |                                     |
| 7) Income receivable P.Y trf from Income C.Y                                    |   | (12.83)                             |                                     |                                     |
| 8) Provision for expected loss  | 7.14                                      | (7.14)                              |                                     |                                     |
| 9) Difference on Account of Calculation in Deferred Tax                         | 15.34                                     | 3.62                                | (4.26)                              | (1.30)                              |
| 10) Change in Provision for Current Tax   | 81.09                                     | (27.72)                             | 4.35                                | 17.61                               |
| 11) Change in Prior period expense  |   | (0.17)                              |                                     |                                     |
| 12) Change in Prior Tax Provision   | 63.17                                     |                                     |                                     |                                     |
| <b>Total Adjustments (B)</b>  | <b>166.73</b>                             | <b>59.37</b>                        | <b>(24.28)</b>                      | <b>(52.63)</b>                      |
| <b>Restated Profit/ (Loss) (A+B)</b>  | <b>456.15</b>                             | <b>777.77</b>                       | <b>352.25</b>                       | <b>190.35</b>                       |

**3. Notes on Material Adjustments pertaining to prior years**

**1) Expense of Previous Year (P.Y.) accounted correctly**

Provision for previous year was made and expenses removed from current Year

**2) Prepaid Expenses of current year accounted correctly**

Expenses related to subsequent year were transferred in Prepaid of Current Year

**3) Short Provision of Employee Benefit Expense**

Provision for gratuity has been provided for respective years as per AS 15 report.

**4) Income receivable trf to Income C.Y**

Income related to current year were transferred in receivable of current year.

**5) Provision for expected loss**

Provision for expected loss on contracts in hand provided based on future expected cost to complete as per AS 7.

**6) Difference on Account of Calculation in Deferred Tax**

Deferred Tax has been calculated on Gratuity and WDV as per General accepted accounting standards.

**7) Change in Provision for Current Tax**

Provision for Tax has been restated based on restated profits.

**KONSTELEC ENGINEERS LIMITED**  
**Notes forming part of the consolidated financial statements**  
**(All amounts in rupees lakhs, except per share data and as stated otherwise)**

**Note No. 52**  
**(Amt. in Rs. Lakhs)**

**Reconciliation of Other Equity**

| Particulars   | For the period<br>ended 30<br>September, 2023 | For the year<br>ended 31<br>March 2023 | For the year<br>ended 31<br>March 2022 | For the year<br>ended 31<br>March 2021 |
|---|---|--|--|--|
| Reserve & Surplus as per Audited Balance Sheet (Refer Note 1)                 | 5,422.12                                      | 6,132.47                               | 5,424.09                               | 5,065.52                               |
| <b><u>Adjustments for:</u></b>  |   |  |  |  |
| Add/(Less) : Adjustments on account of change in Profit and loss for the year | 7.14  | 83.64                                  | (24.38)                                | (68.94)                                |
| Add/(Less): Adjustment on account of Income Tax/Refund                        | 159.59  | (24.10)                                | 18.08                                  | 16.31                                  |
| Add/(Less): Adjustment on account of prior period expense/ Income             | (26.58)                                       | (86.12)                                | (79.82)                                | (27.19)                                |
| Total Adjustments   | 140.16  | (26.58)                                | (86.12)                                | (79.82)                                |
| <b>Reserves &amp; Surplus as restated</b>                                     | <b>5,562.27</b>                               | <b>6,105.89</b>                        | <b>5,337.97</b>                        | <b>4,985.70</b>                        |

Note 1: The amount of Rs. 28.54 lakhs has been added back to Reserves & Surplus as on 31st March 2023 as the same had been directly adjusted by the Company in Reserves as prior period adjustment.

**KONSTELEC ENGINEERS LIMITED**  
**Notes forming part of the consolidated financial statements**  
**(All amounts in rupees lakhs, except per share data and as stated otherwise)**

**Summary of Accounting Ratios**

**Note No. 53**  
**(Amt. in Rs. Lakhs)**

| Ratios   | For the period ended<br>30-09-2023 | For the year ended 31-<br>03-2023 | For the year ended 31-<br>03-2022 | For the year ended 31-<br>03-2021 |
|--|------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Restated PAT as per P& L Account   | 456.16                             | 777.77                            | 352.25                            | 190.34                            |
| EBIDTA from Operational Activity   | 707.91                             | 1414.54                           | 584.38                            | 480.71                            |
| Actual Number of Equity Shares at the end of the Year/Period                         | 11,000,000                         | 1,000,000                         | 1,000,000                         | 1,000,000                         |
| Weighted Average number of equity shares at the end of the year ( Pre Bonus Issue)   | 11,000,000                         | 1,000,000                         | 1,000,000                         | 1,000,000                         |
| Weighted Average number of equity shares at the end of the year ( Post Bonus Issue)* | 11,000,000                         | 11,000,000                        | 11,000,000                        | 11,000,000                        |
| Net Worth  | 6,647.68                           | 6,191.51                          | 5,423.73                          | 5,071.49                          |
| Current Asset  | 15,233.38                          | 13,492.51                         | 10,811.17                         | 9,321.91                          |
| Current Liability  | 9,093.64                           | 7,821.28                          | 6,193.57                          | 5,014.08                          |
| <b>Adjusted Earnings Per Share</b>   |                                    |                                   |                                   |                                   |
| Basic and Diluted (Rs.)(Pre Bonus Issue)   | NA                                 | 77.78                             | 35.22                             | 19.03                             |
| Basic and Diluted (Rs.)(Post Bonus Issue)*   | 4.15                               | 7.07                              | 3.20                              | 1.73                              |
| <b>Return on Net Worth (%)</b>   | 6.86%                              | 12.56%                            | 6.49%                             | 3.75%                             |
| <b>Net Asset value per share (Rs)(Pre Bonus Issue)</b>                               | NA                                 | 619.15                            | 542.37                            | 507.15                            |
| <b>Net Asset value per share (Rs)(Post Bonus Issue)*</b>                             | 60.43                              | 56.29                             | 49.31                             | 46.10                             |
| <b>Current Ratio</b>   | 1.68                               | 1.73                              | 1.75                              | 1.86                              |
| <b>EBIDTA</b>  | 707.91                             | 1,414.54                          | 584.38                            | 480.71                            |
| <b>Nominal Value per Equity share (Rs.)</b>  | 10.00                              | 10.00                             | 10.00                             | 10.00                             |

\* The Company has allotted 1,00,00,000 Equity shares on 7th July 2023, by way of Bonus Issue in ratio of 10:1 i.e 10 new equity shares for every one equity shares held on record date i.e 30th June 2023. Also, the authorized capital has been increased to Rs. 20,00,00,000 for issuance of Bonus shares.

**Notes:**

1. The ratios have been calculated as below:

a) Basic Earnings Per Share (Rs.)

$$\frac{\text{Restated PAT attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding during the year.}}$$

b) Return on Net Worth (%) =

$$\frac{\text{Restated PAT attributable to Equity Shareholder} \times 100}{\text{Net Worth}}$$

c) Restated Net Asset Value per equity share (Rs.)

$$\frac{\text{Restated Net Worth as at the end of the year}}{\text{Total Number of Equity Shares outstanding during the year.}}$$

2. Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

3. Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)

4. The figures disclosed above are based on the Restated Financial Statements of the Company.

**KONSTELEC ENGINEERS LIMITED**  
**Notes forming part of the consolidated financial statements**  
**(All amounts in rupees lakhs, except per share data and as stated otherwise)**

**Capitalisation Statement as at 30th September 2023**

Note No. 54  
(Amt. in Rs. Lakhs)

| Particulars                                | Pre Issue       | Post Issue      |
|--|-----------------|-----------------|
| <u>Borrowings</u>                          |                 |                 |
| Short term debt (A)                        | 3,627.54        | 3,627.54        |
| Long Term Debt (B)                         | 481.92          | 481.92          |
| <b>Total debts (C)</b>                     | <b>4,109.45</b> | <b>4,109.45</b> |
| Shareholders' funds                        |                 |                 |
| Equity share capital                       | 1,100.00        | **              |
| Reserve and surplus - as restated          | 5,547.68        | **              |
| <b>Total shareholders' funds</b>           | <b>6,647.68</b> | <b>**</b>       |
| <b>Long term debt / shareholders funds</b> | <b>0.07</b>     | <b>**</b>       |
| <b>Total debt / shareholders fund</b>      | <b>0.62</b>     | <b>**</b>       |

\*\* Post Issue figures are not yet available since issue prices is not yet finalized

**KONSTELEC ENGINEERS LIMITED**  
**Notes forming part of the consolidated financial statements**  
**(All amounts in rupees lakhs, except per share data and as stated otherwise)**

Note No. 55

**NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS**

(Amt. in Rs. Lakhs)

| Sr. No.      | Lender         | Nature of facility Sanction | Sanctioned Amount | Rate of interest (%) | Repayment Schedule | Security Hypothicated  | Outstanding as on 30-09-2023 |
|--------------|----------------|-----------------------------|-------------------|----------------------|--------------------|--|------------------------------|
| 1            | Bank of Baroda | Baroda Auto Loan            | 8.29              | 7.95%                | 84 months          | Vehicle-Honda CRV  | 7.39                         |
| 2            | Bank of Baroda | Baroda Auto Loan            | 9.7               | 8.85%                | 60 months          | Vehicle- Bolero  | 8.66                         |
| 3            | Bank of Baroda | Baroda Auto Loan            | 21.46             | 8.85%                | 84 months          | Vehicle-Urber Cruzer   | 19.70                        |
| 4            | Bank of Baroda | Baroda Auto Loan            | 12.48             | 12.05%               | 60 months          | Vehicle- Eicher Truck  | 2.42                         |
| 5            | Bank of Baroda | Baroda Auto Loan            | 26.37             | 12.05%               | 60 months          | Vehicle- Hydra Crane   | 4.60                         |
| 6            | Bank of Baroda | Baroda Auto Loan            | 6.65              | 12.05%               | 60 months          | Vehicle_ Jeep  | 1.29                         |
| 7            | ICICI Bank     | ICICI Auto loan             | 26.73             | 8.90%                | 64 months          | Vehicle- Hydra Crane   | 10.78                        |
| 8            | ICICI Bank     | ICICI Auto loan             | 13.35             | 8.90%                | 64 months          | Vehicle-Eicher Truck   | 5.38                         |
| 9            | Bank of Baroda | BOB LAP LOAN                | 298.00            | 11.65%               | 60 months          | Personal Guarantor:<br>Biharilal. R. Shah and<br>B.R.Shah (HUF)<br><br>Property: B1003,04,<br>Bhoomi Towers,<br>Santacruz (East), Mumbai<br>52 | 275.87                       |
| 10           | Bank of Baroda | TERM LOAN                   | 82.00             | 7.50%                | 35 months          | Covid Period No<br>Additional Security   | 29.56                        |
| 11           | Bank of Baroda | TERM LOAN                   | 160.00            | 10.00%               | 36 months          | Covid Period No<br>Additional Security   | 160.00                       |
| 12           | ICICI Bank     | TERM LOAN                   | 118.00            | 9.25%                | 36 months          | Covid Period No<br>Additional Security   | 118.00                       |
| 13           | ICICI Bank     | TERM LOAN                   | 178.03            | 7.25%                | 36 months          | Covid Period No<br>Additional Security   | 54.40                        |
| <b>Total</b> |                |                             |                   |                      |                    |  | <b>698.05</b>                |

**KONSTELEC ENGINEERS LIMITED**  
Notes forming part of the consolidated financial statements  
(All amounts in rupees lakhs, except per share data and as stated otherwise)

Note No. 56

**NATURE OF SECURITY AND TERMS OF REPAYMENT FOR SHORT TERM BORROWINGS**

(Amt. in Rs. Lakhs)

| Sr. No.      | Lender                                     | Nature of facility Sanction                                 | Sanction Amount | Rate of interest (%)   | Repayment Schedule | Security Hypothicated  | Outstanding as on 30-09-2023 |
|--------------|--|---|-----------------|--|--------------------|--|------------------------------|
| 1            | Yes Bank Limited                           | Working Capital   | 500             | 11.00%   | 90 days            | Unsecured  | 450.00                       |
| 2            | Amish Shah                                 | Working Capital   | NA              | Nil  | On demand          | Unsecured  | 2.00                         |
| 3            | B.R.Shah                                   | Working Capital   | NA              | Nil  | On demand          | Unsecured  | 13.72                        |
| 4            | Konstelec Hitech Engineers Private Limited | Working Capital   | NA              | Nil  | On demand          | Unsecured  | 17.15                        |
| 5            | Bank of Baroda                             | Cash Credit   | 1100.00         | Repo Rate + Markup + SP<br>+ Spread = 6.5% +<br>3% + 0.25% + 1.25% =<br>11%                        | On demand          | Exclusive charge in favor of the Bank by way of Hypothecation of the company's 25% Stock ,33.33% on WIP, 25% on Book Debts upto 90 Days & 40% on Book Debts above 90 days upto 120 Days<br>Liquid Security in form of FDR /LIC of Rs 0.10 Cr<br><br>EM of Industrial Unit No. 6, 8, 9, 25, 307, 308, 309, 310, 313, 314 at Creative Industrial Premises Co-operative Soc Ltd , Sunder Nagar Lane 2 ,Kalina Santacruz East,<br>EM of flat at 902B, Bhoomi Towers, Neharu Road, Santacruz East | 1,051.57                     |
| 6            | HDFC Bank                                  | Cash Credit/Working Capital/Bank Guarantee/Letter of Credit | 2000.00         | Fund Based<br>3 months repo plus 500 bps<br>(Repo is 5.4% at Present)<br><br>Non Fund Based<br>1 % | On demand          | First Pari Pasu charges on the Current Asset of the company exclusive charge<br>First Pari Pasu charge on movable fixed assets of the company<br>Exclusive charge on the Unit of 4,5,6 Building Skyline Epitome Vidhya Vihar   | 1,313.02                     |
| 7            | ICICI Bank                                 | Cash Credit/Letter of Credit /Bank Guarantee                | 1000.00         | Fund Based<br>Repo rate + Spread<br>6.25%+4.5%=11.75%<br><br>Non Fund Based<br>1.35 %              | On demand          | First Paripassu charge<br><br>Unit No. 207, 2nd Floor,Creative Industries Premises, Sunder Nagar Road , Near Golden Star Apartment , Santacruz East, Mumbai , Maharashtra ,India , 400098<br>Office 4, 5, 6, Ground Floor, A wing, Building 1, Skyline Epitome, Vidyavihar West ,Kiro Road , Near Vidyavihar Station , Kurla ,Mumbai , Maharashtra , India , 400086  | 563.95                       |
| <b>Total</b> |  |   |                 |  |                    |  | <b>3411.40</b>               |



## OTHER FINANCIAL INFORMATION

### Based on Consolidated Financial Information

Rs. In Lakhs unless otherwise specified

| Ratios   | For the period ended 30-09-2023 | For the year ended 31-03-2023 | For the year ended 31-03-2022 | For the year ended 31-03-2021 |
|--|---------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Restated PAT as per P& L Account   | 456.16                          | 777.77                        | 352.25                        | 190.34                        |
| EBIDTA from Operational Activity   | 707.91                          | 1414.54                       | 584.38                        | 480.71                        |
| Actual Number of Equity Shares at the end of the Year/Period                         | 11,000,000                      | 1,000,000                     | 1,000,000                     | 1,000,000                     |
| Weighted Average number of equity shares at the end of the year ( Pre Bonus Issue)   | 11,000,000                      | 1,000,000                     | 1,000,000                     | 1,000,000                     |
| Weighted Average number of equity shares at the end of the year ( Post Bonus Issue)* | 11,000,000                      | 11,000,000                    | 11,000,000                    | 11,000,000                    |
| Net Worth  | 6,647.68                        | 6,191.51                      | 5,423.73                      | 5,071.49                      |
| Current Asset  | 15,233.38                       | 13,492.51                     | 10,811.17                     | 9,321.91                      |
| Current Liability  | 9,093.64                        | 7,821.28                      | 6,193.57                      | 5,014.08                      |
| <b>Adjusted Earnings Per Share</b>   |                                 |                               |                               |                               |
| Basic and Diluted (Rs.)(Pre Bonus Issue)   | NA                              | 77.78                         | 35.22                         | 19.03                         |
| Basic and Diluted (Rs.)(Post Bonus Issue)*   | 4.15                            | 7.07                          | 3.20                          | 1.73                          |
| <b>Return on Net Worth (%)</b>   | 6.86%                           | 12.56%                        | 6.49%                         | 3.75%                         |
| <b>Net Asset value per share (Rs)(Pre Bonus Issue)</b>                               | NA                              | 619.15                        | 542.37                        | 507.15                        |
| <b>Net Asset value per share (Rs)(Post Bonus Issue)*</b>                             | 60.43                           | 56.29                         | 49.31                         | 46.10                         |
| <b>Current Ratio</b>   | 1.68                            | 1.73                          | 1.75                          | 1.86                          |
| <b>EBIDTA</b>  | 707.91                          | 1,414.54                      | 584.38                        | 480.71                        |
| <b>Nominal Value per Equity share (Rs.)</b>  | 10.00                           | 10.00                         | 10.00                         | 10.00                         |

\* The Company has allotted 1,00,00,000 Equity shares on 7th July 2023, by way of Bonus Issue in ratio of 10:1 i.e 10 new equity shares for every one equity shares held on record date i.e 30th June 2023. Also, the authorized capital has been increased to Rs. 20,00,00,000 for issuance of Bonus shares.

Notes:

1. The ratios have been calculated as below:

- a) Basic Earnings Per Share (Rs.)  $\frac{\text{Restated PAT attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding during the year}}$
- b) Return on Net Worth (%) =  $\frac{\text{Restated PAT attributable to Equity Shareholders} \times 100}{\text{Net Worth}}$
- c) Restated Net Asset Value per equity share (Rs.)  $\frac{\text{Restated Net Worth as at the end of the year}}{\text{Total Number of Equity Shares outstanding during the year}}$

2. Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

3. Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss) less preliminary expenses to the extent not written off.

4. The figures disclosed above are based on the Restated financial Statements of the Company.



## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated consolidated financial statements included in the Prospectus. You should also read the section entitled “Risk Factors” beginning on page 29, which discusses several factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and is based on our restated consolidated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year (“Fiscal Year”) are to the twelve-month period ended March 31 of that year.*

The financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated January 08, 2024 which is included in this Prospectus under the section titled “Restated Financial Information” beginning on page 208 of this Prospectus. The restated consolidated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated consolidated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated consolidated financial statements.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under “Risk Factors” and “Forward Looking Statements” beginning on pages 29 and 17 respectively, and elsewhere in this Prospectus. Accordingly, the degree to which the financial statements in this Prospectus will provide meaningful information depend entirely on such potential investor's level of familiarity with Indian accounting practices. Please also refer to section titled “Presentation of Financial, Industry and Market data” beginning on page 15 of this Prospectus.

### **BUSINESS OVERVIEW**

Our Company was originally incorporated as “Konstelec Engineers Private Limited” as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 05, 1995, issued by the Registrar of Companies, Mumbai. Subsequently Our Company was converted from a private limited company to public limited company pursuant to shareholders resolution passed in the Extra-Ordinary General Meeting of the company dated June 30, 2023 and consequently, the name of our Company was changed to “Konstelec Engineers Limited” and a fresh certificate of incorporation dated August 25, 2023 was issued to our Company by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U45203MH1995PLC095011. For details of change in name and registered office of our Company, please refer to chapter titled “History and Corporate Matters” beginning on page no. 172 of this Prospectus.

The main object of the company is to carry on in India and elsewhere, the business of electrical, civil, mechanical engineers, to undertake work of laying of electrical power transmission & communication lines, to undertake work of erection of plant and machineries, to undertake projects in the aforesaid disciplines on turnkey basis including the work of project consultancy wherever required.

Konstelec Engineers Limited was incorporated on December 05, 1995 as a private Limited Company and started business operations as Design Engineering Company. Over the years, we have expanded our services, constantly upgraded our technologies, systems, and processes and diversified our business operations. As an EPC company, we specialize in delivering full-scale project management, procurement support, and detailed engineering services for various kinds of electrical infrastructure projects across India and abroad. With a skilled team, strong project execution capabilities, and a client-centric focus, we are committed to delivering high-quality, safe, and innovative solutions that meet our clients' specific needs. Our expertise covers the entire project lifecycle, ensuring timely delivery and successful outcomes for even the most complex projects.

At present, we are in the business of Engineering, Procurement, and Construction/ Commissioning (EPC) contractors and are engaged in the business of offering full range of EPC services in India and abroad. Our services find applications across several processing and various kinds of manufacturing industries such as oil & gas, refinery, steel, cement, pharmaceuticals, textile, hospital, health care and commercial complexes, domestically and internationally. We have designed, developed, and executed several complex and integrated projects requiring cutting-edge electrical, instrumentation and automation systems. Our key offerings include engineering design and drawings, procurement, operations and maintenance, project management and construction and commissioning. We provide one-stop solutions to our clients for various kinds of engineering projects. Our expertise includes Electrical Installation, Solar Power Plant Setup, Instrumentation &





Automation.

## FINANCIAL KPIs OF OUR COMPANY

(₹ In Lakhs)

| Particulars                               | For the period / year ended on |                |                |                |
|---|--------------------------------|----------------|----------------|----------------|
|   | September 30, 2023             | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Revenue from Operations (₹ in Lakhs)      | 9305.27                        | 15340.49       | 10704.72       | 10489.43       |
| Growth in Revenue from Operations (YoY %) | -                              | 43.31          | 2.05           | -              |
| Gross Profit (₹ in Lakhs)                 | 5056.97                        | 7941.84        | 6691.93        | 6424.47        |
| Gross Profit Margin (%)                   | 54.35                          | 51.77          | 62.51          | 61.25          |
| EBITDA (₹ in Lakhs)                       | 707.91                         | 1414.54        | 584.38         | 480.71         |
| EBITDA Margin (%)                         | 7.61                           | 9.22           | 5.46           | 4.58           |
| Profit After Tax (₹ in Lakhs)             | 456.16                         | 777.77         | 352.25         | 190.34         |
| PAT Margin (%)                            | 4.90                           | 5.07           | 3.29           | 1.81           |
| RoE (%)                                   | 7.11                           | 13.39          | 6.71           | 3.81           |
| RoCE (%)                                  | 7.72                           | 16.81          | 9.00           | 7.26           |
| Net Fixed Asset Turnover (In Times)       | 11.39                          | 19.33          | 14.02          | 13.79          |
| Net Working Capital Days                  | 241                            | 135            | 158            | 150            |
| Operating Cash Flows (₹ in Lakhs)         | (516.80)                       | (457.08)       | 43.01          | (333.91)       |

## SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO LAST AUDITED BALANCE SHEET:

After the date of last audited financial statements i.e. September 30, 2023, the Directors of our Company confirm that, there have not been any significant material developments except mentioned below;

- Nil

## FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:

Our Company's future results of operations could be affected potentially by the following factors:

- Number of Projects executed in a particular Financial Year
- Customer spending, demographics and general economic and market conditions in India
- Competition
- COVID-19 Pandemic;
- Natural Calamities e.g., Tsunami;
- Political Stability of the Country;
- Our dependence on limited number of suppliers for a significant portion of our revenues;
- Any failure to comply with the financial and restrictive covenants under our financing arrangements;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- The performance of the financial markets in India and globally;
- Our ability to expand our geographical area of operation;
- Concentration of ownership among our Promoters.

## OUR SIGNIFICANT ACCOUNTING POLICIES:

For Significant accounting policies please refer Significant Accounting Policies and Notes to accounts, "Note 1 & 2" beginning under Chapter titled "*Restated Financial Information*" beginning on page 208 of this Prospectus.



## PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

The following descriptions set forth information with respect to the key components of our statement of profit and loss.

### Our Income

#### Revenue from Operations

Our revenue from operations primarily consists of sales of products, sale of services and composite supply.

The sale of service consists of various services ranging from Engineering, Procurement, Construction & commissioning, Operation and management and project Management Services. Our services find applications across several processing and various kinds of manufacturing industries such as oil & gas, refinery, steel, cement, pharmaceuticals, textile, hospital, health care and commercial complexes, domestically and internationally.

While our composite supply consists of both sale of products as well as sale of services.

#### Other Income

The key components of our other income are:

- (i) Interest income;
- (ii) Rental income;
- (iii) Foreign exchange fluctuation (Net);
- (iv) Capital gain & dividend income &
- (v) Other Miscellaneous Income;

#### Our Expenses

Our expenses primarily consist of the following:

- Purchases of raw material, required for the completion of on-going projects as well as for supply of product.
- Employee benefits expense consists of salaries, wages and bonuses, contribution to provident and other funds, Gratuity expense, Remuneration paid to Directors/KMPs and staff welfare expenses.
- Finance costs includes interest expense on borrowings from banks and financial institution and other borrowing costs such as LC Charges.
- Depreciation and amortization expense comprises of depreciation expense on property, plant and equipment, and amortization of intangible assets; and
- Other expenses primarily include Sub-Contractors' and general labour payments, Travelling and conveyance expenses, Rent, Bank guarantee and other bank charges, Export related expenses, Printing and stationery and other miscellaneous expenses.

#### Our Tax Expenses

Elements of our tax expense are as follows:

- Current tax: Our current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.
- Deferred tax: Deferred tax is recognized based on the difference between taxable profit and book profit due to the effect of timing differences. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

## RESULTS OF OUR OPERATION

The following table sets forth detailed total income data from our restated Consolidated Statement of profit and loss for the period ended on September 30, 2023 and Financial Years 2023, 2022 and 2021, the components of which are also expressed as a percentage of total Income for such period and percentage increase from previous years respectively.

| Particulars             | For the period / year ended |                     |            |                     |            |                     |            |                     |
|-------------------------|-----------------------------|---------------------|------------|---------------------|------------|---------------------|------------|---------------------|
|                         | 30-09-2023                  |                     | 31-03-2023 |                     | 31-03-2022 |                     | 31-03-2021 |                     |
|                         | ₹ in Lakhs                  | (%) of Total Income | ₹ in Lakhs | (%) of Total Income | ₹ in Lakhs | (%) of Total Income | ₹ in Lakhs | (%) of Total Income |
| Revenue from operations | 9,305.27                    | 98.63%              | 15,340.49  | 98.97%              | 10,704.72  | 98.19%              | 10,489.43  | 98.80%              |



| Particulars   | For the period / year ended |                     |                  |                     |                  |                     |                  |                     |
|---|-----------------------------|---------------------|------------------|---------------------|------------------|---------------------|------------------|---------------------|
|   | 30-09-2023                  |                     | 31-03-2023       |                     | 31-03-2022       |                     | 31-03-2021       |                     |
|   | ₹ in Lakhs                  | (%) of Total Income | ₹ in Lakhs       | (%) of Total Income | ₹ in Lakhs       | (%) of Total Income | ₹ in Lakhs       | (%) of Total Income |
| Other Income  | 128.78                      | 1.37%               | 159.56           | 1.03%               | 197.59           | 1.81%               | 127.72           | 1.20%               |
| <b>Total Income (I+II)</b>                                      | <b>9,434.05</b>             | <b>100.00%</b>      | <b>15,500.05</b> | <b>100.00%</b>      | <b>10,902.31</b> | <b>100.00%</b>      | <b>10,617.16</b> | <b>100.00%</b>      |
| <b>Expenses:</b>  |                             |                     |                  |                     |                  |                     |                  |                     |
| (a) Purchases   | 4,248.30                    | 45.03%              | 7,398.65         | 47.73%              | 4,012.79         | 36.81%              | 4064.96          | 38.29%              |
| (b) Employee benefits expense                                   | 1,447.58                    | 15.34%              | 2,372.95         | 15.31%              | 1,778.67         | 16.31%              | 1720.43          | 16.20%              |
| (c) Finance costs   | 249.40                      | 2.64%               | 378.80           | 2.44%               | 223.34           | 2.05%               | 236.98           | 2.23%               |
| (d) Depreciation and amortization expense                       | 47.31                       | 0.50%               | 81.49            | 0.53%               | 77.53            | 0.71%               | 92.04            | 0.87%               |
| (e) Other expenses  | 2,901.48                    | 30.76%              | 4,154.36         | 26.80%              | 4,328.88         | 39.71%              | 4223.33          | 39.78%              |
| <b>Total expenses</b>   | <b>8,894.07</b>             | <b>94.28%</b>       | <b>14,386.26</b> | <b>92.81%</b>       | <b>10,421.21</b> | <b>95.59%</b>       | <b>10,337.74</b> | <b>97.37%</b>       |
| <b>Profit /(Loss) before tax and Exceptional Items (III-IV)</b> | <b>539.99</b>               | <b>5.72%</b>        | <b>1,113.80</b>  | <b>7.19%</b>        | <b>481.10</b>    | <b>4.41%</b>        | <b>279.42</b>    | <b>2.63%</b>        |
| <b>Exceptional Items</b>  | -                           | -                   | -                | -                   | -                | -                   | -                | -                   |
| <b>Profit /(Loss) before tax (V-VI)</b>                         | <b>539.99</b>               | <b>5.72%</b>        | <b>1,113.80</b>  | <b>7.19%</b>        | <b>481.10</b>    | <b>4.41%</b>        | <b>279.42</b>    | <b>2.63%</b>        |
| (a) Current tax expense   | 156.74                      | 1.66%               | 330.87           | 2.13%               | 125.95           | 1.16%               | 85.80            | 0.81%               |
| (b) Short/(Excess) provision of tax for earlier years           | -63.17                      | -0.67%              | -                | -                   | -                | -                   | -                | -                   |
| (c) MAT Credit Entitlement                                      | -                           | -                   | -                | -                   | -                | -                   | -                | -                   |
| (d) Deferred tax charge/(credit)                                | -9.74                       | -0.10%              | 5.15             | 0.03%               | 2.90             | 0.03%               | 3.28             | 0.03%               |
| <b>Tax expense:</b>   | <b>83.83</b>                | <b>0.89%</b>        | <b>336.03</b>    | <b>2.17%</b>        | <b>128.85</b>    | <b>1.18%</b>        | <b>89.08</b>     | <b>0.84%</b>        |
| <b>Profit after tax for the year (VII-VIII)</b>                 | <b>456.16</b>               | <b>4.84%</b>        | <b>777.77</b>    | <b>5.02%</b>        | <b>352.25</b>    | <b>3.23%</b>        | <b>190.34</b>    | <b>1.79%</b>        |

## REVIEW OF RESULTS OF OPERATIONS FOR THE PERIOD ENDED SEPTEMBER 30, 2023:

### REVENUE:

#### Revenue from operations

Our Company is engaged in the business of Engineering, Procurement, and Construction/ Commissioning (EPC) contractors and are engaged in the business of offering full range of EPC services in India and abroad. Our services find applications across several processing and various kinds of manufacturing industries such as oil & gas, refinery, steel, cement, pharmaceuticals, textile, hospital, health care and commercial complexes, domestically and internationally. The Total Revenue from operations for the period ended on September 30, 2023 was ₹ 9,305.27 Lakhs. Revenue from Operations mainly includes revenue from sale of products, services and combination of both i.e. Composite supply. Revenue from Sale of Products constitutes 3.61%, Sale of Services constitutes 7.00% and Revenue from Composite Supply constitutes 89.40% of total revenue from operations. Following are the segment wise bifurcation of Revenue from Operations.

#### Particulars of Revenue segment wise

(Amt. in ₹ Lakhs)

| Particulars      | For the year ended September 30, 2023 | Percentage |
|------------------|---------------------------------------|------------|
| Sale of products | 335.70                                | 3.61%      |



| Particulars      | For the year ended<br>September 30, 2023 | Percentage     |
|------------------|--|----------------|
| Sale of services | 651.04                                   | 7.00%          |
| Composite Supply | 8,318.53                                 | 89.40%         |
| <b>Total</b>     | <b>9,305.27</b>                          | <b>100.00%</b> |

#### **Other Income:**

Other income of the company was ₹ 128.78 lakhs constituting 1.37% of Total Income for the period ended September 30, 2023. Other Income mainly includes Interest, Capital Gain, Foreign exchange fluctuation gain, and Rental income.

#### **EXPENDITURE:**

##### **Purchases**

Our purchase includes goods required for rendering our EPC services. Purchases were ₹ 4,248.30 lakhs representing 45.03% of Total Income for the period ended September 30, 2023.

##### **Employee Benefit Expenses**

Employee Benefit expenses were ₹ 1,447.58 lakhs representing 15.34% of Total Income for the period ended September 30, 2023. Employee Benefit Expenses mainly includes Salaries, Wages and Bonus, staff welfare expenses, gratuity expenses, contribution to provident fund and other funds.

##### **Finance Cost**

Finance expense were ₹ 249.40 lakhs representing 2.64% of Total Income for the period ended September 30, 2023. Finance costs include interest expense on interest on Loans, cash credit and LC Charges.

##### **Depreciation and Amortization**

The Depreciation and amortization expense were ₹ 47.31 lakh representing 0.50% of Total Income for the period ended September 30, 2023. Depreciation mainly includes depreciation on our Office Building and Premises, Vehicles, Computers, Plant & Equipments, Furniture and Fixtures, and Office Equipments.

##### **Other Expenses**

Other Expenses were ₹ 2,901.48 lakhs representing 30.76% of Total Income for the period ended September 30, 2023. Other expense mainly includes Sub-Contractors's and General Labour Payments, Legal and Professional Fees, Travelling and Conveyance Expenses, Rent Expense, Rates and Taxes, Discount/Brokerage/Commission Expense, Transport, Freight and Octroi charges, Power & Fuel, Bank Charges and Site Expenses.

##### **Profit before Extra-Ordinary Items and Tax**

The Profit before Extra-Ordinary Items and Tax for the period ended September 30, 2023 was 5.72% of the total income. The Profit before Extra-Ordinary Items and Tax was ₹ 539.99 lakhs for the period ended September 30, 2023.

##### **Profit after Tax (PAT)**

PAT was ₹ 456.16 for the period ended September 30, 2023. PAT was 4.84% of Total Income of our company for the period ended on September 30, 2023.

#### **COMPARISON OF FY 2022-23 WITH FINANCIAL YEAR 2021-22:**

##### **TOTAL INCOME:**

Our total income increased by 42.17% from ₹ 10,902.31 Lakhs in Financial Year 2021-22 to ₹ 15,500.05 Lakhs in Financial Year 2022-23, primarily due to an increase in our revenue from operations and other income as discussed below:

##### ***Revenue from operations***

Our Company is engaged in the business of Engineering, Procurement, and Construction/ Commissioning (EPC) contractors and are engaged in the business of offering full range of EPC services in India and abroad. Our services find applications across several processing and various kinds of manufacturing industries such as oil & gas, refinery, steel, cement, pharmaceuticals, textile, hospital, health care and commercial complexes, domestically and internationally. The Total Revenue from operations for the year ended on Financial Year 2022-23 was ₹ 15,340.49 Lakhs as compared to ₹ 10,704.72 Lakhs during the Financial Year 2021-22. Revenue from operations was increased by 43.31% in Financial Year 2022-23. Income from Operations increased mainly on account of increase in sale of services and composite supply. Out of total revenue from operations in Financial Year 2022-23, Sale of services consists of 19.51% of our total revenue from



operation in comparison of 4.76% in Financial Year 2021-22. while Composite supply consists of 72.86% of the total revenue from operations which was 73.08% in the Financial Year 2021-22.

**Particulars of Revenue Segment wise**

**(Amt. in ₹ Lakhs)**

| Particulars      | For the year ended 31 March 2023 |                | For the year ended 31 March 2022 |                |
|------------------|----------------------------------|----------------|----------------------------------|----------------|
|                  | (In ₹/- Lakhs)                   | (In %)         | (In ₹/- Lakhs)                   | (In %)         |
| Sale of products | 1,170.54                         | 7.63%          | 2,371.95                         | 22.16%         |
| Sale of services | 2,992.46                         | 19.51%         | 510.03                           | 4.76%          |
| Composite Supply | 11,177.50                        | 72.86%         | 7,822.74                         | 73.08%         |
| <b>Total</b>     | <b>15,340.49</b>                 | <b>100.00%</b> | <b>10,704.72</b>                 | <b>100.00%</b> |

**Other Income:**

Other income of the company were ₹ 159.56 Lakhs and ₹ 197.59 Lakhs for Financial Year 2022-23 and Financial Year 2021-22 respectively. Interest, Capital Gain, Foreign exchange fluctuation gain and Rental income were the main constituents for increase in Other Income for the year Financial Year 2022-23 from Financial Year 2021-22. Other income for Financial Year 2022-23 constitutes of 1.03% of total income showing decrease of 19.25% of from Financial Year 2021-22.

**EXPENDITURE:**

Our total expenses increased by 38.05% to ₹14,386.26 Lakhs for the Financial Year 2022-23 from ₹10,421.21 Lakhs for the Financial Year 2021-22, primarily due to the reasons discussed below:

**Purchase**

Our purchase includes goods required for rendering our EPC services. During the year ended on March 31, 2023, and March 31, 2022 our purchase amounted to ₹7,398.65 Lakhs, and ₹4,012.79 Lakhs, respectively, which represents 47.73%, and 36.81%, of our total income for the respective periods.

**Employee Benefit Expenses**

Employee Benefit expenses increased to ₹2,372.95 Lakhs for Financial Year 2022-23 from ₹1,778.67 Lakhs for Financial Year 2021-22 showing an increase of 33.41% primarily due to increase in includes Salary, wages and bonuses, Gratuity and Contribution to Provident and other funds. Salaries and wages were increased to ₹2,013.43 Lakhs from ₹1,478.49 Lakhs showing an increase of 36.18%. Further, Contribution to Provident and other funds and Staff welfare expenses amounts to ₹315.01 Lakhs and ₹268.19 Lakhs in Financial Year 2022-23 respectively. This was mainly attributable to an increase in the number of employees during the year to support the greater scale of our business during the Financial Year 2022-23.

**Finance Cost**

Finance expense were ₹378.80 Lakhs in Financial Year 2022-23 as against ₹223.34 Lakhs in Financial Year 2021-22 showing increase of 69.61%. The increase in finance cost is mainly due to increase in interest expenses from ₹218.08 Lakhs in Financial Year 2021-22 to ₹ 348.76 Lakhs in Financial Year 2022-23. Interest expenses consists of interest on Loans, cash credit and LC Charges.

**Depreciation**

The Depreciation and amortization expense for Financial Year 2022-23 was ₹81.49 Lakhs as against ₹77.53 Lakhs for Financial Year 2021-22 showing an increase of 5.12% mainly due to mainly on account of an increase in property, plant and equipment to support the operational activities of the business.

**Other Expenses**

Other Expenses decreased to ₹4,154.36 Lakhs for Financial Year 2022-23 from ₹4,328.88 Lakhs for Financial Year 2021-22 showing a decrease of 4.03%. Other expenses consist of various operational and administrative expenses. Primary reason for the decrease is mentioned below:

**Other Expenses:**

- Decrease in Sub-Contractors' and General Labour Payments by 10.78% to ₹2,899.00 Lakhs in Financial Year 2022-23 from ₹3,249.40 Lakhs in Financial Year 2021-22, mainly due to strategy of executing projects by own team of



employees rather than subcontracting the same providing us with greater control and efficiency in our business operations.

- Decrease in export related expenses by 26.60% to ₹56.83 Lakhs in Financial Year 2022-23 from ₹ 77.42 Lakhs in Financial Year 2021-22, due to restatement adjustment in Financial Year 2022-23. Further our export sales have decreased to ₹699.07 Lakhs in Financial Year 2022-23 from ₹1,160.43 Lakhs in Financial Year 2021-22, showing decrease of 39.76%.
- Decrease in Bank Guarantee Charges by 28.92% to ₹49.89 Lakhs in Financial Year 2022-23 from ₹70.19 Lakhs in Financial Year 2021-22. Bank Guarantee provides assurance to the client that our company has the financial backing to complete the project and also helps in mitigating the risk by providing the safety net. In the Financial Year 2022-23, our company experienced a notable reduction in expenses pertaining to bank guarantee charges as compared to the initial issuance costs incurred in the Financial Year 2021-22. This reduction can be attributed to the comparatively lower renewal charges associated with bank guarantees.
- In addition to this, we have also incurred other expenses such as rent, Power & fuel, legal and professional fees, travelling and conveyance expenses, communication cost, CSR expenses and other miscellaneous expenses.

#### **Profit before Tax**

As a result of the foregoing, we recorded an increase of 131.51% in our profit before tax, which amounted to ₹1,113.80 Lakhs in Financial Year 2022-23, as compared to ₹481.10 Lakhs in Financial Year 2021-22. The Profit before Tax for the Financial Year 2022-23 was 7.19% of the total revenue and it was 4.41% of total revenue for the Financial Year 2021-22.

#### **Tax Expenses**

Our total tax expenses increased to ₹ 336.03 Lakhs in Financial Year 2022-23 from ₹128.85 Lakhs in Financial Year 2021-22, primarily due to an increase in current tax to ₹330.87 Lakhs in Financial Year 2022-23 from ₹125.95 Lakhs in Financial Year 2021-22. The increase in current tax was mainly on account of an increase in our restated profit before tax to ₹1,113.80 Lakhs in Financial Year 2022-23 from ₹481.10 Lakhs in Financial Year 2021-22.

#### **Profit after Tax (PAT)**

As a result of the foregoing, we recorded an increase of 120.80% in our profit for the period from ₹352.25 Lakhs in the Financial Year 2021-22 to ₹777.77 Lakhs in the Financial Year 2022-23. The Profit before Tax for the Financial Year 2022-23 was 5.02% of the total revenue and it was 3.23% of total revenue for the Financial Year 2021-22.

### **COMPARISON OF FINANCIAL YEAR 2021-22 WITH FY 2020-21:**

#### **TOTAL INCOME:**

Our total income increased by 2.69% from ₹ 10,617.16 Lakhs in Financial Year 2020-21 to ₹ 10,902.31 Lakhs in Financial Year 2021-22, primarily due to an increase in our revenue from operations and other income as discussed below:

#### **Revenue from operations**

Our Company is engaged in the business of Engineering, Procurement, and Construction/ Commissioning (EPC) contractors and are engaged in the business of offering full range of EPC services in India and abroad. Our services find applications across several processing and various kinds of manufacturing industries such as oil & gas, refinery, steel, cement, pharmaceuticals, textile, hospital, health care and commercial complexes, domestically and internationally. The Total Revenue from operations for the year ended on Financial Year 2021-22 was ₹ 10,704.72 Lakhs as compared to ₹ 10,489.43 Lakhs during the Financial Year 2020-21. Revenue from operations was increased by 2.05% in the Financial Year 2021-22. Income from Operations increased mainly on account of increase in supply of products and supply of services and decrease in composite supply. Out of total revenue from operations in Financial Year 2021-22, Sale of services consists of 4.76% of our total revenue from operation in comparison of 3.04% in Financial Year 2020-21. For FY 2021-22 Sale of products consists of 22.16% of our total revenue from operation in comparison of 10.63% in Financial Year 2020-21 while Composite supply consists of 73.08% of the total revenue from operations in Financial Year 2022-23 which was 86.33% in the Financial Year 2020-21. The decrease in composite supply is due to increase in order of individual supply of products and services as compared to composite supply orders in the Financial Year 2021-22.

#### **Particulars of Revenue Segment wise**

**(Amt. in ₹ Lakhs)**

| Particulars      | For the year ended 31 March 2022 |        | For the year ended 31 March 2021 |        |
|------------------|----------------------------------|--------|----------------------------------|--------|
|                  | (In ₹/- Lakhs)                   | (In %) | (In ₹/- Lakhs)                   | (In %) |
| Sale of products | 2,371.95                         | 22.16% | 1,114.88                         | 10.63% |
| Sale of services | 510.03                           | 4.76%  | 319.35                           | 3.04%  |



**Particulars of Revenue Segment wise**

**(Amt. in ₹ Lakhs)**

| Particulars      | For the year ended 31 March 2022 |                | For the year ended 31 March 2021 |                |
|------------------|----------------------------------|----------------|----------------------------------|----------------|
|                  | (In ₹/- Lakhs)                   | (In %)         | (In ₹/- Lakhs)                   | (In %)         |
| Composite Supply | 7,822.74                         | 73.08%         | 9,055.20                         | 86.33%         |
| <b>Total</b>     | <b>10,704.72</b>                 | <b>100.00%</b> | <b>10,489.43</b>                 | <b>100.00%</b> |

**Other Income:**

Other income of the company were ₹197.59 Lakhs and ₹127.72 Lakhs for Financial Year 2021-22 and Financial Year 2020-21 respectively. Interest, Capital gain, Foreign exchange fluctuation gain and Rental income were the main constituents for increase in Other Income for the year Financial Year 2021-22 from Financial Year 2020-21. Other income for Financial Year 2021-22 constitutes of 1.81% of total income showing an increase of 54.70% of from Financial Year 2021-22.

**EXPENDITURE:**

Our total expenses increased by 0.81% to ₹10,421.21 Lakhs for the Financial Year 2021-22 from ₹ 10,337.74 Lakhs for the Financial Year 2020-21, primarily due to the reasons discussed below:

**Purchase**

Our purchase includes goods required for rendering our EPC services. During the year ended on March 31, 2022, and March 31, 2021 our purchase amounted to ₹ 4,012.79 Lakhs, and ₹ 4,064.96 Lakhs, respectively, which represents 36.81%, and 38.29%, of our total income for the respective periods.

**Employee Benefit Expenses**

Employee Benefit expenses increased to ₹1,778.67 Lakhs for Financial Year 2021-22 from ₹1720.43 Lakhs for Financial Year 2020-21 showing an increase of 3.39% primarily due to increase in includes Salary, wages and bonuses, Gratuity and Contribution to Provident and other funds. Salaries and wages were increased to ₹1,478.49 Lakhs from ₹1,453.44 Lakhs showing an increase of 1.72%. Further, Contribution to Provident and other funds and Staff welfare expenses amounts to ₹268.19 Lakhs and ₹31.99 Lakhs in Financial Year 2021-22 respectively.

**Finance Cost**

Finance expense were ₹ 223.34 Lakhs in Financial Year 2021-22 as against ₹ 236.98 Lakhs in Financial Year 2020-21 showing decrease of 5.75%. The decrease is mainly due to a decrease in LC Charges from ₹23.89 Lakhs in Financial Year 2020-21 to ₹5.26 Lakhs in Financial Year 2021-22.

**Depreciation**

The Depreciation and amortization expense for Financial Year 2021-22 was ₹77.53 Lakhs as against ₹92.04 Lakhs for Financial Year 2020-21 showing a decrease of 15.77% mainly due to decrease in written down value of the tangible and intangible assets.

**Other Expenses**

Other Expenses increased to ₹4,328.88 Lakhs for Financial Year 2021-22 from ₹4,223.33 Lakhs for Financial Year 2020-21 showing an increase of 2.50%. Other expenses consist of various operational and administrative expenses. Primary reason for the decrease is mentioned below:

**Other Expenses:**

- Increase in export related expenses by 243.87% to ₹77.42 Lakhs in Financial Year 2021-22 from ₹22.51 Lakhs in Financial Year 2020-21, due to restatement adjustment in Financial Year 2022-23. Further our export sales have decreased to ₹1,160.43 Lakhs in Financial Year 2021-22 from ₹460.71 Lakhs in Financial Year 2021-22, showing increase of 151.88%.
- Increase in Rent expenses by 20.01% to ₹ 140.50 Lakhs in Financial Year 2021-22 from ₹117.08 Lakhs in Financial Year 2020-21.
- Increase in Travel & conveyance expenses by 25.94% to ₹ 301.83 Lakhs in Financial Year 2021-22 from ₹239.66 Lakhs in Financial Year 2020-21.
- Decrease in Sub-Contractors' and General Labour Payments by 3.50% ₹3,249.40 Lakhs in Financial Year 2021-22 from ₹3,367.22 Lakhs in Financial Year 2020-21, mainly due to strategy of executing projects by our own team of



employees rather than subcontracting the same providing us with greater control and efficiency in our business operations.

- Decrease in Bank Guarantee Charges by 26.96% to ₹70.19 Lakhs in Financial Year 2021-22 from ₹96.09 Lakhs in Financial Year 2020-21. Bank Guarantee provides assurance to the client that our company has the financial backing to complete the project and also helps in mitigating the risk by providing the safety net. In the Financial Year 2022-23, our company experienced a notable reduction in expenses pertaining to bank guarantee charges as compared to the initial issuance costs incurred in the Financial Year 2021-22. This reduction can be attributed to the comparatively lower renewal charges associated with bank guarantees.
- In addition to this, we have also occurred other expenses such as rent, Power & fuel, legal and professional fees, travelling and conveyance expenses, communication cost, CSR expenses and other miscellaneous.

#### **Profit before Tax**

As a result of the foregoing, we recorded an increase of 72.17% in our profit before tax, which amounted to ₹481.10 Lakhs in Financial Year 2021-22, as compared to ₹279.42 Lakhs in Financial Year 2020-21. The Profit before Tax for the Financial Year 2021-22 was 4.41% of the total revenue and it was 2.63% of total revenue for the Financial Year 2020-21.

#### **Tax Expenses**

Our total tax expenses increased to ₹128.85 Lakhs in Financial Year 2021-22 from ₹89.08 Lakhs in Financial Year 2020-21, primarily due to an increase in current tax to ₹125.95 Lakhs in Financial Year 2021-22 from ₹85.80 Lakhs in Financial Year 2020-21. The increase in current tax was mainly on account of an increase in our restated profit before tax to ₹481.10 Lakhs in Financial Year 2021-22 from ₹279.42 Lakhs in Financial Year 2020-21.

#### **Profit after Tax (PAT)**

As a result of the foregoing, we recorded an increase of 85.06% in our profit for the period from ₹190.34 Lakhs in the Financial Year 2020-21 to ₹352.25 Lakhs in the Financial Year 2021-22. The Profit before Tax for the Financial Year 2021-22 was 3.23% of the total revenue and it was 1.79% of total revenue for the Financial Year 2020-21.

### **DISCUSSION ON THE STATEMENT OF CASH FLOWS**

The following table sets forth certain information relating to our Company's statement of cash flows for the periods indicated:

(Amount in ₹ Lakhs)

| Particulars   | For the Period / Financial Year Ended |                |                |                |
|---|---------------------------------------|----------------|----------------|----------------|
|   | September 30, 2023                    | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Net cash flows generated/(used) from operating activities               | (516.80)                              | (457.09)       | 43.01          | (333.91)       |
| Net cash flows generated/ (used in) investing activities                | 171.72                                | (62.14)        | (12.15)        | (223.45)       |
| Net cash flows generated /(used in)/generated from financing activities | 369.49                                | 497.80         | (115.60)       | 530.54         |
| Net increase/(decrease) in cash and cash equivalents                    | 24.41                                 | (21.42)        | (84.74)        | (26.83)        |

#### **Operating activities**

- In the period ended September 30, 2023, net cash used in operating activities was ₹ 516.80 Lakhs. This comprised of the profit before tax of ₹ 539.99 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹47.31 Lakhs, finance cost of ₹ 232.81 Lakhs and Profit on sale of Investment of ₹ 45.22 lakhs. The resultant operating profit before working capital changes was ₹ 234.68 Lakhs, which was primarily adjusted for a decrease in trade receivables of ₹ 1140.19 Lakhs, decrease in trade payables of ₹ 56.92 Lakhs, decrease in other current liabilities of ₹ 317.91 Lakhs, increase in Short term provisions of ₹ 290.78 lakhs, decrease in Loans & Advances of ₹79.23 Lakhs and Other assets of ₹ 3062.65 Lakhs.
- In Financial Year 2022-23, net cash used in operating activities was ₹457.09 Lakhs. This comprised of the profit before tax of ₹1,113.80 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹81.49 Lakhs and finance cost of ₹348.76 Lakhs. The resultant operating profit before working capital changes was ₹414.14 Lakhs, which was primarily adjusted for an increase in trade receivables of ₹189.58 Lakhs, increase in trade payables of ₹945.33 Lakhs and other current liabilities of ₹235.35 Lakhs, increase in Loans & Advances of ₹176.15 Lakhs & Other assets of ₹2723.51 Lakhs.





- In Financial Year 2021-22, net cash generated from operating activities was ₹43.01 Lakhs. This comprised of the profit before tax of ₹481.10 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹77.53 Lakhs and finance cost of ₹218.08 Lakhs. The resultant operating profit before working capital changes was ₹ 198.94 Lakhs, which was primarily adjusted for an increase in trade receivables of ₹1,857.93 Lakhs, decrease in Loans & Advances of ₹318.04 Lakhs & increase in Other current assets of ₹162.82 Lakhs and increase in trade payables of ₹979.41.
- In Financial Year 2020-21, net cash used in operating activities was ₹333.91 Lakhs. This comprised of the profit before tax of ₹279.42 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹92.04 Lakhs and finance cost of ₹213.09 Lakhs. The resultant operating profit before working capital changes was ₹280.13 Lakhs, which was primarily adjusted for a decrease in trade receivables of ₹415.27 Lakhs Loans & Advances of ₹151.86 Lakhs & Other Assets of ₹173.15 Lakhs, decrease in Trade Payables of ₹1,407.06 Lakhs and increase in other current Liabilities of ₹337.08 Lakhs.

### **Investing Activities**

- In the period ended September 30, 2023, net cash flow from investing activities was ₹ 171.72 Lakhs, which primarily comprised of cash used for the purchase of fixed assets of ₹ 6.35 Lakhs and proceeds from dividend of ₹ 0.22 Lakhs and proceeds from sale of Investment in mutual fund & shares of ₹ 177.85 Lakhs.
- In Financial Year 2022-23, net cash used in investing activities was ₹62.14 Lakhs, which primarily comprised of cash used for the purchase of fixed assets of ₹170.85 Lakhs and proceeds from sale of fixed assets of ₹4.79 Lakhs and proceeds from sale of Investment in mutual fund & shares of ₹102.17 Lakhs.
- In Financial Year 2021-22, net cash used in investing activities was ₹12.15 Lakhs, which primarily comprised of cash used for the purchase of fixed assets of ₹53.55 Lakhs and proceeds from sale of fixed assets of ₹3.07 Lakhs and proceeds from sale of Investment in mutual fund & shares of ₹36.20 Lakhs.
- In Financial Year 2020-21, net cash used in investing activities was ₹223.45 Lakhs, which primarily comprised of cash used for the purchase of fixed assets of ₹123.67 Lakhs and proceeds from sale of fixed assets of ₹0.32 Lakhs and proceeds from sale of Investment in mutual fund & shares of ₹101.38 Lakhs.

### **Financing activities**

- In the period ended September 30, 2023, net cash generated from financing activities was ₹ 369.49 Lakhs, which predominantly comprised increase of short-term borrowings of ₹ 720.59 Lakhs, repayment of long-term borrowings of ₹ 118.30 Lakhs, and finance cost paid of ₹ 232.81 Lakhs.
- In Financial Year 2022-23, net cash generated from financing activities was ₹497.80 Lakhs, which predominantly comprised increase of long-term borrowings of ₹333.08 Lakhs, increase of short-term borrowings of ₹523.49 Lakhs, dividend payments amounting to ₹10.00 Lakhs and finance cost paid of ₹348.76 Lakhs.
- In Financial Year 2021-22, net cash used in financing activities was ₹115.60 Lakhs, which predominantly comprised decrease of long-term borrowings of ₹11.32 Lakhs, increase of short-term borrowings of ₹113.79 Lakhs and finance cost paid of ₹218.08 Lakhs.
- In Financial Year 2020-21, net cash generated from financing activities was ₹ 530.54 Lakhs, which predominantly comprised increase of long-term borrowings of ₹197.93 Lakhs, increase of short-term borrowings of ₹545.70 Lakhs and finance cost paid of ₹213.09 Lakhs.

### **RELATED PARTY TRANSACTIONS**

For further information please refer “Annexure – 33 - Related Party Disclosure” under section “Restated Financial Information” beginning from page no. 208 of this Prospectus.

### **QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

In the course of undertaking our business, we are exposed to the following risks arising from financial instruments, which include credit risk, liquidity risk and market risk. Our primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on our financial performance.

- **Credit Risk**



Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss. The potential activities where credit risks may arise include from cash and cash equivalents, security deposits or other deposits and principally from credit exposures to customers relating to outstanding receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount.

Our exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits, and continuously monitoring the creditworthiness of customers to which our Company grants credit terms in the normal course of business.

- **Liquidity Risk**

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. Our financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. We have practiced financial diligence and syndicated adequate liquidity in all business scenarios.

- **Market Risk**

Market risk is the risk that results in changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect our income or the value of our holdings of financial instruments. Our operations result in us being exposed to foreign currency risk on account of trade receivables, trade payables and borrowings. The foreign currency risk may affect our income and expenses, or our financial position and cash flows. The objective of our management of foreign currency risk is to maintain this risk within acceptable parameters, while optimising returns.

## **EFFECT OF INFLATION**

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

## **INFORMATION REQUIRED AS PER ITEM (11) (II) (C) (iv) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS, 2018:**

### **1. Unusual or infrequent events or transactions**

Except as described in this Prospectus, there have been no other events or transactions to the best of our knowledge which may be described as “unusual” or “infrequent”.

### **2. 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 arising from the trends identified above in ‘Factors Affecting our Results of Operations’ and the uncertainties described in the section entitled “*Risk Factors*” beginning on page no. 29 of the Prospectus. To our knowledge, except as we have described in the Prospectus, there are no known factors which we expect to bring about significant economic changes.

### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section titled “*Risk Factors*” beginning on page no. 29 in this Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

### **4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and other economic factor.

### **5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices.**

Our Company is engaged in the business of Engineering, Procurement, and Construction/ Commissioning (EPC) contractors and are engaged in the business of offering full range of EPC services in India and abroad. Our services find applications across several processing and various kinds of manufacturing industries such as oil & gas, refinery, steel, cement, pharmaceuticals, textile, hospital, health care and commercial complexes, domestically and internationally. Increases in revenues are by and large linked to number of projects completed by our company in timely manner.



**6. Total turnover of each major industry segment in which the issuer company operated.**

Our Company is engaged in the business of Engineering, Procurement, and Construction/ Commissioning (EPC) contractors and are engaged in the business of offering full range of EPC services in India and abroad. Our services find applications across several processing and various kinds of manufacturing industries such as oil & gas, refinery, steel, cement, pharmaceuticals, textile, hospital, health care and commercial complexes, domestically and internationally. Relevant Industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page no. 134 of this Prospectus.

**7. Status of any publicly announced new products or business segment.**

Our Company is engaged in the business of Engineering, Procurement, and Construction/ Commissioning (EPC) contractors and are engaged in the business of offering full range of EPC services in India and abroad. Our services find applications across several processing and various kinds of manufacturing industries such as oil & gas, refinery, steel, cement, pharmaceuticals, textile, hospital, health care and commercial complexes, domestically and internationally. Our company is engaged in the services sector therefore this clause is not applicable.

**8. The extent to which business is seasonal.**

Our Company is engaged in the business of Engineering, Procurement, and Construction/ Commissioning (EPC) contractors and are engaged in the business of offering full range of EPC services in India and abroad. Our services find applications across several processing and various kinds of manufacturing industries such as oil & gas, refinery, steel, cement, pharmaceuticals, textile, hospital, health care and commercial complexes, domestically and internationally, to that extent business of our company is not seasonal.

**9. Any significant dependence on a single or few suppliers or customers.**

Our Company is engaged in the business of Engineering, Procurement, and Construction/ Commissioning (EPC) contractors and are engaged in the business of offering full range of EPC services in India and abroad. Our services find applications across several processing and various kinds of manufacturing industries such as oil & gas, refinery, steel, cement, pharmaceuticals, textile, hospital, health care and commercial complexes, domestically and internationally.

Our income is not dependent on a single customer or supplier or a few customers or suppliers. Further, no foreign customer or supplier contributes to a significant portion of our business. Contribution of our customers and suppliers, as a percentage of total revenue and cost, respectively, for the periods indicated below:

| Customers               | % contribution to revenue from operations |                                |                                |                                |
|-------------------------|---|--------------------------------|--------------------------------|--------------------------------|
|                         | For the period Sept 30, 2023              | For the Financial Year 2022-23 | For the Financial Year 2021-22 | For the Financial Year 2020-21 |
| <b>Top 1 Customer</b>   | 22.26%                                    | 8.42%                          | 10.05%                         | 29.40%                         |
| <b>Top 3 Customers</b>  | 35.92%                                    | 23.80%                         | 29.87%                         | 47.89%                         |
| <b>Top 5 Customers</b>  | 44.21%                                    | 37.20%                         | 45.14%                         | 64.72%                         |
| <b>Top 10 Customers</b> | 57.47%                                    | 59.82%                         | 70.02%                         | 85.16%                         |

| Suppliers               | % contribution to Purchases  |                                |                                |                                |
|-------------------------|------------------------------|--------------------------------|--------------------------------|--------------------------------|
|                         | For the period Sept 30, 2023 | For the Financial Year 2022-23 | For the Financial Year 2021-22 | For the Financial Year 2020-21 |
| <b>Top 1 Supplier</b>   | 26.22%                       | 12.33%                         | 12.44%                         | 8.92%                          |
| <b>Top 3 Suppliers</b>  | 40.88%                       | 27.48%                         | 29.72%                         | 20.46%                         |
| <b>Top 5 Suppliers</b>  | 51.33%                       | 33.65%                         | 38.91%                         | 29.84%                         |
| <b>Top 10 Suppliers</b> | 64.11%                       | 46.54%                         | 51.54%                         | 45.40%                         |

**10. Competitive conditions:**

We face competition from existing and potential competitors which is common for any business. We have, over a period, developed certain competitors who have been discussed in section titles “*Business Overview*” beginning on page no. 134 of this Prospectus.



## CAPITALIZATION STATEMENT

Rs. In Lakhs

| Particulars                                | Pre Issue       | Post Issue      |
|--|-----------------|-----------------|
| <u>Borrowings</u>                          |                 |                 |
| Short term debt (A)                        | 3,627.54        | 3,627.54        |
| Long Term Debt (B)                         | 481.92          | 481.92          |
| <b>Total debts (C)</b>                     | <b>4,109.45</b> | <b>4,109.45</b> |
| Shareholders' funds                        |                 |                 |
| Equity share capital                       | 1,100.00        | **              |
| Reserve and surplus - as restated          | 5,547.68        | **              |
| <b>Total shareholders' funds</b>           | <b>6,647.68</b> | **              |
| <b>Long term debt / shareholders funds</b> | <b>0.07</b>     | **              |
| <b>Total debt / shareholders fund</b>      | <b>0.62</b>     | **              |

\* based on restated financial statement for the year ended on September 30, 2023.

\*\* Post Issue figures are not yet available since issue prices is not yet finalized



## SECTION X LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action; or (v) Material Litigation (as defined below); involving our Company, Directors and Promoters.

Our Board, in its meeting held September 18, 2023 determined that outstanding legal proceedings involving the Company, Directors and Promoters will be considered as material litigation ("Material Litigation") if the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company i.e. Rs. 7 Lakhs, as per the last restated financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

#### A. LITIGATION INVOLVING THE COMPANY

##### (a) Criminal proceedings against the Company

A criminal case bearing case no. Cr. Complaint (O)/154/2023 has been registered before the CJM Div. Begusarai dated November 11, 2023 by Athar Noor Labour Enforcement Officer against our Company under section 24 of the Contract Labour Act, 1970. The matter is currently pending. As on the date of this Prospectus, our Company has not received summons or any other document in relation to this matter and the disclosure included herein is based on the information available on the E-courts services website.

##### (b) Criminal proceedings filed by the Company

As on the date of this Prospectus, there are no outstanding criminal proceedings filed by the Company.

##### (c) Actions by statutory and regulatory authorities against the Company

As on the date of this Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

##### (d) Tax Proceedings

Litigations involving the Company: -

(₹ in Lakhs)

| Nature of Cases         | No. of Outstanding Cases | Amount* in dispute/demanded to the extent ascertainable |
|-------------------------|--------------------------|---|
| <b>Tax proceedings:</b> |                          |   |
| Direct Tax              | 16                       | 232.27  |
| Indirect Tax#           | 17                       | 264.44  |
| <b>Total</b>            | <b>33</b>                | <b>496.71</b>   |

\*To the extent quantifiable

# Service Tax demand notice dated December 9, 2020, by the office of the Principal Commissioner of Service CGST and Central Excise, Mumbai Maharashtra for demand amounting to Rs. 1,64,60,941/- has been removed from the previous disclosure, since the Company has received order dated October 23, 2023 wherein the entire demand of service tax along with the penalty has been set aside which was demanded for the period 2015-16 under the provisions of section 77 (1)(d) & 78 of Finance Act, 1994 read with section 174 of CGST Act, 2017. But the authority has imposed a penalty of Rs. 10,000/- under section 77(2) of Finance Act, 1994 read with section 174 of CGST Act, 2017.

The details pertaining to **Direct Tax** matters are as below:

| Sr. No. | Assessment Year | Demand Raised under Section | Demand Outstanding | Orders Passed by the Authority | Current Status   |
|---------|-----------------|-----------------------------|--------------------|--------------------------------|--|
| 1.      | 2005-06         | 250 of Income Tax Act, 1961 | 79,004             | NA                             | The company has submitted the response online and also via letter dated February 27, 2023. Post that company has not received any communication from respective Authority. |



| Sr. No. | Assessment Year | Demand Raised under Section       | Demand Outstanding | Orders Passed by the Authority   | Current Status   |
|---------|-----------------|-----------------------------------|--------------------|--|--|
| 2.      | 2008-09         | 143(1) of Income Tax Act, 1961    | 63,39,487          | NA   | The company has submitted the response online and also via letter dated February 27, 2023. Post that company has not received any communication from respective Authority.   |
| 3.      | 2009-10         | 154 of Income Tax Act, 1961       | 13,41,382          | NA   | The company has submitted the response online and also via letter dated February 27, 2023. Post that company has not received any communication from respective Authority.   |
| 4.      | 2010-11         | 143(1) of Income Tax Act, 1961    | 84,63,158          | NA   | The company has submitted the response online and also via letter dated February 27, 2023. Post that company has not received any communication from respective Authority.   |
| 5.      | 2012-13         | 143(3) of Income Tax Act, 1961    | 15,08,823          | Order dated June 20, 2018 passed by Commissioner Income Tax (Appeals)-22, Mumbai, allowing the appeal partially. | The company has not paid the outstanding demand as on date. Company has submitted the response letter dated February 27, 2023 stating to adjust the amount against any refund amount for various assessment years. |
| 6.      | 2012-13         | 271(1)(c) of Income Tax Act, 1961 | 49,558             | NA   | The company has submitted the response online and also via letter dated February 27, 2023. Post that company has not received any communication from respective Authority.   |
| 7.      | 2013-14         | 143(3) of Income Tax Act, 1961    | 2,63,104           | NA   | The company has filed an appeal against the assessment order dated March 4, 2016. The outcome of the appeal is pending.  |
| 8.      | 2015-16         | 143(3) of Income Tax Act, 1961    | 33,920             | NA   | The company has submitted the response online and also via letter dated February 27, 2023. Post that company has not received any communication from respective Authority.   |
| 9.      | 2018-19         | 143(1) of Income Tax Act, 1961    | 1,38,030           | NA   | The company has submitted the response online and also via letter dated February 27, 2023. Post that company has not received any communication from respective Authority.   |
| 10.     | 2020-21         | 143(1) of Income Tax Act, 1961    | 19,82,080          | NA   | Company has submitted the response online and also via letter dated February 27,   |



| Sr. No.      | Assessment Year | Demand Raised under Section    | Demand Outstanding | Orders Passed by the Authority | Current Status  |
|--------------|-----------------|--------------------------------|--------------------|--------------------------------|---|
|              |                 |                                |                    |                                | 2023. Post that company has not received any communication from respective Authority.   |
| 11.          | 2023-24         | 143(1) of Income Tax Act, 1961 | 9,54,000           | NA                             | Company has filed rectification return on January 8, 2024.  |
| 12.          | 2023-24         | TDS Defaults                   | 7,71,802           | NA                             | The company has not paid the TDS default amount to date because it is currently in the process of verifying the accuracy of the liability as stated in the default statement. |
| 13.          | 2022-23         | TDS Default                    | 37,919             | NA                             | The company has not paid the TDS default amount to date because it is currently in the process of verifying the accuracy of the liability as stated in the default statement. |
| 14.          | 2021-22         | TDS Defaults                   | 54,989             | NA                             | The company has not paid the TDS default amount to date because it is currently in the process of verifying the accuracy of the liability as stated in the default statement. |
| 15.          | 2019-20         | TDS Default                    | 3,12,464           | NA                             | The company has not paid the TDS default amount to date because it is currently in the process of verifying the accuracy of the liability as stated in the default statement. |
| 16.          | Prior Years     | TDS Default                    | 8,97,475           | NA                             | The company has not paid the TDS default amount to date because it is currently in the process of verifying the accuracy of the liability as stated in the default statement. |
| <b>TOTAL</b> |                 |                                | <b>2,32,27,195</b> |                                |   |

The details pertaining to **Indirect Tax** matters are as below:

| Sr. No. | GSTIN                        | Financial Year | Matter  | Amount Involved in ₹                                   | Current Status   |
|---------|------------------------------|----------------|---|--|--|
| 1.      | 21AAACK2747D1Z4 (Odisha)     | 2020-21        | Show Cause Notice in Form GST DRC-01:- ITC Mismatch GSTR-3B Vs GSTR-2A  | Tax: - 4,38,284<br>Interest:95,103<br>Penalty:60,301   | Reply submitted by the Company on August 30, 2022. Post that company has not received any communication from respective Authority. |
| 2.      | 33AAACK2747D1ZZ (Tamil Nadu) | 2019-20        | Show Cause Notice in Form GST DRC-01 Comparison of (GSTR 3B Vs GSTR 7), | Tax: 6,70,360<br>Interest: 3,45,134<br>Penalty: 67,036 | Reply submitted by the Company on July 4, 2023. Post that company has not received any communication from                          |



| Sr. No. | GSTIN                               | Financial Year | Matter  | Amount Involved in ₹   | Current Status  |
|---------|-------------------------------------|----------------|---|--|---|
|         |                                     |                |   |  | respective Authority.   |
| 3.      | 33AAACK2747D1ZZ<br>(Tamil Nadu)     | 2018-19        | Show Cause Notice in Form GST DRC -01 Comparison of (GSTR 1 Vs GSTR 7)          | Tax: 1,30,85,943   | Reply submitted by the Company on June 8, 2023. Post that company has not received any communication from respective Authority. |
| 4.      | 08AAACK2747D1ZS<br>(Rajasthan)      | 2017-18        | GST DRC-01: Difference in GSTR 3B vs GSTR 2A                                    | Tax: 6,68,172<br>Interest: 6,95,595<br>Penalty: 66,818       | GST Payment pending   |
| 5.      | 22AAACK2747D1Z2<br>(Chhattisgarh)   | July'17-Mar'18 | Show Cause Notice in Form GST DRC-01:- Difference in GSTR 2A vs 3B              | Tax: - 2,57,177<br>Interest: - 2,55,505<br>Penalty: - 40,654 | Order in form GST DRC-07 passed by officer.   |
| 6.      | 22AAACK2747D1Z2<br>(Chattisgarh)    | 2018-19        | Show Cause Notice in Form GST DRC-01:- Difference in GSTR 2A vs 3B              | Tax: - 55,900<br>Interest:- 45,837.86<br>Penalty: - 30,000   | Reply given to notice on December 26, 2023, pending for reply from officer.   |
| 7.      | 37AAACK2747D1ZR<br>(Andhra Pradesh) | 2021-22        | GST DRC-01: Difference in GSTR 2A vs 3B   | Tax: 33,63,101<br>Interest- 85,710                           | Reply pending   |
| 8.      | 36AAACK2747D1ZT<br>(Telangana)      | 2020-21        | GST DRC-01: Turnover Mismatch (GSTR-7 Vs GSTR-1) and ITC Mismatch               | Tax: 6,25,770<br>Interest- 4,711                             | Reply given to notice on January 10, 2024, pending for reply from officer.  |
| 9.      | 37AAACK2747D1ZR<br>(Andhra Pradesh) | 2019-20        | GST DRC-01:- Difference in GSTR 7 vs 3B, and verification of table 8D of GSTR-9 | Tax: - 6,53,237.08<br>Interest: - 1,533                      | Reply given to notice on January 8, 2024, pending for reply from officer.   |
| 10.     | 27AAACK2747D1ZS<br>(Maharashtra)    | 2019-20        | GST Audit ADT-1   | -  | Officer has asked for further documents.  |
| 11.     | 36AAACK2747D1ZT<br>(Telangana)      | 2020-21        | GST DRC-01 :- Turnover Mismatch (GSTR-7 Vs GSTR-1) and ITC Mismatch,            | Tax:- 1,12,836   | Reply given on February 14, 2022, pending for order by tax officer  |
| 12.     | 36AAACK2747D1ZT<br>(Telangana)      | 2019-20        | GST DRC-01: Turnover Mismatch (GSTR-7 Vs GSTR-1) and ITC Mismatch               | Tax: 4,32,089  | Reply submitted by the Company on June 28, 2022. Post that company has not received any communication from                      |





| Sr. No.      | GSTIN                                 | Financial Year | Matter   | Amount Involved in ₹   | Current Status   |
|--------------|---------------------------------------|----------------|--|--|--|
|              |                                       |                |  |  | respective Authority.  |
| 13.          | 36AAACK2747D1ZT<br>(Telangana)        | 2018-19        | GST DRC-01:-<br>Excess ISD ITC<br>claimed in GSTR<br>3B VS GSTR 2A | Tax:- 4,18,691<br>Interest:- 41,869                            | Reply given to notice<br>on January 10, 2024,<br>pending for reply<br>from officer.  |
| 14.          | AAACK2747D1ZT<br>(Telangana)          | 2017-18        | SCN  | Penalty: 20,000  | Reply given on<br>November 16, 2023,<br>pending for order by<br>tax officer  |
| 15.          | 09AAACK2747D1ZQ<br>(Uttar Pradesh)    | 2017-18        | GST DRC-01 :-<br>ITC Mismatch<br>GSTR-3B Vs<br>GSTR-2A             | Tax: - 1,20,386<br>Interest:-<br>1,27,608<br>Penalty: - 30,000 | Order in form GST<br>DRC-07 passed by<br>officer.  |
| 16.          | 10AAACK2747D2Z6<br>(Bihar)            | 2017-18        | GST DRC-01: ITC<br>Mismatch GSTR-<br>3B Vs GSTR-9                  | Tax: - 4,54,932<br>Interest:<br>4,40,146<br>Penalty: - 45,493  | Order in form GST<br>DRC-07 passed by<br>officer.  |
| 17.          | 02AAACK2747D1Z4<br>(Himachal Pradesh) | 2017-18        | GST DRC-01: ITC<br>Mismatch GSTR-<br>3B Vs GSTR-2A                 | Tax: 25,87,862   | Reply given by the<br>Company, order<br>passed by officer on<br>25/10/2023,<br>Rectification to be<br>applied by the<br>Company. |
| <b>TOTAL</b> |                                       |                |  | <b>2,64,43,794</b>   |  |

**(e) Other pending material litigations against the Company**

As on the date of this Prospectus, there are no other pending material litigations against the Company.

**(f) Other pending material litigations filed by the Company**

As on the date of this Prospectus, there are no other pending material litigations filed by the Company.

**B. LITIGATIONS INVOLVING THE DIRECTORS OF THE COMPANY**

**(a) Criminal proceedings against the Directors of the Company**

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated against the Directors of the Company.

**(b) Criminal proceedings filed by the Directors of the Company**

As on the date of this Prospectus, there are no outstanding criminal proceedings filed by the Directors of the Company.

**(c) Actions by statutory and regulatory authorities against the Directors of the Company**

As on the date of this Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Directors.

**(d) Tax Proceedings**

| Tax Liability | Number of cases | Amount Involved* (Rs.) |
|---------------|-----------------|------------------------|
| Direct Tax    | Nil             | Nil                    |



|                     |            |            |
|---------------------|------------|------------|
| <b>Indirect Tax</b> | Nil        | Nil        |
| <b>Total</b>        | <b>Nil</b> | <b>Nil</b> |

*\* To the extent quantifiable*

**(e) Other pending material litigations against the Directors of the Company**

As on the date of this Prospectus, there are no such outstanding litigations initiated against the Directors, which have been considered material by the Company in accordance with the Materiality Policy.

**(f) Other pending material litigations filed by the Directors of the Company**

As on the date of this Prospectus, there are no such outstanding litigations initiated filed by the Directors, which have been considered material by the Company in accordance with the Materiality Policy.

**C. LITIGATIONS INVOLVING THE PROMOTERS of the company**

**(a) Criminal proceedings against the Promoters of the Company**

As on the date of this Prospectus, there are no criminal proceedings against our Promoters of the Company.

**(b) Criminal proceedings filed by the Promoters of the Company**

As on the date of this Prospectus, there are no criminal proceedings filed by our Promoters of the Company.

**(c) Actions by statutory and regulatory authorities against the Promoters of the Company**

As on the date of this Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against our Promoters of the Company.

**(d) Tax Proceedings**

Nil

**(e) Other pending material litigations against the Promoters of the Company**

As on the date of this Prospectus, there are no outstanding material litigation against our Promoters of the Company.

**(f) Other pending material litigations filed by the Promoters of the Company**

As on the date of this Prospectus, there are no outstanding material litigation filed by our Promoters of the Company.

**D. LITIGATIONS INVOLVING THE GROUP COMPANIES WHICH CAN HAVE A MATERIAL IMPACT ON OUR COMPANY**

**(a) Criminal proceedings against Group Company**

As on the date of this Prospectus, there are no criminal proceedings against our Group Company of the Company.

**(b) Criminal proceedings filed by Group Company**

As on the date of this Prospectus, there are no criminal proceedings filed by our Group Company of the Company.

**(c) Actions by statutory and regulatory authorities against Group Company**

As on the date of this Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against our Group Company.

**(d) Tax Proceedings**

Nil

**(e) Other pending material litigations against Group Company**

As on the date of this Prospectus, there are no outstanding material litigation against our Group Company.

**(f) Other pending material litigations filed by Group Company**

As on the date of this Prospectus, there are no outstanding material litigation filed by our Group Company.

**DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS AND GROUP COMPANIES DURING THE LAST 5 FINANCIAL YEARS**

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters, Directors or Group Companies during the last 5 financial years including outstanding actions except as disclosed above.



### **PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Prospectus in the case of our Company, Promoter, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Prospectus.

### **OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of the Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

### **PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES**

There are no proceedings initiated against our Company for any economic offences.

### **NON-PAYMENT OF STATUTORY DUES**

As on the date of the Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

### **MATERIAL FRAUDS AGAINST OUR COMPANY**

There have been no material frauds committed against our Company in the five years preceding the year of this Prospectus.

### **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

### **DISCLOSURES PERTAINING TO FRAUDULENT BORROWER**

Our Company or any of our Promoters or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

### **AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:**

The Board of Directors of our Company considers dues exceeding 5% of our Company's trade payables as per the latest Restated Consolidated financial statements, to small scale undertakings and other creditors, as material dues for our Company.

As per Restated Consolidated Financial Statements, the trade payables of our Company as on September 30, 2023 were Rs. 3,532.16 lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds 5% of our Company's total trade payables as on September 30, 2023. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on September 18, 2023. As on September 30, 2023, there was Nil creditor to whom our Company owes amounts exceeding 5% of our Company's total trade payables as well as overdue and the aggregate outstanding dues to them being approximately Nil.

As per the above materiality policy, the outstanding amount owned to small scale undertakings and material creditors as on September 30, 2023, by our Company is as follows:

| <b>Material Creditors</b>            | <b>Number of Count</b> | <b>Amount Involved (₹ in Lakhs)</b> |
|--------------------------------------|------------------------|-------------------------------------|
| Micro, Small and Medium Enterprises* | 20                     | 936.77                              |
| Other Creditors                      | 542                    | 2,595.38                            |
| <b>Total</b>                         | <b>562</b>             | <b>3,532.16</b>                     |

*\*Entities that are identified as "Micro, Small and Medium Enterprises" under the Restated Financial Statements are considered as micro small and medium enterprises.*

*(Based on certificate duly certified by peer reviewed auditor M/s. Shaparia Mehta & Associates LLP, Chartered Accountants dated January 10, 2024)*

The details pertaining to amounts due towards material creditors are available on the website of our Company at [www.konsteel.com](http://www.konsteel.com).

### **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**



Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

**MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE:**

Except as disclosed in Chapter titled “*Management’s Discussion & Analysis of Financial Position & Results of Operations*” beginning on page 210 of this Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.



## GOVERNMENT AND OTHER STATUTORY APPROVALS

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the issue or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.*

*In view of the approvals listed below, we can undertake this issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.*

*The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.*

*The Company has got the following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.*

### I. APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue

#### **Corporate Approvals:**

- a. Our Board, pursuant to its resolution dated August 25, 2023 authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary;
- b. The shareholders of our Company have, pursuant to their resolution passed at the annual general meeting of our Company held on September 18, 2023 under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue;
- c. Our Board approved this Prospectus pursuant to its resolution dated September 30, 2023;

#### **Approval from the Stock Exchange:**

- d. In-principle approval dated December 19, 2023 from the NSE for using the name of the Exchange in the issue documents for listing of the Equity Shares issued by our Company pursuant to the issue.

#### **Agreements with NSDL and CDSL:**

- e. The company has entered into an agreement dated June 30, 2023 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Skyline Financial Services Private Limited for the dematerialization of its shares.
- f. Similarly, the Company has also entered into an agreement dated July 10, 2023 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Skyline Financial Services Private Limited for the dematerialization of its shares.
- g. ISIN No.: INE0QEI01011

### II. INCORPORATION RELATED APPROVALS

| Sr. No | Nature of Registration/ License    | CIN                   | Applicable Laws     | Issuing Authority              | Date of Issue     | Date of Expiry       |
|--------|------------------------------------|-----------------------|---------------------|--------------------------------|-------------------|----------------------|
| 1.     | Certificate of Incorporation       | U45203MH1995PTC095011 | Companies Act, 1956 | Registrar of Companies, Mumbai | December 05, 1995 | Valid till Cancelled |
| 2.     | Fresh Certificate of Incorporation | U45203MH1995PLC095011 | Companies Act, 2013 | Registrar of Companies, Mumbai | August 25, 2023   | Valid till Cancelled |

### III. TAX RELATED APPROVALS



| Sr. No. | Nature of Registration/ License   | Applicable Law  | Applicable Authority                | Registration Number | Date of Issue/Effective Date | Date of Expiry       |
|---------|---|---|-------------------------------------|---------------------|------------------------------|----------------------|
| 1.      | Permanent Account Number (PAN)  | Income Tax Act, 1961  | Income Tax Department               | AAACK2747D          | December 05, 1995            | Valid till Cancelled |
| 2.      | Tax Deduction Account Number (TAN)                                      | Income Tax Act, 1961  | Income Tax Department               | MUMK05702E          | January 08, 1996             | Valid till Cancelled |
| 3.      | Professional Tax  | Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975 | Income Tax Department               | 27270015562P        | February 01, 2011            | Valid till Cancelled |
| 4.      | Certificate of registration of Goods and Service tax (Himachal Pradesh) | Centre Goods and Services Tax Act, 2017   | Assistant Commissioner of State Tax | 02AAACK2747D1Z4     | November 10, 2017            | Valid till Cancelled |
| 5.      | Certificate of registration of Goods and Service tax (Bihar)            | Bihar Goods and Services Tax Act, 2017  | Joint Commissioner of State Tax     | 10AAACK2747D2Z6     | July 01, 2017                | Valid till Cancelled |
| 6.      | Certificate of registration of Goods and Service tax (Uttar Pradesh)    | Centre Goods and Services Tax Act, 2017   | Assistant Commissioner of State Tax | 09AAACK2747D1ZQ     | July 01, 2017                | Valid till Cancelled |
| 7.      | Certificate of registration of Goods and Service tax (Madhya Pradesh)   | Centre Goods and Services Tax Act, 2017   | Assistant Commissioner of State Tax | 23AAACK2747D1Z0     | July 01, 2017                | Valid till Cancelled |
| 8.      | Certificate of registration of Goods and Service tax (Punjab)           | Centre Goods and Services Tax Act, 2017   | Assistant Commissioner of State Tax | 03AAACK2747D1Z2     | July 01, 2017                | Valid till Cancelled |
| 9.      | Certificate of registration of Goods and Service tax (Karnataka)        | Centre Goods and Services Tax Act, 2017   | Assistant Commissioner of State Tax | 29AAACK2747D1Z0     | July 01, 2017                | Valid till Cancelled |
| 10.     | Certificate of registration of Goods and Service tax (Haryana)          | Centre Goods and Services Tax Act, 2017   | Assistant Commissioner of State Tax | 06AAACK2747D1ZW     | July 01, 2017                | Valid till Cancelled |
| 11.     | Certificate of registration of Goods and Service tax (Gujarat)          | Centre Goods and Services Tax Act, 2017   | Assistant Commissioner of State Tax | 24AAACK2747D1ZY     | July 01, 2017                | Valid till Cancelled |
| 12.     | Certificate of registration of Goods and Service tax (Rajasthan)        | Centre Goods and Services Tax Act, 2017   | Assistant Commissioner of State Tax | 08AAACK2747D1ZS     | July 01, 2017                | Valid till Cancelled |
| 13.     | Certificate of registration of Goods and Service tax (Chhattisgarh)     | Centre Goods and Services Tax Act, 2017   | Assistant Commissioner of State Tax | 22AAACK2747D1Z2     | July 01, 2017                | Valid till Cancelled |



| Sr. No. | Nature of Registration/ License                                       | Applicable Law                          | Applicable Authority                | Registration Number | Date of Issue/Effective Date | Date of Expiry       |
|---------|---|---|-------------------------------------|---------------------|------------------------------|----------------------|
| 14.     | Certificate of registration of Goods and Service tax (Odisha)         | Centre Goods and Services Tax Act, 2017 | Assistant Commissioner of State Tax | 21AAACK2747D1Z4     | July 01, 2017                | Valid till Cancelled |
| 15.     | Certificate of registration of Goods and Service tax (Andhra Pradesh) | Centre Goods and Services Tax Act, 2017 | Assistant Commissioner of State Tax | 37AAACK2747D1ZR     | July 01, 2017                | Valid till Cancelled |
| 16.     | Certificate of registration of Goods and Service tax (Assam)          | Centre Goods and Services Tax Act, 2017 | Assistant Commissioner of State Tax | 18AAACK2747D1ZR     | July 01, 2017                | Valid till Cancelled |
| 18.     | Certificate of registration of Goods and Service tax (Jharkhand)      | Centre Goods and Services Tax Act, 2017 | Assistant Commissioner of State Tax | 20AAACK2747D1Z6     | July 01, 2017                | Valid till Cancelled |
| 19.     | Certificate of registration of Goods and Service tax (Maharashtra)    | Centre Goods and Services Tax Act, 2017 | Assistant Commissioner of State Tax | 27AAACK2747D1ZS     | July 01, 2017                | Valid till Cancelled |
| 20.     | Certificate of registration of Goods and Service tax (Tamil Nadu)     | Centre Goods and Services Tax Act, 2017 | Assistant Commissioner of State Tax | 33AAACK2747D1ZZ     | July 01, 2017                | Valid till Cancelled |
| 21.     | Certificate of registration of Goods and Service tax (Telangana)      | Centre Goods and Services Tax Act, 2017 | Assistant Commissioner of State Tax | 36AAACK2747D1ZT     | July 01, 2017                | Valid till Cancelled |
| 22.     | Certificate of registration of Goods and Service tax (West Bengal)    | Centre Goods and Services Tax Act, 2017 | Assistant Commissioner of State Tax | 19AAACK2747D1ZP     | July 01, 2017                | Valid till Cancelled |
| 23.     | Certificate of registration of Goods and Service tax (Kerala)         | Centre Goods and Services Tax Act, 2017 | Assistant Commissioner of State Tax | 32AAACK2747D1Z1     | July 01, 2017                | Valid till Cancelled |

#### IV. BUSINESS RELATED APPROVALS

| Sr. No | Description                                  | Applicable Laws                                      | Authority   | Registration Number                | Date of Issue     | Date of Expiry        |
|--------|--|--|---|------------------------------------|-------------------|-----------------------|
| 1.     | Certificate of Importer- Exporter Code (IEC) | Foreign Trade (Development and Regulation) Act, 1992 | Ministry of Commerce & Industry, Office of Office of the Additional Director General of Foreign Trade, Mumbai | 0398046611                         | November 10, 1998 | Valid until cancelled |
| 2.     | Electrical Contractor License - Gandhinagar  | -  | Energy and Petrochemicals Department  | GBC/2017 Supervisor permit number: | January 01, 2022  | December 31, 2026     |



| Sr. No | Description                                      | Applicable Laws  | Authority   | Registration Number  | Date of Issue      | Date of Expiry    |
|--------|--|--|---|----------------------|--------------------|-------------------|
|        |  |  | Secretary,<br>Licensing<br>Board,<br>Gandhinagar-     | MGS/178              |                    |                   |
| 3.     | Electrical Contractor License – Dibrugarh, Assam | Rule 45 of the Indian Electricity Rules, 1956  | Secretary,<br>Electrical<br>Licensing<br>Board, Assam | 4593                 | February 12, 2023  | February 11, 2024 |
| 4.     | Electrical Contractor License- Andhra Pradesh    | Andhra Pradesh Electrical Licensing Rules, 1987  | Andhra Pradesh Electrical Licensing Board             | A/11822 1-1739       | October 03, 2023   | October 02, 2025  |
| 5.     | Super Grade Electrical Contractor License        | Karnataka Electrical Contractors Licensing Rules, 1978   | Electrical Board, Bangalore                           | SGL163730BLY         | December 30, 2023  | November 30, 2025 |
| 6.     | Electrical Contractor License- Bihar             | Bihar Electrical Licensing Board Rules, 2009 under the Electricity Act, 2003.  | Electrical Licensing Board, Patna                     | 03/18                | June 22, 2021      | June 21, 2024     |
| 7.     | Electrical Contractor License- West Bengal       | West Bengal Electrical Licensing Rule, 2017  | Electrical Licensing Board, West Bengal               | 201901040396 (19509) | December 27, 2019  | December 26, 2024 |
| 8.     | Electrical Contractor License- Maharashtra       | Maharashtra Electrical Licensing Board Rules, 1962   | Electrical Licensing Board, Maharashtra               | 8847                 | September 02, 2022 | August 02, 2025   |
| 9.     | Super Grade Electrical Contractor License        | Karnataka Electrical Contractors Licensing Rules, 1978   | Electrical Board, Bangalore                           | 1CL09271 BLY         | March 01, 2020     | February 28, 2025 |
| 10.    | Electrical Contractor License- Rajasthan         | Rajasthan Electrical Inspectorate (Formation of Technical Committee and Grant of competency certificate to work and permit to work) Rules, 2016. | Electrical Inspectorate Department, Rajasthan         | 12061                | June 13, 2023      | June 13, 2024     |

#### V. LABOUR RELATED APPROVALS OBTAINED BY OUR COMPANY





| Sr. No. | Description  | Applicable Laws  | Authority   | Registration Number              | Date of Issue     | Date of Expiry                  |
|---------|--|--|---|----------------------------------|-------------------|---------------------------------|
| 1.      | Registration under ESI   | Employees State Insurance Act, 1948  | Sub-Regional Office, Employee's State Insurance Corporation | R/COV/ NS-43339/(31-29597-101)   | 1997              | Valid till cancelled            |
| 2.      | Registration under Employees' Provident Funds                      | Employees (Provident Fund and Miscellaneous Provisions) Act, 1952                                      | Employees' Provident Fund Organisation                      | MH/PF/APP/42891/Enf. VI/06C/630  | November 06, 1997 | Valid till Cancelled            |
| 3.      | Nayara Energy LTD., Khambalia Post Box No. 24, Devbhumi Dwarka     | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner (Central) Rajkot              | CLRA/ALCRAJKOT/2021/L-9          | December 30, 2022 | January 18, 2024 (post renewal) |
| 4.      | Hindustan Petroleum Corporation Limited                            | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner (Central) Jalandhar           | CLRA/ALCJALANDHAR/2023/L-40      | February 02, 2023 | February 01, 2024               |
| 5.      | Bio Refinery Project at Bathinda                                   | Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 | Assistant Labour Commissioner (Central) Jalandhar           | BOCW/ALCJALANDHAR/2023/R-11      | February 02, 2023 | October 31, 2024                |
| 6.      | Reliance Industries Limited, Refinery Division                     | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner (Central) Rajkot              | CLRA/ALCRAJKOT/2019/L-35         | January 24, 2023  | February 06, 2024               |
| 7.      | TOYO Engineering India Private Limited                             | Contract Labour (Regulation and Abolition) Act, 1970   | Deputy Labour Commissioner, Haldia                          | HAL01/CLL/001153                 | February 07, 2023 | February 06, 2024               |
| 8.      | HPCL M/s Mittal Energy Limited                                     | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner (Central) Jalandhar           | CLRA/ALCJALANDHAR/2023/L-116     | March 15, 2023    | March 14, 2024                  |
| 9.      | Indian Oil Corporation Limited, Barauni Refinery                   | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner (Central) Patna               | CLRA/ALCPATNA/2023/L-116         | April 17, 2023    | April 16, 2024                  |
| 10.     | Project of Indian Oil Corporation Limited, PO Barauni Oil Refinery | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner Patna                         | CLRA/ALCPATNA/2022/L-135         | April 17, 2023    | April 27, 2024                  |
| 11.     | Rajasthan Refinery Projects of HRRL                                | Contract Labour  | Assistant Labour  | CLRA/ALCJODHPUR/2023/119454/L-79 | May 01, 2023      | April 30, 2024                  |



| Sr. No. | Description  | Applicable Laws  | Authority  | Registration Number               | Date of Issue     | Date of Expiry             |
|---------|--|--|--|-----------------------------------|-------------------|----------------------------|
|         | Rajasthan  | (Regulation and Abolition) Act, 1970   | Commissioner (Central) Jodhpur                             |                                   |                   |                            |
| 12.     | HPCL Rajasthan Refinery LTD  | Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service Act, 1979)   | Assistant Labour Commissioner (Central) Jodhpur            | ISMW/ALCJODHPUR/2023/119467/L-13  | May 08, 2023      | May 07, 2024               |
| 13.     | Instrumentation Work – 1 Part A, Part B & Part C For Residual Utilities And Offsites Ru & O Facilities For HPCL Rajasthan Refinery Ltd | Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996   | Assistant Labour Commissioner (Central) Jodhpur            | BOCW/ALCJODHPUR/2023/74713/R-15   | May 12, 2023      | Till completion of project |
| 14.     | JAIRAJ ISPAT   | The Andhra Pradesh (Issuance of Integrated Registration and Furnishing of Combined Returns under various Labour Laws by certain Establishment) Act, 2015 | Government of Andhra Pradesh, Labour Department            | AP-13-17-010-03248961             | June 01, 2023     | June 26, 2024              |
| 15.     | HPCL Bhatinda – Electrical Works   | Contract Labour (Regulation And Abolition) Act, 1970 and Contract Labour (Regulation and Abolition) Central Rules, 1971                                  | Assistant Labour Commissioner (Central) Jalandhar          | CLRA/ALCJALANDH AR/2022/L-265     | June 19, 2023     | June 28, 2024              |
| 16.     | HPCL Bhatinda – Electrical Works   | Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996   | Assistant Labour Commissioner (Central) Jalandhar          | BOCW/ALCJALANDH AR/2023/R-10      | February 02, 2023 | October 31, 2024           |
| 17.     | JSW Steel Limited, Toranagallu, Bellary District   | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner, Bellary Division, Devangere | ALC-BAL/CLA/C-1000330/073/2019-20 | August 22, 2023   | July 01, 2024              |
| 18.     | JSW Vijaynagar Metallics Limited   | Contract Labour (Regulation and  | Assistant Labour Commissioner,                             | ALC-BAL/CLA/C-13013963/2022-23    | August 22, 2023   | August 01, 2024            |



| Sr. No. | Description  | Applicable Laws  | Authority   | Registration Number               | Date of Issue      | Date of Expiry                      |
|---------|--|--|---|-----------------------------------|--------------------|-------------------------------------|
|         |  | Abolition) Act, 1970   | Bellary Division, Devangere                       |                                   |                    |                                     |
| 19.     | Technip HRRL Rajasthan – Electrical Job  | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner (Central) Jodhpur   | CLRA/ALCJODHPUR/2023/129648/L-134 | July 19, 2023      | July 18, 2024                       |
| 20.     | Technip HRRL Rajasthan – Electrical Job  | Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Central Rules, 1980)  | Assistant Labour Commissioner (Central) Jodhpur   | ISMW/ALCJODHPUR/2023/129670/L-23  | August 01, 2023    | July 31, 2024                       |
| 21.     | HRRL Rajasthan Refinery Project at Pachpadra   | Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 | Assistant Labour Commissioner (Central) Jodhpur   | BOCW/ALCJODHPUR/2023/91902/R-36   | July 25, 2023      | Till the date of completion of work |
| 22.     | Rajasthan Refinery Project of M/S HRRL, HPCL Rajasthan Refinery Ltd.   | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner (Central) Jodhpur   | CLRA/ALCJODHPUR/2022/L-218        | August 29, 2023    | September 06, 2024                  |
| 23.     | Rajasthan Refinery Project of M/S HRRL, HPCL Rajasthan Refinery Ltd.   | Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Central Rules, 1980)  | Assistant Labour Commissioner (Central) Jodhpur   | ISMW/ALCJODHPUR/2022/L-33         | August 30, 2023    | September 06, 2024                  |
| 24.     | Electrical Works-I Part A for Residual Utilities of offsite RU&O Facilities for Rajasthan Refinery Project of M/s HRRL | Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 | Assistant Labour Commissioner (Central) Jodhpur   | BOCW/ALCJODHPUR/2022/R-60         | October 06, 2022   | Till the date of completion of work |
| 25.     | Adani Krishnapatnam Port Premises, Andhra Pradesh  | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner (Central) Vijaywada | CLRA/ALCVIJAYAW ADA/2022/L-228    | September 14, 2022 | September 13, 2024                  |
| 26.     | Panipat Refinery of  | Contract Labour  | Assistant   | CLRA/ALCKARNAL/2                  | October 18,        | October 17,                         |



| Sr. No. | Description   | Applicable Laws  | Authority  | Registration Number                 | Date of Issue     | Date of Expiry                        |
|---------|---|--|--|-------------------------------------|-------------------|---------------------------------------|
|         | IOCL  | (Regulation and Abolition) Act, 1970   | Labour Commissioner (Central) Karnal               | 021/L-319                           | 2021              | 2024                                  |
| 27.     | Chennai Petroleum Corporation Limited<br>Construction power work for CBR project  | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner (Central) Puducherry | CLRA/ALCPUDUCHE RRY/2022/L-198      | November 28, 2022 | November 27, 2024                     |
| 28.     | Super Thermal Power Project   | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner (Central) Patna      | L-294/2017/ALC                      | November 28, 2022 | December 10, 2024                     |
| 29.     | M/s Nayara Energy Limited   | Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and Central Rules, 1998 | Assistant Labour Commissioner (Central) Rajkot     | BOCW/ALCRAJKOT/2022/R-15            | March 28, 2022    | Valid upto completion of this project |
| 30.     | Cochin Division Ambalamedu Kochi  | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner (Central) Ernakulam  | CLRA/ALCERNAKULAM/2023/131089/L-141 | August 07, 2023   | August 06, 2024                       |
| 31.     | KIOCL Limited Panambur Mangalore  | Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service Act, 1979)                                     | Assistant Labour Commissioner (Central) Mangalore  | ISMW/ALCMANGALORE/2023/131776/L-149 | August 03, 2023   | August 02, 2024                       |
| 32.     | KIOCL Limited Panambur Mangalore  | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner (Central) Mangalore  | CLRA/ALCMANGALORE/2023/129569/L-176 | July 28, 2023     | July 27, 2024                         |
| 33.     | BOCW IOCL Barauni OHCUCertificate of Registration for Employer<br>EPCC Package EPCC-06 for new once through Hydrocracker Unit OHCUC Fuel GAS Treatment Unit FG TU and allied Facilities for Barauni Refinery Capacity | Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and Central Rules, 1998 | Assistant Labour Commissioner Patna                | BOCW/ALCPATNA/2023/94242/R-71       | November 17, 2023 | Valid upto completion of this project |



| Sr. No. | Description   | Applicable Laws  | Authority                                 | Registration Number                  | Date of Issue      | Date of Expiry                        |
|---------|---|--|---|--------------------------------------|--------------------|---------------------------------------|
|         | EXPA  |  |   |                                      |                    |                                       |
| 34.     | BOCW-HRRL Rajasthan<br><br>Certificate of Registration for Employer<br><br>Instrumentation Work II For Residual Utilities And Offsit RU&O Facilities For Rajasthan Refinery Project Of M/S. HPCL Rajasthan Refinery Ltd | Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and Central Rules, 1998 | Assistant Labour Commissioner, Jodhpur    | BOCW/ALCJODHPUR/2023/97282/R-63      | November 30, 2023  | Valid upto completion of this project |
| 35.     | Instrumental Work-II for RU&O Facilities at M/S. HPCL Rajasthan Refinery Limited  | Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service Act, 1979 and Central Rules, 1980              | Assistant Labour Commissioner, Jodhpur    | ISMW/ALCJODHPUR/2023/144084/L-37     | December 14, 2023  | December 13, 2024                     |
| 36.     | Construction Power Work for CBR Project of CPCL Chennai Petroleum Corporation   | Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and Central Rules, 1998 | Assistant Labour Commissioner, Puducherry | BOCW/ALCPUDUCHE RRY/2023/R-4         | February 22, 2023  | Valid upto completion of this project |
| 37.     | Instrumental Works at Assam Bio Refinery Private Limited, NRL Road.   | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner, Golaghat   | CLL/2023/FD1703585774907NK           | December 26, 2023  | December 24, 2024                     |
| 38.     | Electrical & Instrument Work FKAT Project at Ambalamedu, Kerala   | Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service Act, 1979                                      | Assistant Labour Commissioner, Ernakulam  | ISMW/ALCERNAKULAM/2023/138948/L-86   | November 22, 2023  | November 21, 2024                     |
| 39.     | IOCL, CCCPL Project Vallur  | Contract Labour (Regulation and Abolition) Act, 1970   | Regional Labour Certificate, Madurai      | CLRA/RLCMADURAI/2023/136462/L-149    | September 15, 2023 | September 14, 2024                    |
| 40.     | Electrical Work of EPCC Package DHT of NREP   | Contract Labour (Regulation and  | Regional Labour Certificate,              | CLRA/RLCDIBRUGA RH/2023/140804/L-311 | November 08, 2023  | November 07, 2024                     |



| Sr. No. | Description  | Applicable Laws  | Authority                                | Registration Number               | Date of Issue     | Date of Expiry                        |
|---------|--|--|--|-----------------------------------|-------------------|---------------------------------------|
|         |  | Abolition) Act, 1970   | Dibrugarh                                |                                   |                   |                                       |
| 41.     | Electrical and Instrumentation for IOCL Barauni Refinery Hydrogen & Nitrogen Plant   | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner, Patna     | CLRA/ALCPATNA/2023/143921/L-373   | November 29, 2023 | November 28, 2024                     |
| 42.     | RU&O Facility for HPCL Rajasthan Refinery Limited                                    | Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and Central Rules, 1998 | Assistant Labour Commissioner, Jodhpur   | BOCW/ALCJODHPUR/2023/97282/R-63   | November 30, 2023 | Valid upto completion of this project |
| 43.     | RU&O Facility for Rajasthan Refinery Project of M/s HRRL                             | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner, Jodhpur   | CLRA/ALCJODHPUR/2023/143975/L-216 | December 13, 2023 | December 12, 2024                     |
| 44.     | RU&O Facilities for HPCL Rajasthan Refinery Project, Village Sajiya                  | Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and Central Rules, 1998 | Assistant Labour Commissioner, Jodhpur   | BOCW/ALCJODHPUR/2023/97922/R-67   | December 14, 2023 | Valid upto completion of this project |
| 45.     | Electrical Work – II for RU&O Facilities for HPCL Rajasthan Refinery Project, Barmer | Inter State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979                                     | Assistant Labour Commissioner, Jodhpur   | ISMW/ALCJODHPUR/2023/145790/L-38  | December 18, 2023 | December 17, 2024                     |
| 46.     | Electrical Work – II for RU&O Facilities for HPCL Rajasthan Refinery Project, Barmer | Contract Labour (Regulation and Abolition) Act, 1970   | Assistant Labour Commissioner, Jodhpur   | CLRA/ALCJODHPUR/2023/141300/L-235 | December 29, 2023 | December 28, 2024                     |
| 47.     | Double walled Double integrity Storage tank FACT-Cochin Division Ambalamedu, kerala  | Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and Central Rules, 1998 | Assistant Labour Commissioner, Ernakulam | BOCW/ALCERNAKULAM/2023/93519/R-32 | October 9, 2023   | Valid upto completion of this project |



## VI. APPROVALS OBTAINED IN RELATION TO BUSINESS OPERATIONS OF OUR COMPANY




| Sr. No | Description   | Applicable Laws  | Authority   | Registration Number                | Date of Issue    | Date of Expiry       |
|--------|---|--|---|------------------------------------|------------------|----------------------|
| 1.     | Udyam MSME Registration Certificate   | Ministry of Micro, Small and Medium Enterprises, Government of India                                   | Micro, Small and Medium Enterprises Development Act, 2006 | UDYAM-MH-18-0002305                | July 29, 2020    | Valid till Cancelled |
| 2.     | Registration Certificate under Shops & Establishments Act (Registered Office) | The Maharashtra Shops and Establishments (Regulation of Employment and Condition of Service) Act, 2017 | Shop Inspector  | 820024157 / HE Ward /COMMERCIAL II | January 08, 2019 | January 07, 2029     |

## VII. QUALITY CERTIFICATIONS:

| Sr. No | Description                               | Authority      | Registration Number | Date of Issue     | Date of Expiry   |
|--------|---|----------------|---------------------|-------------------|------------------|
| 1.     | Certificate of Registration ISO 9001:2015 | AQC Global LLC | 23IQLB34            | February 27, 2023 | January 27, 2025 |

## VIII. INTELLECTUAL PROPERTY RELATED APPROVAL

The details of trademarks registered by our Company are/applied for:-

| Sr. No. | Brand Name/Logo/ Trademark  | Class | Nature of Trademark and registration number | Date of Application | Current Status |
|---------|---|-------|---|---------------------|----------------|
| 1.      | KONSTELEC   | 42    | 6097223                                     | September 05, 2023  | Applied        |
| 2.      | KONSTELEC   | 35    | 6097221                                     | September 05, 2023  | Applied        |
| 3.      | KONSTELEC   | 37    | 6097222                                     | September 05, 2023  | Applied        |
| 4.      |  | 42    | 6097226                                     | September 05, 2023  | Applied        |
| 5.      |  | 35    | 6097224                                     | September 05, 2023  | Applied        |
|         |  | 37    | 6097225                                     | September 05, 2023  | Applied        |



**IX. APPLICATIONS MADE BY OUR COMPANY, PENDING APPROVAL:**

- An application for Contract Labour License has been submitted being Acknowledgement no. 28112206111381 for the project name IOCL Haldia Refinery, Purba Mednipur 721606.
- An Application for Renewal of contract labour license has been submitted being Acknowledgement no. B22112209114921 Dated 08-12-2023 for a project name Nabinagar Power Generating Co. Ltd.
- An application for Contract Labour License has been submitted being Acknowledgement no. 24011911011972 for the project name Reliance Industries Limited, Refinery Division, Jamnagar Gujarat-361142.
- An application for Contract Labour License has been submitted being Acknowledgement no. 100098232309 Dated: December 29, 2023 for the project I G Petro Chemical Limited, plot no. T-2.MIDC, Opp. Exide Battery, Ghot, Panvel, Raigarh, Maharashtra- 410208
- An application for Contract Labour License has been submitted being Acknowledgement no. 08112305115019 Dated: November 08, 2023 for the project name JODA East Iron mine Tata Steel Limited, Keonjhar-758034.
- An application for Inter-state Migrant workmen License has been submitted being Acknowledgement no. 06122305121043 Dated: December 06, 2023 for the project name Prodair Air Products India Private Limited, Barauni Oil Refinery, Begusarai-851114.





## SECTION XI – INFORMATION WITH RESPECT TO GROUP COMPANIES / ENTITIES

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 with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and other Companies as considered material by our Board. Further, pursuant to a resolution of our Board dated September 18, 2023 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as Group companies if such company fulfils both the below mentioned conditions: -

- i. Such company(ies) in which, the investment in the form of equity or loan by the Company exceeds 5 % of the net worth of the Company for the last audited financial year;; and
- ii. Where the Company has entered into one or more transactions with such company (ies) in the last audited financial year, cumulatively exceeding 5% of the total revenue of the Company for the last audited financial year;.
- iii. Any other Company /Entity that Board may decide to consider material.

Except as stated, there are no companies/entities falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group companies/entities.

1. Konstelec Hitech Engineers Private Limited;
2. KEPL EPC Nigeria Limited;
3. CES Automation Engineers Private Limited

### A. Details of our Group Companies

#### i. Konstelec Hitech Engineers Private Limited

Konstelec Hitech Engineers Private Limited was incorporated on January 19, 2010 under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Mumbai.

|                          |   |
|--------------------------|---|
| <b>CIN</b>               | U31908MH2010PTC199051   |
| <b>PAN</b>               | AADCK8419M  |
| <b>Registered Office</b> | 308, Creative Industrial Estate, Sunder Nagar, Lane No. 2, Kalina, Santacruz (East), Mumbai-400098, Maharashtra, India. |

#### Financial Performance

The financial information derived from the audited financial statements of Konstelec Hitech Engineers Private Limited for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 are available at [www.konstelec.com](http://www.konstelec.com).

#### ii. KEPL EPC Nigeria Limited

KEPL EPC Nigeria Limited was incorporated on May 25, 2009 under the Companies and Allied Matters Act 1990 pursuant to a certificate of incorporation issued by the Corporate Affairs Commission Federal Republic of Nigeria.

|                          |  |
|--------------------------|--|
| <b>Company Number</b>    | 820848   |
| <b>Registered Office</b> | 68, Bode Thomas, Surelere, Lagos, Nigeria, Lagos |

#### Financial Performance

The financial information derived from the audited financial statements of KEPL EPC Nigeria Limited for the Financial Years ended December 31, 2022, December 31, 2021 and December 31, 2020 are available at [www.konstelec.com](http://www.konstelec.com).

#### iii. CES Automation Engineers Private Limited

CES Automation Engineers Private Limited was incorporated January 05, 2018 under the Companies Act 2013, pursuant to a certificate of incorporation issued by the Registrar of Companies, Mumbai.

|                          |   |
|--------------------------|---|
| <b>CIN</b>               | U29309MH2018PTC303759   |
| <b>PAN</b>               | AAHCC3560B  |
| <b>Registered Office</b> | Gala No.307, 3rd Floor, Creative Ind. Estate, Ward No- H East, Kalina, Sunder Nagar Lane No. 2, Santacruz East, Mumbai-400098 |

#### Financial Performance



The financial information derived from the audited financial statements of CES Automation Engineers Private Limited for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 are available at [www.konstelec.com](http://www.konstelec.com).

## B. Litigation

As on the date of this Prospectus, there is no litigation involving our Group Companies which will have a material impact on our Company. For further details, please refer to the section titled “*Outstanding Litigation and Material Developments*” on page 223 of this Prospectus

## C. Common Pursuits

As of the date of this Prospectus, companies such as Konstelec Hitech Engineers Private Limited, CES Automation Engineers Private Limited, and KEPL EPC Nigeria Limited are involved in a business similar to ours. There are no existing non-compete agreements among these companies. Therefore, potential conflicts of interest might arise when distributing business opportunities among our entities, especially when our interests diverge.

## D. Related business transactions within our Group Company and significance on the financial performance of our Company

Other than the transactions disclosed in “Annexure 33: Related Party Disclosure” from the chapter titled “Restated Financial Information” on Page No 208, there are no other related business transactions between our Group Companies and our Company.

### Proposed Related Party Transactions with Group/Entities/Promoters for FY 2023-24 as approved by the Board of Directors, as on the date of this Prospectus:

| Sr. No. | Name of Related Parties | Nature of Relation   | Nature of Transaction with related parties | Omnibus Approval (In Rs. Lakhs)              |
|---------|-------------------------|----------------------|--|--|
|         |                         |                      |  | 2023-24                                      |
| 1.      | Mrs. Nirupama Shah      | Director’s Wife      | Salary                                     | 15.00  |
| 2.      | Mrs. Rajul Amish Shah   | Director’s Wife      | Salary                                     | 30.00  |
| 3.      | Mr. Amish Shah          | Director             | Office Rent                                | 2.16   |
| 4.      | KEPL EPC Nigeria        | Interested Directors | Sub-Contractor Expenses                    | As may be decided by Board from time to time |

Additionally, our Company will pay remuneration and salary to our Directors and Key Managerial Personnel as approved by the Board of Directors and/or Shareholders of our Company.

## E. Business Interest

Except as disclosed in the section “Annexure 33: Related Party Disclosure” from the chapter titled “Restated Financial Information” on Page No. 208, our Group Companies have no business interests in our Company.

## F. Nature and extent of interest of our Group Companies

### a. In the promotion of our Company

Our Group Companies do not have any interest in the promotion of our Company.

### b. In the properties acquired by us in the preceding three years before filing this Prospectus or proposed to be acquired by our Company

Our Group Companies are not interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

### c. In transactions for acquisition of land, construction of building and supply of machinery

Our Group Companies are not interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

## G. Undertaking / Confirmations by our Group Companies

None of our Promoters or Promoter Group or Group companies or person in control of our Company has been

- Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or



ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company or have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group companies/Promoter Group entities have been declared as a willful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

*The information as required by the SEBI ICDR Regulations with regards to the Group companies, are also available on the website of our company i.e. [www.konstelec.com](http://www.konstelec.com)*



## SECTION XII- OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

1. The Board of Directors has, pursuant to a resolution passed at its meeting held on August 25, 2023 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.
2. The shareholders of the Company have, pursuant to a special resolution passed in EGM held on September 18, 2023 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

### IN-PRINCIPLE LISTING APPROVAL

Our Company has received an In-Principle Approval letter dated December 19, 2023 from NSE for using its name in this offer document for listing our shares on the Emerge Platform of NSE. NSE is the Designated Stock Exchange for the purpose of this Issue.

### PROHIBITION BY SECURITIES MARKET REGULATIONS

Our Company, our Promoters, Promoter Group, our directors, person(s) in control of the promoter or our Company have not been prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

### CONFIRMATIONS

1. Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Prospectus. Further, in view of the General Circular No. 07/2018 dated September 06, 2018 and General Circular No. 08/2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India (“MCA”), our Company, our Promoters and our Promoter Group will ensure compliance with the SBO Rules, upon notification of the relevant forms, as may be applicable to them.
2. We confirm that none of our directors in any manner are associated with any entities which are engaged in securities market related business and are registered with the SEBI.

### PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

1. Neither our Company, nor our Promoters, nor the relatives (as defined under the Companies Act) of our Promoters nor Group Companies/Entities have been identified as willful defaulters or fraudulent borrowers by the RBI or any other governmental authority.
2. Our Directors have not been declared as fugitive economic offenders in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018.

### ELIGIBILITY FOR THE ISSUE

Our Company is an “Unlisted Company” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

We are an issuer whose post issue paid-up capital is not more than ₹ 25 Crore and therefore, our Company is eligible for the Issue in accordance with **Regulation 229 (2)** of Chapter IX of the SEBI (ICDR) Regulations, 2018.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that the amount for general corporate purposes, as mentioned in objects of the issue in the Prospectus does not exceed twenty-five per cent of the amount being raised by our Company.

Our Company also complies with the eligibility conditions laid by the Emerge Platform of National Stock Exchange of India Limited for listing of our Equity Shares. The point wise Criteria for Emerge Platform of National Stock Exchange of India Limited and compliance thereof are given hereunder.

#### **1. The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.**

Our Company was incorporated as ‘Konstelec Engineers Private Limited’ pursuant to certificate of Incorporation dated December 05, 1995 issued by the Registrar of Companies, Mumbai under the provisions of the Companies Act, 1956.

#### **2. The post issue paid up capital of the company (face value) shall not be more than ₹ 25.00 Crore.**

The present paid-up capital of our Company is ₹ 1100.00 Lakhs and we are proposing Issue of upto 4100000 Equity Shares of ₹ 10/- each at an Issue price of ₹ 70/- per Equity Share including share premium of ₹ 60/- per Equity Share,



aggregating to ₹ 2870.00 Lakhs. Hence, our Post Issue Paid up Capital will be ₹ 1510.00 Lakhs which is not more than ₹ 25 Crores.

### 3. Track Record

#### a. The company should have a track record of at least 3 years.

Our Company was incorporated on dated December 05, 1995 under the provisions of the Companies Act, 1956 vide certificate of incorporation issued by Registrar of Companies, Mumbai. Hence, we are in compliance with the criteria of having track record of 3 years.

#### b. The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 (two) out of 3 (three) financial years preceding the application and its net-worth should be positive.

Our Company satisfies the criteria of track record which given hereunder based on Restated Consolidated Financial Statement.

(₹ in lakhs)

| Particulars  | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 | For the year<br>ended March 31,<br>2021 |
|--|--------------------------------------|--------------------------------------|---|
| Operating profit (earnings before interest, depreciation and tax and other income) from operations | 1414.54                              | 584.38                               | 480.71                                  |
| Net Worth as per Restated Financial Statement  | 6,191.50                             | 5,423.73                             | 5,071.49                                |

### 4. Other Requirements

We confirm that:

- The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past three years against our Company.
- None of the Issues managed by Book Running Lead Manager are returned by NSE in last six months from the date of this Prospectus.
- The Company has a website: [www.konstelec.com](http://www.konstelec.com)
- Our Company shall mandatorily facilitate trading in demat securities and have entered into tripartite agreement with both the depositories i.e. NSDL & CDSL along with our Registrar for facilitating trading in dematerialized mode.
- There is no default in payment of interest and/or principal to the debenture / bond / fixed deposit holders, banks, FIs by the Company, promoters / promoting Company(ies), group companies, companies promoted by the promoters / promoting company(ies) during the past three years.

We further confirm that:

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our Company, our Promoters, member belong to the Promoter Group, our Group Companies/ Entities, our directors and the companies with which our Promoters & Directors are associated as directors or promoters or persons in control of any other company have been prohibited/debarred from accessing or operating in the capital markets under any order or direction passed by SEBI;
- None of our Company, our Promoters, member belong to the Promoter Group, our Group Companies/ Entities, our Directors and the companies with which our Promoters & Directors are associated as directors or promoters or persons in control of any other company have not been declared as 'Wilful Defaulter' and/ 'Fraudulent Borrowers' as on the date of filing this Prospectus;
- None of our Company, our Promoters, member belong to the Promoter Group, our Group Companies/ Entities, our Directors and the companies with which our Promoters & Directors are associated as directors or promoters



or persons in control of any other company have not been declared as 'Fugitive Economic Offender' as on the date of filing this Prospectus.

**In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:**

1. In accordance with **Regulation 246** the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Prospectus through Book Running Lead Manager immediately upon registration of the Prospectus with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on Prospectus.
2. This Issue is 100% underwritten in compliance of **Regulations 260(1) and 260(2)** of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting, please refer to section titled "*General Information*" beginning on Page No. 58 of this Prospectus.
3. In accordance with **Regulation 261** of the SEBI (ICDR) Regulations, 2018, the Book Running Lead Manager will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares issued in the Initial Public Offer. For details of the market making arrangement, please refer section titled "*General Information*" beginning on Page No. 58 of this Prospectus.
4. In accordance with **Regulation 268(1)** of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within four days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest at rate of fifteen per cent per annum and within such time as disclosed in the issue document and Book Running Lead Manager shall ensure the same.

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.

**DISCLAIMER CLAUSE OF SEBI**

**"IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT OFFER DOCUMENT/~~DRAFT LETTER OF OFFER~~/OFFER DOCUMENT TO THE 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 OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER(S) IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER(S), BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED JANUARY 24, 2024, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR 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(S) ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENT/~~DRAFT~~**



**~~LETTER OF OFFER/OFFER DOCUMENT.~~**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, MUMBAI, IN TERMS OF SECTION 26, 30 AND SECTION 33 OF THE COMPANIES ACT, 2013.**

**DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NSE LIMITED**

The copy of the Prospectus is submitted to NSE. Post scrutiny of the Prospectus, the Disclaimer Clause as intimated by NSE to us is read as under:

**“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/2956 dated December 19, 2023 permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.**

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

**CAUTION: DISCLAIMER FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company, the Directors, accept no responsibility for statements made otherwise than in this Prospectus or in the advertisement or any other material issued by or at the instance of the issuer and that anyone placing reliance on any other source of information would be doing so at their own risk.

The Book Running Lead Manager accepts no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone placing reliance on any other source of information, including Company’s website: [www.konstelec.com](http://www.konstelec.com) would be doing so at their own risk.

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone placing reliance on any other source of information, including Company’s website: <https://konstelec.com/> would be doing so at their own risk.

**CAUTION**

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Memorandum of Understanding entered into between the Book Running Lead Manager, Beeline Capital Advisors Private Limited and our Company dated September 18, 2023 and Supplemental Memorandum of Understanding dated January 19, 2024 and the Underwriting Agreement dated January 9, 2024 between the Underwriters and our Company and the Market Making Agreement dated January 9, 2024 entered into among the Market Maker, Beeline Capital Advisors Private Limited and our Company.

All information shall be made available by us and the Book Running Lead Managers 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 or at collection centres etc.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and our Promoter Group, 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 and our Promoter Group, affiliates or associates for which they have received, and may in future receive, compensation.

**Note:**

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire



Equity Shares of our company and will not offer, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriters and the Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

#### **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 not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2 (72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FIIs, Eligible NRIs, QFIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. This Prospectus does not, however, constitute an invitation to subscribe to Equity Shares issued hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform him 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) in 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 Prospectus has been filed with NSE for its observations and NSE shall give its observations in due course.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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 where required agrees that such applicant will not sell or transfer any Equity Shares 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.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1933**

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 Regulation S 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 Regulation S 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 required, 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 OF DRAFT RED HERRING PROSPECTUS/RED HERRING PROSPECTUS / PROSPECTUS WITH BOARD AND ROC**

The Draft Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India. The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the 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 and Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>

A copy of the Red Herring Prospectus and Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered to the RoC Office situated at 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra.

## **LISTING**

Application is to be made to the Emerge Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated December 19, 2023 from NSE for using its name in this offer document for listing our shares on the Emerge Platform of NSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, the Company shall refund through verifiable means the entire monies received within Four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four day after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within Six Working Days from the Offer Closing Date.

## **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 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.

## **CONSENTS**



The written consents of Promoter, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Banker(s) to the Company, Banker to the Issue\*, Legal Advisor to the Issue, the Book Running Lead Manager to the Issue, Underwriter\*, Registrar to the Issue and Market Maker\* to act in their respective capacities have been obtained.

\*To be obtained prior to filing of Prospectus.

Above consents will be filed along with a copy of the Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, 1) M/s. SHAH P M AND ASSOCIATES, Chartered Accountants have provided their written consent to act as Statutory Auditor to the company dated September 29, 2023 for disclosure made in chapter titled "Objects of the Issue" beginning on Page No. 105 of this Prospectus as well as inclusion of Statement of Tax Benefits dated September 29, 2023; 2) M/s. Shaparia Mehta & Associates LLP, Chartered Accountants have provided their written consent to act as Peer Reviewed Auditor and expert to the company dated September 30, 2023 for Audit Report to the Restated Consolidated Financials Information and 3) Mindspright Legal has provided their written consent to act as Legal Advisor to the issue dated September 28, 2023 and to inclusion of name as Expert dated September 28, 2023 for chapters titled "Key Industry Regulations", "Government and Statutory Approvals" and "Outstanding Litigations and Material Developments" beginning on Page Nos. 177, 231 and 223 of this Prospectus;

Further, such consents and reports have not been withdrawn up to the time of delivery of this Prospectus.

#### **EXPERT OPINION**

Except for report and certificates from Peer Review Auditors on financial matter and Legal advisor to the company on Legal matters, we have not obtained any other expert opinions.

#### **PREVIOUS PUBLIC OR RIGHTS ISSUE DURING THE LAST FIVE YEARS**

We have not made any previous rights and/or public issues during the last five years.

#### **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

We have not made any previous public issues. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

#### **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled 'Capital Structure' beginning on page 65 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **PREVIOUS CAPITAL ISSUE BY OUR COMPANY AND LISTED GROUP COMPANIES OR ASSOCIATE ENTITIES DURING THE LAST THREE YEARS**

None of the Group Companies of our Company are listed. Further, none of our Group Companies have made any public or rights issue of securities in the preceding three years

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by Beeline Capital Advisors Private Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI is as follows:

**TABLE 1**

#### **SME IPO:**



| Sr. No. | Issuer Name                                  | Issue Size (₹ in Cr.) | Issue Price (₹) | Listing Date       | Opening Price on Listing Date (₹) | +/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing | +/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing | +/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing |
|---------|--|-----------------------|-----------------|--------------------|-----------------------------------|--|--|---|
| 1.      | Vinsys It Service India Limited              | 49.84                 | 128.00          | August 11, 2023    | 196.45                            | 132.11% (+2.02%)   | 126.56% (+0.08%)   | N.A.  |
| 2.      | Chavda Infra Limited                         | 43.26                 | 65.00           | September 25, 2023 | 91.00                             | 33.92% (-2.00%)  | 23.23% (+8.51%)  | N.A.  |
| 3.      | Kody Technolab Limited                       | 27.52                 | 160.00          | September 26, 2023 | 170.00                            | 44.88% (-2.76%)  | 167.78% (+8.57%)   | N.A.  |
| 4.      | Hi-Green carbon Limited                      | 52.80                 | 75.00           | September 28, 2023 | 77.00                             | 101.47% (-2.44%)   | 140.20% (+9.82%)   | N.A.  |
| 5.      | Karnika Industries Limited                   | 25.07                 | 76.00           | October 12, 2023   | 81.00                             | 78.75% (-1.86%)  | 107.24% (+8.84%)   | N.A.  |
| 6.      | Arvind and Company Shipping Agencies Limited | 14.74                 | 45.00           | October 25, 2023   | 80.00                             | 26.56% (+3.56%)  | N.A.   | N.A.  |
| 7.      | Rajgor Castor Derivatives                    | 47.81                 | 50.00           | October 31, 2023   | 59.00                             | -0.80% (+5.33%)  | N.A.   | N.A.  |
| 8.      | Sheetal Universal Limited                    | 23.80                 | 70.00           | December 11, 2023  | 75.00                             | 22.14% (+2.61%)  | N.A.   | N.A.  |
| 9.      | Benchmark Computer Solutions Limited         | 12.24                 | 66.00           | December 21, 2023  | 80.00                             | 8.14% (+1.15)  | N.A.   | N.A.  |
| 10.     | Indifra Limited                              | 14.04                 | 65.00           | December 29, 2023  | 72.00                             | N.A.   | N.A.   | N.A.  |
| 11.     | Australian Premium Solar (India) Limited     | 28.08                 | 54.00           | January 18, 2024   | 140.00                            | N.A.   | N.A.   | N.A.  |

**MAIN BOARD IPO:**



| Sr. No. | Issuer Name | Issue Size (₹ in Cr.) | Issue Price (₹) | Listing Date | Opening Price on Listing Date (₹) | +/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing | +/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing | +/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing |
|---------|-------------|-----------------------|-----------------|--------------|-----------------------------------|--|--|---|
| NIL     |             |                       |                 |              |                                   |  |  |   |

**Note:**

1. Source: Price Information [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.
2. The S&P NSE Sensex and NSE Nifty are considered as the Benchmark.
3. "Issue Price" is taken as "Base Price" for calculating % Change in Closing Price of the respective Issues on 30<sup>th</sup> / 90<sup>th</sup>/180<sup>th</sup> Calendar days from listing.
4. "Closing Benchmark" on the listing day of respective scripts is taken as "Base Benchmark" for calculating % Change in Closing Benchmark on 30<sup>th</sup> / 90<sup>th</sup>/180<sup>th</sup> Calendar days from listing. Although it shall be noted that for comparing the scripts with Benchmark, the +/- % Change in Closing Benchmark has been calculated based on the Closing Benchmark on the same day as that of calculated for respective script in the manner provided in Note No. 4 below.
5. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the previous trading day for the respective Scripts has been considered, however, if scripts are not traded on that previous trading day then last trading price has been considered.

**SUMMARY STATEMENT OF DISCLOSURE**

**TABLE 2**

**SME IPO:**

| Financial Year | Total No. of IPOs | Total Funds Raised (₹ in Cr.) | Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date |                |                | Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date |                |                | Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date |                |                | Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date |                |                |
|----------------|-------------------|-------------------------------|---|----------------|----------------|--|----------------|----------------|--|----------------|----------------|---|----------------|----------------|
|                |                   |                               | Over 50 %   | Between 25-50% | Less than 25 % | Over 50 %  | Between 25-50% | Less than 25 % | Over 50 %  | Between 25-50% | Less than 25 % | Over 50 %   | Between 25-50% | Less than 25 % |
| 2023-24        | 15                | 461.05                        | -   | -              | 2              | 7  | 3              | 1              | -  | -              | -              | 3   | -              | -              |
| 2022-23        | 12                | 232.94                        | -   | 1              | 2              | 3  | 2              | 4              | -  | 1              | 1              | 3   | 2              | 5              |
| 2021-22        | N.A.              |                               |   |                |                |  |                |                |  |                |                |   |                |                |

**MAIN BOARD IPO:**



| Financial Year | Total No. of IPOs | Total Funds Raised (₹ in Cr.) | Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date |                |               | Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date |                |               | Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date |                |               | Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date |                |               |
|----------------|-------------------|-------------------------------|---|----------------|---------------|--|----------------|---------------|--|----------------|---------------|---|----------------|---------------|
|                |                   |                               | Over 50%  | Between 25-50% | Less than 25% | Over 50%   | Between 25-50% | Less than 25% | Over 50%   | Between 25-50% | Less than 25% | Over 50%  | Between 25-50% | Less than 25% |
| 2023-24        |                   |                               | NIL   |                |               |  |                |               |  |                |               |   |                |               |
| 2022-23        |                   |                               | NIL   |                |               |  |                |               |  |                |               |   |                |               |
| 2021-22        |                   |                               | N.A   |                |               |  |                |               |  |                |               |   |                |               |

**Notes:**

1. Issue opening date is considered for calculation of total number of IPO's in the respective financial year.
2. In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
3. Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

**PROMISE VIS-A-VIS PERFORMANCE**

Since, neither our Company nor our Promoters' Group Companies/Entities have made any previous rights or public issues during last five years, promise vis-a-vis Performance is not applicable.

**STOCK MARKET DATA FOR OUR EQUITY SHARES**

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

**MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, 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 subject to applicable law, 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, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Managers shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.



All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the applicant, application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has applied for/obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and comply with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Prospectus. – *Noted for Compliance.*

#### DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

| Name of the Directors | Designation | Nature of Directorship |
|-----------------------|-------------|------------------------|
| Mrs. Amita Karia      | Chairperson | Independent Directors  |
| Ms. Manisha Lalan     | Member      | Independent Directors  |
| Mr. Biharilal Shah    | Member      | Managing Director      |

Name: Ms. Shatabdi Sudam Salve

**C/o Konstelec Engineers Limited**

**Address:** 308, Creative Industrial Estate, Sundar Nagar Lane No. 2, Kalina, Santacruz (East), Mumbai- 400098, Maharashtra, India

**Telephone No.:** +91 2243421551

**Website:** [www.konstelec.com](http://www.konstelec.com)

**E-Mail:** [compliance@konstelec.com](mailto:compliance@konstelec.com)

To the date of this Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

#### PUBLIC ISSUE EXPENSES

The total expenses of the Issue are estimated to be approximately ₹ 370.00 lakhs. The expenses of this include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:

| Expenses  | Expenses (Rs. In Lakh) | Expenses (% of Total Issue expenses) | Expenses (% of Gross Issue Proceeds) |
|---|------------------------|--------------------------------------|--------------------------------------|
| Book Running Lead Manger Fees including Underwriting Commission               | 25.00                  | 6.76                                 | 0.87                                 |
| Fees Payable to Registrar to the Issue  | 1.00                   | 0.27                                 | 0.03                                 |
| Fees Payable to Legal Advisor to the Issue                                    | 3.00                   | 0.81                                 | 0.10                                 |
| Fees Payable Advertising, Marketing Expenses and Printing Expenses            | 15.00                  | 4.05                                 | 0.52                                 |
| Fees Payable to Regulators including Stock Exchanges and other Intermediaries | 7.75                   | 2.09                                 | 0.27                                 |
| Fees payable to Peer Review Auditor   | 2.00                   | 0.54                                 | 0.07                                 |
| Fees Payable to Market Maker (for Two Years)                                  | 12.00                  | 3.27                                 | 0.42                                 |
| Escrow Bank Fees  | 21.00                  | 5.68                                 | 0.73                                 |
| Other Expenses  | 283.25                 | 76.55                                | 9.87                                 |
| <b>Total Estimated Issue Expenses</b>   | <b>370.00</b>          | <b>100.00</b>                        | <b>12.89</b>                         |



#### **Notes:**

1. Up to January 06, 2024, Our Company has deployed/incurred expense of ₹ 9.98 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals duly certified by Statutory Auditor M/s. Shah P M And Associates, Chartered Accountants vide its certificate dated January 12, 2024, bearing UDIN: 24137282BKBLTY8728.
2. Any expenses incurred towards aforesaid issue related expenses during the period from April 01, 2023 to till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue:
3. Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:  
Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)  
Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)  
^Percentage of the amounts received against the Equity Shares Allotted (i.e., the product of the number of Equity Shares Allotted and the Issue Price).
4. The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
5. Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
6. SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
7. Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.
8. Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed 50,000/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds 50,000/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.

The processing fees for applications made by Retail Individual 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/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.

#### **FEES TO BOOK RUNNING LEAD MANAGER TO THE ISSUE**

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter issued by our Company to the Book Running Lead Manager, the copy of which is available for inspection at our Registered Office

#### **FEES PAYABLE TO THE REGISTRAR TO THE ISSUE**

The fees payable to the Registrar to the Issue, for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post or email.

#### **FEES PAYABLE TO OTHERS**

The total fees payable to the Sponsor Bank, Legal Advisor, Statutory Auditor and Peer Review Auditor, Market maker and Advertiser, etc. will be as per the terms of their respective mandate letters.

#### **COMMISSION PAYABLE TO SCSBS**



1. Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:

Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)

Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)

^Percentage of the amounts received against the Equity Shares Allotted (i.e., the product of the number of Equity Shares Allotted and the Issue Price).

2. The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
3. Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
4. SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
5. Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.
6. Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed 50,000/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds 50,000/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.

The processing fees for applications made by Retail Individual 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/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.

#### LISTED VENTURES OF PROMOTER

There are no listed ventures of our Company as on date of filing of this Prospectus.

#### OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds, or redeemable preference shares and other instruments issued by the Company as on the date of this Prospectus.

#### OUTSTANDING CONVERTIBLE INSTRUMENTS

Our Company does not have any outstanding convertible instruments as on the date of filing this Prospectus.

#### OPTION TO SUBSCRIBE

- Investors will get the allotment of specified securities in dematerialization form only.
- The equity shares, on allotment, shall be traded on stock exchange in demat segment only.

#### CHANGES IN AUDITORS IN LAST THREE YEARS

| Particulars   | Date of Change | Reason for change  |
|---|----------------|--|
| <b>M/s. Punit Shah &amp; Associates.</b><br>Chartered Accountants<br><b>Address:</b> B-4 Damodar Krupa, 2 <sup>nd</sup> Floor, Liberty Garden Cross Road No 2 & 3, Above Ashraya Hotel, Opp BMC Ward Office, Malad (West), Mumbai-400 064, Maharashtra, India.<br><b>Tel. No.:</b> +91 22 2888 4888<br><b>Email Id:</b> <a href="mailto:punitshah@gmail.com">punitshah@gmail.com</a><br><b>Membership No.:</b> 130284 | June 25, 2018  | Resigned as statutory auditor of the company due to Change in constitution of proprietorship firm Punit Shah & Associates with effect from June 15, 2018 to partnership firm with name and style 'Punit Shah & Associates' as per approval letter dated June 25, 2018 issued by the Institute of Chartered Accountants of India. |





| Particulars   | Date of Change     | Reason for change  |
|---|--------------------|--|
| <b>Firm Registration No:</b> 131576W  |                    |  |
| <b>M/s. Punit Shah &amp; Associates.</b><br>Chartered Accountants<br><b>Address:</b> B-4 Damodar Krupa, 2 <sup>nd</sup> Floor, Liberty Garden Cross Road No 2 & 3, Above Ashraya Hotel, Opp BMC Ward Office, Malad (West), Mumbai-400 064, Maharashtra, India.<br><b>Tel. No.:</b> +91 22 2888 4888<br><b>Email Id:</b> <a href="mailto:punitjshah@gmail.com">punitjshah@gmail.com</a><br><b>Membership No.:</b> 130284<br><b>Firm Registration No:</b> 131576W           | June 27, 2018      | Auditor appointed in case of casual vacancy for a period from April 1, 2017 to March 31, 2018.   |
| <b>M/s. Punit Shah &amp; Associates.</b><br>Chartered Accountants<br><b>Address:</b> B-4 Damodar Krupa, 2 <sup>nd</sup> Floor, Liberty Garden Cross Road No 2 & 3, Above Ashraya Hotel, Opp BMC Ward Office, Malad (West), Mumbai-400 064, Maharashtra, India.<br><b>Tel. No.:</b> +91 22 2888 4888<br><b>Email Id:</b> <a href="mailto:punitjshah@gmail.com">punitjshah@gmail.com</a><br><b>Membership No.:</b> 130284<br><b>Firm Registration No:</b> 131576W           | September 29, 2018 | Re-appointed as Statutory Auditor of the company to hold office as the Statutory Auditors of the Company for a period from April 1, 2018 to March 31, 2023.* |
| <b>M/s. Shah P M and Associates</b><br>Chartered Accountants<br><b>Address:</b> B-4, Damodar Krupa, 2 <sup>d</sup> Floor, Liberty Garden Cross Road No 2 & 3, Opp BMC Ward Office, Malad (West), Mumbai - 400064, Maharashtra, India.<br><b>Tel. No.:</b> +91 22 2888 4888<br><b>Contact Person:</b> Mr. Punit Shah<br><b>Email Id:</b> <a href="mailto:punit@spmca.co.in">punit@spmca.co.in</a><br><b>Membership No.:</b> 130284<br><b>Firm Registration No:</b> 131576W | September 18, 2023 | Appointed as Statutory Auditor of the company to hold office as the Statutory Auditors of the Company for a period FY 2023-24 to FY 2024-25.                 |

\* Name of M/s. Punit Shah & Associates chartered accounts was changed to M/s. Shah P M and Associates w.e.f. March 20, 2019.

#### CAPITALIZATION OF RESERVES OR PROFITS DURING LAST FIVE (5) YEARS

Except as disclosed under section titled "Capital Structure" beginning on Page No. 65 of this Red Herring Prospectus, our Company has not capitalized Reserves or Profits during last five years.

#### REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS

Our Company has not revalued its assets during last five years.



## SECTION XIII – ISSUE RELATED INFORMATION

### TERMS OF ISSUE

*The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (“CAN”) and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by retail individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### **Ranking of Equity Shares**

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

#### **Authority for the Issue**

This Issue has been authorized by a resolution of the Board passed at their meeting held on August 25, 2023 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EoGM of the Company held on September 18, 2023.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and other applicable laws in this respect and recommended by the Board of Directors at their discretion and approved by the shareholders 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, 2013. For further details, please refer to the chapter titled “Dividend Policy” beginning on pages 207 of this Prospectus.

#### **Face Value, Issue Price, Floor Price and Price Band**

The face value of each Equity Share is ₹ 10/- and the Issue Price at the lower end of the Price Band is ₹ 66/- per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ 70/- per Equity Share (“**Cap Price**”).

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper, each with wide circulation and one regional language newspaper with wide circulation at the place of registered office, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on their websites. 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 websites of the Stock Exchange. The Issue Price shall be determined by our Company 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 Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled “Basis of Issue Price” beginning on page 113 of this Prospectus.

#### **Compliance with the disclosure and accounting norms**



Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholder**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- 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 or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, SEBI (LODR), 2015 and the Memorandum and Articles of Association of the Company.

### **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 ₹ 1,00,000/- (Rupees One Lakh) per application.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated July 10, 2023.
- Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated June 30, 2023.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be 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. The trading of the Equity Shares will happen in the minimum contract size of 2000 Equity Shares and the same may be modified by the National Stock Exchange of India Limited 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 2000 Equity Shares subject to a minimum allotment of 2000 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 Allottees**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within two (2) working days of closure of Issue.

### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, —U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S.



Securities Act and the applicable laws of the jurisdiction where those issues 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 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.

### **Nomination Facility to the Investor**

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. 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 of Equity Share(s) by the person nominating. A buyer will be titled to make afresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate 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 production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the equity shares, as the deceased holder could have made.

Further, the 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, the 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 dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoters's minimum contribution as provided under the chapter titled "*Capital Structure*" on page 65 of this Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled "*Description of Equity Shares and terms of the articles of association*" on page 299 of this 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 and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company 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 the 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 in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the 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) 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 Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this 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 Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh



Prospectus with Stock Exchange.

## ISSUE PROGRAM

| Events  | Indicative Dates                        |
|---|---|
| Bid/Issue Opening Date  | Friday, January 19, 2024                |
| Bid/Issue Closing Date  | Wednesday, January 24, 2024             |
| Finalization of Basis of Allotment with the Designated Stock Exchange                                   | On or before Thursday, January 25, 2024 |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account | On or before Monday, January 29, 2024   |
| Credit of Equity Shares to Demat accounts of Allottees  | On or before Monday, January 29, 2024   |
| Commencement of trading of the Equity Shares on the Stock Exchange                                      | On or before Tuesday, January 30, 2024  |

*\*\* The Anchor Investor Bidding Date was one Working Day prior to the Bid/ Offer Opening Date, i.e. Thursday, January 18, 2024*

*\*\*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/Issue 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/Issue 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. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.*

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within three Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

The SEBI is in the process of streamlining and reducing the post Issue timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Prospectus may result in changes to the above-mentioned timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit report of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. – Not Applicable in case of SME IPOs.**

### Submission of Bids

#### Bid/Issue Period (except the Bid/Issue Closing Date)

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))

#### Bid/Issue Closing Date

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

#### On the Bid/Issue 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 Exchange, in case of Bids by Retail Individual Bidders.



On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, 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/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Prospectus is Indian Standard Time. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any 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 in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Issue 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/Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three 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, 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 terminals of the Syndicate Members, 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**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. 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, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond two days after 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 law.

In accordance with Regulation 260 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 including through the Red Herring Prospectus/Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000 (Rupees One Lac



only) 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**

*Our company may migrate to the main board of NSE at a later date subject to the following:*

*If the Paid-up Capital of our Company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue 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), our Company shall apply to NSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- a. *If the paid-up Capital of our company is more than ₹ 10 Crores but below ₹ 25 Crores, our Company 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 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.*

*Any company desiring to migrate to the Main board from the SME Board within three years of listing on Emerge platform of NSE has to fulfill following conditions:*

- a. *The increase in post issue face value capital beyond ₹ 25 crore should arise only because of merger/acquisition or for expansion purposes.*
- b. *The company should have a minimum turnover of ₹ 100 crore as per last audited financials and market capitalization of ₹ 100 crore.*
- c. *The company should have a minimum profit before tax of ₹ 10 crore for two years out of three preceding years.*
- d. *There should not be any action against the company by any regulatory agency at the time of application for migration.*

### **Market Making**

The shares issued and transferred through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India 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 Emerge Platform of NSE. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 58 of this Prospectus.

### **Arrangements for disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 2000 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 Emerge Platform of NSE.

### **Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting**

Except for lock-in of the pre-Issue Equity Shares and Promoter’s minimum contribution in the Issue as detailed in the chapter “Capital Structure” beginning on page 65 of this Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. 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 and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company 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 the 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.

### **Application by eligible NRIs, FPIs/FIIs registered with SEBI, VCFs registered with SEBI and QFIs**

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs.



Such Eligible NRIs, QFIs, FIIs 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 Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued 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.

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.

#### **Option to receive securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further it is mandatory for the investor to furnish the details of his/her depository account, & if for any reasons details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

#### **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 issue paid up capital is more than ₹ 10 crores and upto ₹ 25 crores, shall issue 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 Emerge Platform of NSE). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” on page no. 260 and 270 respectively of this Prospectus.

This public issue of 4100000 equity shares of face value of ₹10/- each for cash at a price of ₹ 70/- per equity share including a share premium of ₹ 60/- per equity share (the “issue price”) aggregating to ₹ 2870.00/- Lakhs (“the issue”) by our company. The Issue and the Net Issue will constitute 27.15% and 25.79 % respectively of the post issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process <sup>(1)</sup>:

| Particulars of the Issue <sup>(2)</sup>           | Market Maker Reservation Portion | QIBs   | Non-Institutional Applicants       | Retail Individual Investors        |
|---|----------------------------------|--|------------------------------------|------------------------------------|
| Number of Equity Shares available for allocation  | 206000 Equity Share              | 1944000 Equity Shares  | 586000 Equity Shares               | 1364000 Equity Shares              |
| Percentage of issue size available for allocation | 5.02 % of the issue size         | <p>Not more than 50% of the Net Issue being available for allocation to QIB Bidders.</p> <p>However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only.</p> <p>Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion.</p> <p>The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion</p> | Not less than 15% of the Net Issue | Not less than 35% of the Net Issue |
| Basis of Allotment <sup>(3)</sup>                 | Firm Allotment                   | <p>Proportionate as follows:</p> <p>a) Up to 38000 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>b) Up to 740000 Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p>   | Proportionate                      | Proportionate                      |



| Particulars of the Issue <sup>(2)</sup> | Market Maker Reservation Portion  | QIBs  | Non-Institutional Applicants   | Retail Individual Investors   |
|---|---|---|--|---|
| Mode of Bid                             | Only through the ASBA process.  | Only through the ASBA process.  | Through ASBA Process through banks or by using UPI ID for payment  | Through ASBA Process through banks or by using UPI ID for payment   |
| Mode of Allotment                       | Compulsorily in dematerialized form   |   |  |   |
| Minimum Bid Size                        | 2000 Equity Shares in multiple of 2000 Equity shares  | Such number of Equity Shares and in multiples of 2000 Equity Shares that the Bid Amount exceeds ₹ 200,000                             | Such number of Equity shares in multiple of 2000 Equity shares that Bid size exceeds ₹ 2,00,000  | 2000 Equity Shares in multiple of 2000 Equity shares so that the Bid Amount does not exceed ₹ 2,00,000            |
| Maximum Bid Size                        | 206000 Equity Shares  | Such number of Equity Shares in multiples of 2000 Equity Shares not exceeding the size of the Net Issue, subject to applicable limits | Such number of Equity Shares in multiples of 2000 Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder | Such number of Equity Shares in multiples of 2000 Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000 |
| Trading Lot                             | <b>2000</b> Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations   | 2000 Equity Shares and in multiples thereof   | 2000 Equity Shares and in multiples thereof  | 2000 Equity Shares  |
| Terms of Payment                        | Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. |   |  |   |
| Mode of Bid                             | Only through the ASBA process   |   |  |   |

- (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, undersubscription, 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 Managers and the Designated Stock Exchange, subject to applicable laws.

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

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. 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. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh 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, which our Company will apply for only after Allotment; and (ii) the registration of Red Herring Prospectus/ Prospectus with ROC.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Ahmedabad.

## BID/ISSUE PROGRAMME:

| Events  | Indicative Dates                        |
|---|---|
| Bid/Issue Opening Date*   | Friday, January 19, 2024                |
| Bid/Issue Closing Date  | Wednesday, January 24, 2024             |
| Finalization of Basis of Allotment with the Designated Stock Exchange                                   | On or before Thursday, January 25, 2024 |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account | On or before Monday, January 29, 2024   |
| Credit of Equity Shares to Demat accounts of Allottees  | On or before Monday, January 29, 2024   |
| Commencement of trading of the Equity Shares on the Stock Exchange                                      | On or before Tuesday, January 30, 2024  |

\* The Anchor Investor Bidding Date was one Working Day prior to the Bid/ Offer Opening Date, i.e. Thursday, January 18, 2024

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- A standard cut-off time of 3.00 p.m. for acceptance of bids.
- A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of bids received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



## ISSUE PROCEDURE

All Bidders should read the 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, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders 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 CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum 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 the Companies Act 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 RIBs 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 RIBs 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 RIBs (“UPI Phase III”), as may be prescribed by SEBI. The Issue has been 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, as amended pursuant to SEBI 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, has introduced certain additional measures for streamlining the process of initial public Issues and redressing investor grievances. This circular shall come into force for initial public Issues opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Prospectus. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 modifying the process timelines and extending the implementation timelines for certain measures introduced by the March 16 Circular. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 5,00,000/- shall use the UPI Mechanism. 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).

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. This shall be applicable voluntarily for all public issues opening on or after September 1, 2023 and shall be mandatory for all public issues opening on or after December 1, 2023. Accordingly, the Issue has been considered to be made under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The processing fees for applications made by Retail Individual 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 02, 2021, read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI vide its circular no.



SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022.

Our Company, the Promoters and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and 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 Prospectus. Bidders 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 Prospectus.

Further, our Company, the Promoters and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

## **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 Issue shall be allocated on a proportionate basis to QIBs. 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 Issue 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 Retail 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, 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 RIBs Bidding in the Retail 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 Issue, subject to applicable laws.**

**Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021.**

## **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of NSE 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 the 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 SCSB's authorizing blocking of funds that are available in the bank account specified in the 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.

### **Phased implementation of Unified Payments Interface**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI 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 the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to 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 UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a) Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the



Bid cum Application Form with any of the 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.

- b) Phase II: This phase has commenced with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Bid cum Application Form by a Retail Individual Investor through intermediaries to SCSBs for blocking of funds has been discontinued and has been replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. 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. Subsequently, the time duration from public issue closure to listing would be reduced to be three Working Days. SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue.
- c) Phase III: The commencement period of Phase III is notified pursuant to SEBI press release bearing number 12/2023 and as per the SEBI Circular No. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, where the revised timeline of T+3 days shall be made applicable in two phases i.e. (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023. The Issue has been considered to be made under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time.

Pursuant to the UPI Circular, 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 Circular 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 penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Retail Individual Bidders using the UPI.

The processing fees for applications made by Retail Individual 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/2021/2480/1/M dated March 16, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022.

For further details, refer to the “*General Information Document*” available on the websites of the Stock Exchange and the BRLM.

### **Bid cum Application Form**

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. The RIs Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

RIBs Bidding in the Retail Portion using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs.



ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed colour of the Application Form for various categories is as follows:

| Category   | Colour of Application Form* |
|--|-----------------------------|
| Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis | White                       |
| Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis  | Blue                        |

**Note:** *Electronic Bid Cum Application Forms will also be available for download on the website of the NSE ([www.nseindia.com](http://www.nseindia.com)).*

**Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (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 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 Prospectus, without prior or subsequent notice of such changes to the Bidders.

For RIBs 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 RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, 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/ Issue Closing Date ("Cut-Off Time"). Accordingly, RIBs 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 RIBs (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 issue) 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 issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

#### **WHO CAN BID?**

**Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, 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. Bidders are requested to refer to the RHP for more details.**

**Subject to the above, an illustrative list of Bidders 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 Bidder should specify that the application is being made in the name of the HUF in the Bid Cum 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. 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) Mutual Funds registered with SEBI;
- e) 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;
- f) 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);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;





- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) 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;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) 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;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

#### **APPLICATIONS NOT TO BE MADE BY:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing 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 138 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 by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### **1. For Retail Individual Bidders**

The Application must be for a minimum of 2000 Equity Shares and in multiples of 2000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

##### **2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of 2000 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 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 from them 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 Prospectus.**

**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 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, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper, all editions of Hindi national newspaper and Mumbai Edition of Regional newspaper Pratahkal where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and Mumbai Edition of Regional newspaper Pratahkal where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) 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 Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- c) 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 Issue. 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”.
- d) 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
- e) 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.
- f) 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.
- 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 Issue Account, or until withdrawal/failure of the Issue 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 Issue 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 Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

## **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**



- a) Our Company 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/Issue Period, in accordance with the SEBI ICDR Regulations, provided that (i) the Cap Price will be less than or equal to 120% of the Floor Price, (ii) the Cap Price will be at least 105% of the Floor Price, and (iii) the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.
- b) Our Company in consultation with the BRLM, will finalize the Issue 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. Retail 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) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail 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.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

**The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, 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 Issue**

- 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 Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the ROC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the ROC at least 3 (three) days working days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red herring Prospectus/prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, 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 the 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 Retail 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 Issue 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, 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 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 Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non-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 or non- 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 Issue 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 Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 296 Participation of eligible NRIs shall be subject to FEMA NDI Rules.

#### **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-Issue 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 Issue 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 reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue 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 Issue 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 utilise 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 utilise 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.

#### **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. 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 Issue) 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 Issue, 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 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, 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, 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 Industries Regulations*” beginning on page 177 of this Prospectus.

#### **BIDS BY SCSBS**

SCSBS participating in the Issue 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, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCS participating in the Issue 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, 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 Issue 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 ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue 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, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

#### **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 ₹ 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 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, 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, 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, in consultation with the BRLM may deem fit.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

#### **Issue 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 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 ₹ 70/- 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 Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue 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-Retail 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 Issue 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 Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue 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 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, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **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 Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,





- b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) 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 Issue, 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 Issue an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue 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 Issue 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:

| Sr. 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 in 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 Issue 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 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 Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the 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 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/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue 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/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
  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/ Issue 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/ Issue Period.

#### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue 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 Issue 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 in consultation with the BRLM, shall finalize the Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage



of Issue 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 spill over from any other category or combination of categories at the discretion of the Issuer and the 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 Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

**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.**

| 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 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, 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.

## GENERAL INSTRUCTIONS

### Do's:

1. Check if you are eligible to apply as per the terms of the 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 RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB 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. RIBs bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Issue 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 RIBs submitting their Bids and participating in the Issue 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 Issue 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. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB’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/ Issue Closing Date;
25. RIBs 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 RIB may be deemed to have verified the attachment containing the application details of the RIB 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 (RIBs 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 Amount exceeding ₹ 200,000 (for Bids by RIBs);
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 RIB 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 authorised 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 Issue;
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 RIB;
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 Issue 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 the 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. RIBs can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
23. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
24. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID 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/Issue 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-Issue or post-Issue 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 58 and 188 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 58.

#### **GROUND FOR TECHNICAL REJECTION**

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs with Bid Amount of a value of more than ₹ 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue 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 58 .

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/ Issue 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/ Issue 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.**

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue 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 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.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. 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 Retail Individual Investors may be on proportionate basis. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail 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 Issue. However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.**

#### **BASIS OF ALLOTMENT**

##### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 1364000 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than 1364000 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of 2000 Equity Shares and in multiples of 2000 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 Issue 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 Issue Price.



The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 586000 Equity Shares at or above the Issue 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 586000 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of 2000 Equity Shares and in multiples of 2000 Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

**c. For QIBs**

Bids received from QIBs Bidding in the QIB Category at or above the Issue 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 Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for 5.00 % of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds 5.00 % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 50.00 % of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than 5.00 % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue 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;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
  - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of 2000 Equity Shares and in multiples of 2000 Equity Shares thereafter for 50.00 % 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, upto a minimum of 2000 Equity Shares and in multiples of 2000 Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below 50.00 % 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 2000 Equity Shares.

**c) Basis of Allotment for QIBs and NIIs in case of Over Subscribed Issue:**

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (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 2000 equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted 2000 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 2000 equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of 2000 equity shares subject to a minimum allotment of 2000 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 2000 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 Issue specified under the Capital Structure mentioned in this RHP.

**Retail Individual Investor'** means an investor who applies for shares of value of not more than ₹ 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 NSE.

**The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue 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 Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a 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 Issue Closing date. The Issuer also ensures the 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 Issue Account to Public Issue account of the issuer.

#### **Designated Date:**

**On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.**

**The Company will Issue 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/ Issue 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 Issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.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 Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.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 Issue 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 Issue.

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 Issue, 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.

#### **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 Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer 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, credit of allotted shares in the respective beneficiary accounts, etc.

#### **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 NSE Emerge where the Equity Shares are proposed to be listed are taken within 3 (three) working days from Issue 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 2 (two) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2(two) working days of the Issue 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**

Allotment will be made in consultation NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. 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 over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants 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).
3. For applications where the proportionate allotment works out to less than 2000 equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted 2000 equity shares; and



- b) The successful applicants out of the total applicants for that category shall be determined by the 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 (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 2000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 2000 equity shares subject to a minimum allotment of 2000 equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue 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 NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue 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.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **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 Issue on March 03, 2023.
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue on February 28, 2023.
- c) The Company's Equity shares bear an ISIN: INE0QEI01011.

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-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (all editions Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper each with wide



circulation and Mumbai Edition of Pratahkal regional newspaper (Marathi regional language where our registered office is located).

In the Pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue 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 and the Underwriter intend to enter into an Underwriting Agreement on or before filing of Prospectus with ROC.

#### **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, for fraud involving an amount of at least ₹ 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10/- lakhs 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 ₹ 50/- Lakh or with both.

#### **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further issue of the Equity Shares shall be made until the Equity Shares issued through the Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the 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 days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and



- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Prospectus with the SEBI.

#### **UTILIZATION OF ISSUE PROCEEDS**

Our Board certifies that:

- all monies received out of the Fresh Issue 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 Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

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.



## RESTRICTION 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 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. Foreign investment is allowed up to 100% under automatic route in our Company. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“RBI”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”).

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 foreign direct investment (“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 the Department of Industrial Policy and Promotion) (DPIIT), issued the FDI Policy, which, with effect from October 15, 2020 consolidated, subsumed and superseded 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. In terms of FDI Policy, FDI to an extent of 51% is allowed in multi brand retail trading with government approval. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

Under the current FDI Policy and the FEMA Non-Debt Rules, foreign direct investment is not permitted in companies engaged in (a) multi-brand retail trading, undertaking retail trading by means of e-commerce, and (b) inventory-based model of e-commerce. In accordance with the FEMA Non-debt Rules, participation by non-residents in the Issue is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Rules, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding the sectoral cap i.e. 51% of the post issue paid up share capital; and (ii) Eligible NRIs applying only on a non-repatriation basis under Schedule IV of the FEMA Non-debt Rules. Further, other non-residents applying on a repatriation basis, FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government of India, OCBs cannot participate in this issue. See “Issue Procedure” beginning on page 270.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPP), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to 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 Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

The foreign investment in our Company is governed by, inter-alia, the FEMA, the FEMA Non-debt Rules, the FDI Policy issued and amended by way of press notes.

Further, in terms of the FEMA Non-debt Rules, the aggregate FPI investment limit is the sectoral cap applicable to Indian company as prescribed in the FEMA Non-Debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. See “Issue Procedure” beginning on page 270.

Further, in accordance with the FDI Policy, the Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-debt 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 (“Restricted Investors”), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Non-debt 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. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Non-Debt 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 in writing about such approval along with a copy thereof within the Bid/Issue Period.

#### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

#### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% 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 FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24% may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

#### **Investment by NRI or OCI on repatriation basis**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non- Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% 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 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 warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

#### **Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, 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.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Offer in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such Issue made under exemptions available under the Prospectus Directive, provided that no such Issue shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.



Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.

**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.**

**Further, no Issue to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such Issue made under exemptions available under the Prospectus Directive, provided that no such Issue shall result in a requirement to publish or supplement a Prospectus pursuant to the Prospectus Directive, in respect of the Issue.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.**

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 Application 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 Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.





**SECTION XIV - DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION**

**THE COMPANIES ACT, 2013 (COMPANY LIMITED BY SHARES) ARTICLES OF ASSOCIATION OF KONSTELEC ENGINEERS LIMITED**

| Sr. No    | Particulars   |                                |
|-----------|---|--------------------------------|
| <b>1.</b> | No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto. | <b>Table F Not Applicable.</b> |
|           | <b>Interpretation Clause</b>  |                                |
|           | In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:   |                                |
|           | (a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.  | <b>Act</b>                     |
|           | (b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.  | <b>Articles</b>                |
|           | (c) "Auditors" means and includes those persons appointed as such for the time being of the Company.  | <b>Auditors</b>                |
|           | (d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.  | <b>Capital</b>                 |
|           | (e) "The Company" shall mean <b>KONSTELEC ENGINEERS LIMITED</b>   |                                |

*\*Altered Articles of Association Vide EOGM Dated 30/06/2023 pursuant to conversion of company from private to public subject to approval of Central Govt.*



|   |  |
|---|--|
| (f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963. | <b>Executor or Administrator</b>                                   |
| (g) "Legal Representative" means a person who in law represents the estate of a deceased Member.  | <b>Legal Representative</b>  |
| (h) Words importing the masculine gender also include the feminine gender.  | <b>Gender</b>  |
| (i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.  | <b>In Writing and Written</b>                                      |
| (j) The marginal notes hereto shall not affect the construction thereof.  | <b>Marginal notes</b>  |
| (k) "Meeting" or "General Meeting" means a meeting of members.  | <b>Meeting or General Meeting</b>                                  |
| (l) "Month" means a calendar month.   | <b>Month</b>   |
| (m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.   | <b>Annual General Meeting</b>                                      |
| (n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.   | <b>Extra-Ordinary General Meeting</b>                              |
| (o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.   | <b>National Holiday</b>  |
| (p) "Non-retiring Directors" means a director not subject to retirement by rotation.  | <b>Non-retiring Directors</b>                                      |
| (q) "Office" means the registered Office for the time being of the Company.   | <b>Office</b>  |
| (r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.  | <b>Ordinary and Special Resolution</b>                             |
| (s) "Person" shall be deemed to include corporations and firms as well as individuals.  | <b>Person</b>  |
| (t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.  | <b>Proxy</b>   |
| (u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.  | <b>Register of Members</b>   |
| (v) "Seal" means the common seal for the time being of the Company.   | <b>Seal</b>  |
| (w) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.  | <b>Special Resolution</b>  |
| (x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.  | <b>Singular number</b>   |
| (y) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.   | <b>Statutes</b>  |
| (z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.  | <b>These presents</b>  |
| (aa) "Variation" shall include abrogation; and "vary" shall include abrogate.   | <b>Variation</b>   |
| (bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.   | <b>Year and Financial Year</b>                                     |
| (cc) Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.   | <b>Expressions in the Act to bear the same meaning in Articles</b> |
| <b>CAPITAL</b>  |  |



|    |   |   |
|----|---|---|
| 2. | The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.   | <b>Authorized Capital.</b>  |
| 3. | The minimum paid up Share capital of the Company shall be Rs.5,00,000/- or such other higher sum as may be prescribed in the Act from time to time.   |   |
| 4. | The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64of the Act.   | <b>Increase of capital by the Company how carried into effect</b>   |
| 5. | Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.  | <b>New Capital same as existing capital</b>                         |
| 6. | The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.   | <b>Non-Voting Shares</b>  |
| 7. | Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.  | <b>Redeemable Preference Shares</b>                                 |
| 8. | The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.   | <b>Voting rights of preference shares</b>                           |
| 9. | <p>On the issue of redeemable preference shares under the provisions of Article 7 here of , the following provisions-shall take effect:</p> <p>No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>No such Shares shall be redeemed unless they are fully paid;</p> <p>Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The</p> | <b>Provisions to apply on issue of Redeemable Preference Shares</b> |



|            |   |   |
|------------|---|---|
|            | reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital  |   |
| <b>10.</b> | The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce<br>(a) the share capital;<br>(b) any capital redemption reserve account; or<br>(c) any security premium account<br>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.  | <b>Reduction of capital</b>                         |
| <b>11.</b> | Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.   | <b>Debentures</b>                                   |
| <b>12.</b> | The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.  | <b>Issue of Sweat Equity Shares</b>                 |
| <b>13.</b> | The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.   | <b>ESOP</b>   |
| <b>14.</b> | 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.  | <b>Buy Back of shares</b>                           |
| <b>15.</b> | Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. | <b>Consolidation, Sub-Division And Cancellation</b> |
| <b>16.</b> | Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.  | <b>Issue of Depository Receipts</b>                 |
| <b>17.</b> | Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.  | <b>Issue of Securities</b>                          |
|            | <b>MODIFICATION OF CLASS RIGHTS</b>   |   |
| <b>1.</b>  | (a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders                  | <b>Modification of rights</b>                       |



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|    | <p>of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.</p> <p>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.</p>  |   |
| 2. | <p>(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.</p>   | <p><b>New Issue of Shares not to affect rights attached to existing shares of that class.</b></p> |
| 3. | <p>Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.</p> | <p><b>Shares at the disposal of the Directors.</b></p>  |
| 4. | <p>The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.</p>   | <p><b>Power to issue shares on preferential basis.</b></p>  |
| 5. | <p>The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.</p>   | <p><b>Shares should be Numbered progressively and no share to be subdivided.</b></p>              |
| 6. | <p>An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.</p>  | <p><b>Acceptance of Shares.</b></p>   |
| 7. | <p>Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.</p>   | <p><b>Directors may allot shares as full paid-up</b></p>  |
| 8. | <p>The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.</p>  | <p><b>Deposit and call etc.to be a debt payable immediately.</b></p>                              |
| 8. | <p>Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain</p>   | <p><b>Liability of Members.</b></p>   |



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|     | unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.  |  |
| 9.  | Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.   | <b>Registration of Shares.</b>   |
|     | <b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>   |  |
| 10. | The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act  |  |
|     | <b>CERTIFICATES</b>   |  |
| 11. | <p>Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a 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 of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p> | <b>Share Certificates.</b>   |
| 12. | If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof 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 lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such  | <b>Issue of new certificates in place of those defaced, lost or destroyed.</b> |



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|     | <p>indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p> |   |
| 13. | <p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.</p>  | <p><b>The first named joint holder deemed Sole holder.</b></p>  |
|     | <p>(b) The Company shall not be bound to register more than three persons as the joint holders of any share.</p>  | <p><b>Maximum number of joint holders.</b></p>  |
| 14. | <p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.</p>   | <p><b>Company not bound to recognize any interest in share other than that of registered holders.</b></p> |
| 15. | <p>If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.</p>  | <p><b>Installment on shares to be duly paid.</b></p>  |
|     | <p><b>UNDERWRITING AND BROKERAGE</b></p>  |   |
| 16. | <p>Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.</p>  | <p><b>Commission</b></p>  |
| 17. | <p>The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.</p>  | <p><b>Brokerage</b></p>   |



| <b>CALLS</b> |   |  |
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| <b>18.</b>   | <p>) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.</p> <p>) A call may be revoked or postponed at the discretion of the Board.</p> <p>(3) A call may be made payable by installments.</p> | <b>Directors may make calls</b>                        |
| <b>19.</b>   | Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.  | <b>Notice of Calls</b>                                 |
| <b>20.</b>   | A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorizing such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.   | <b>Calls to date from resolution.</b>                  |
| <b>21.</b>   | Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.   | <b>Calls on uniform basis.</b>                         |
| <b>22.</b>   | The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.   | <b>Directors may extend time.</b>                      |
| <b>23.</b>   | If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.   | <b>Calls to carry interest.</b>                        |
| <b>24.</b>   | If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.   | <b>Sums deemed to be calls.</b>                        |
| <b>25.</b>   | On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice                              | <b>Proof on trial of suit for money due on shares.</b> |





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|     | of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.   |  |
| 26. | Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.   | <b>Judgment, decree, partial payment motto proceed for forfeiture.</b> |
| 27. | <p>The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p> | <b>Payments in Anticipation of calls may carry interest</b>            |
|     | <b>LIEN</b>   |  |
| 28. | The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.  | <b>Company to have Lien on shares.</b>                                 |
| 29. | For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder   | <b>As to enforcing lien by sale.</b>                                   |



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|     | of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.   |  |
| 30. | The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.   | <b>Application of proceeds of sale.</b>                                    |
|     | <b>FORFEITURE AND SURRENDER OF SHARES</b>  |  |
| 31. | If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have been accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force. | <b>If call or installment not paid, notice maybe given.</b>                |
| 32. | The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.<br><br>The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.   | <b>Terms of notice.</b>  |
| 33. | If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.  | <b>On default of payment, shares to be forfeited.</b>                      |
| 34. | When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.   | <b>Notice of forfeiture to a Member</b>                                    |
| 35. | Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.   | <b>Forfeited shares to be property of the Company and may be sold etc.</b> |



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| 36. | Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.   | <b>Members still liable to pay money owing at time of forfeiture and interest.</b> |
| 37. | The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.  | <b>Effect of forfeiture.</b>   |
| 38. | A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles 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 shares.   | <b>Evidence of Forfeiture.</b>   |
| 39. | The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.   | <b>Title of purchaser and allottee of Forfeited shares.</b>                        |
| 40. | Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.  | <b>Cancellation of share certificate in respect of forfeited shares.</b>           |
| 41. | In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.   | <b>Forfeiture may be remitted.</b>   |
| 42. | Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. | <b>Validity of sale</b>  |
| 43. | The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.  | <b>Surrender of shares.</b>  |



| <b>TRANSFER AND TRANSMISSION OF SHARES</b> |   |  |
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| <b>44.</b>                                 | <p>The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.</p> <p>The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.</p>   | <b>Execution of the instrument of shares.</b>  |
| <b>45.</b>                                 | <p>The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.</p> <p>The instrument of transfer shall be in a common form approved by the Exchange;</p>   | <b>Transfer Form.</b>  |
| <b>46.</b>                                 | <p>The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.</p> | <b>Transfer not to be registered except on production of instrument of transfer.</b> |
| <b>47.</b>                                 | <p>Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register—</p> <p>) any transfer of shares on which the company has a lien.</p> <p>That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;</p>  | <b>Directors may refuse to register transfer.</b>                                    |
| <b>48.</b>                                 | <p>If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.</p>   | <b>Notice of refusal to be given to transferor and transferee.</b>                   |
| <b>49.</b>                                 | <p>No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.</p>  | <b>No fee on transfer.</b>   |
| <b>50.</b>                                 | <p>The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or</p>  | <b>Closure of Register of Members or debenture holder or other security</b>          |



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|            | <p>periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.</p>  | <b>holders.</b>  |
| <b>51.</b> | <p>The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.</p>  | <b>Custody of transfer Deeds.</b>                      |
| <b>52.</b> | <p>Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.</p>  | <b>Application for transfer of partly paid shares.</b> |
| <b>53.</b> | <p>For this purpose, the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.</p>  | <b>Notice to transferee.</b>                           |
| <b>54.</b> | <p>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 person recognized by the Company as having any title to his interest in the shares.</p> <p>Before recognizing any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.</p> <p>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>  | <b>Recognition of legal representative.</b>            |
| <b>55.</b> | <p>The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.</p> | <b>Titles of Shares of deceased Member</b>             |



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| 56.               | Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.  | <b>Notice of application when to be given</b>  |
| 57.               | Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.                                     | <b>Registration of persons entitled to share otherwise than by transfer (transmission clause).</b> |
| 58.               | Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.   | <b>Refusal to register nominee.</b>  |
| 59.               | Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.   | <b>Board may require evidence of transmission.</b>   |
| 60.               | The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit. | <b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>          |
| 61.               | In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.  | <b>Form of transfer Outside India.</b>   |
| 62.               | No transfer shall be made to any minor, insolvent or person of unsound mind.   | <b>No transfer to insolvent etc.</b>   |
| <b>NOMINATION</b> |  |  |



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| 63. | <p>Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>  | <b>Nomination</b>                            |
| 64. | <p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>to be registered himself as holder of the security, as the case may be; or</p> <p>to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further 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 or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p> | <b>Transmission of Securities by nominee</b> |
|     | <b>DEMATERIALIZATION OF SHARES</b>   |  |
| 65. | 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.  | <b>Dematerialization of Securities</b>       |
|     | <b>JOINT HOLDER</b>  |  |
| 66. | Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.  | <b>Joint Holders</b>                         |
| 67. | The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in   | <b>Joint and several liabilities for all</b> |



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|            | respect of such share.  | <b>payments in respect of shares.</b>  |
|            | on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;  | <b>Title of survivors.</b>   |
|            | Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and   | <b>Receipts of one sufficient.</b>   |
|            | only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.  | <b>Delivery of certificate and giving of notices to first named holders.</b> |
|            | <b>SHARE WARRANTS</b>   |  |
| <b>68.</b> | The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.   | <b>Power to issue share warrants</b>   |
| <b>69.</b> | The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.<br><br>Not more than one person shall be recognized as depositor of the Share warrant.<br><br>The Company shall, on two day's written notice, return the deposited share warrant to the depositor. | <b>Deposit of share warrants</b>   |
| <b>70.</b> | Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.<br><br>The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.   | <b>Privileges and disabilities of the holders of share warrant</b>           |
| <b>71.</b> | The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of   | <b>Issue of new share warrant coupons</b>                                    |





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|     | renewal in case of defacement, loss or destruction.   |   |
|     | <b>CONVERSION OF SHARES INTO STOCK</b>  |   |
| 72. | The Company may, by ordinary resolution in General Meeting.<br>convert any fully paid-up shares into stock; and<br>re-convert any stock into fully paid-up shares of any denomination.  | <b>Conversion of shares into stock or reconversion.</b>   |
| 73. | The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation 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>Transfer of stock.</b>                                 |
| 74. | The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.   | <b>Rights of stockholders.</b>                            |
| 75. | Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.  | <b>Regulations.</b>                                       |
|     | <b>BORROWING POWERS</b>   |   |
| 76. | Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit<br><br>or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, anybody corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose. | <b>Power to borrow.</b>                                   |
| 77. | Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.   | <b>Issue of discount etc. or with special privileges.</b> |
| 78. | The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects   | <b>Securing payment or repayment of Moneys borrowed.</b>  |



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|     | as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be. |  |
| 79. | Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.  | <b>Bonds, Debentures etc. to be under the control of the Directors.</b>              |
| 80. | If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles, make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.  | <b>Mortgage of uncalled Capital.</b>   |
| 81. | Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.  | <b>Indemnity may be given.</b>   |
|     | <b>MEETINGS OF MEMBERS</b>  |  |
| 82. | All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.   | <b>Distinction between AGM &amp; EGM.</b>  |
| 83. | The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members  | <b>Extra-Ordinary General Meeting by Board and by requisition</b>                    |
|     | If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.  | <b>When a Director or any two Members may call an Extra Ordinary General Meeting</b> |
| 84. | No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.  | <b>Meeting not to transact business not mentioned in notice.</b>                     |
| 85. | The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there   | <b>Chairman of General Meeting</b>   |



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|     | is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.  |  |
| 86. | No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.   | <b>Business confined to election of Chairman whilst chair is vacant.</b> |
| 87. | <p>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.</p> <p>No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>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.</p> <p>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.</p>   | <b>Chairman with consent may adjourn meeting.</b>                        |
| 88. | In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.  | <b>Chairman's casting vote.</b>  |
| 89. | Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.   | <b>In what case poll taken without adjournment.</b>                      |
| 90. | The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.  | <b>Demand for poll not to prevent transaction of other business.</b>     |
|     | <b>VOTES OF MEMBERS</b>   |  |
| 91. | No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.  | <b>Members in arrears not to vote.</b>                                   |
| 92. | Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section | <b>Number of votes each member entitled.</b>                             |



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|      | 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.   |   |
| 93.  | On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.  | <b>Casting of votes by a member entitled to more than one vote.</b> |
| 94.  | A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.  | <b>Vote of member of unsound mind and of minor</b>                  |
| 95.  | Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.  | <b>Postal Ballot</b>  |
| 96.  | A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.  | <b>E-Voting</b>   |
| 97.  | 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. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.<br><br>For this purpose, seniority shall be determined by the order in which the names stand in the register of members. | <b>Votes of joint members.</b>                                      |
| 98.  | Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles   | <b>Votes may be given by proxy or by representative</b>             |
| 99.  | A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.    | <b>Representation of a body corporate.</b>                          |
| 100. | A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.  | <b>Members paying money in advance.</b>                             |
|      | A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.  | <b>Members not prohibited if share not held for any specified</b>   |



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|             |   | <b>period.</b>   |
| <b>101.</b> | Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.  | <b>Votes in respect of shares of deceased or insolvent members.</b>        |
| <b>102.</b> | No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment. | <b>No votes by proxy on show of hands.</b>                                 |
| <b>103.</b> | The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized 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.   | <b>Appointment of a Proxy.</b>   |
| <b>104.</b> | An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.  | <b>Form of proxy.</b>  |
| <b>105.</b> | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.   | <b>Validity of votes given by proxy notwithstanding death of a member.</b> |
| <b>106.</b> | 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.  | <b>Time for objections to votes.</b>                                       |
| <b>107.</b> | Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.  | <b>Chairperson of the Meeting to be the judge of validity of any vote.</b> |
|             | <b>DIRECTORS</b>  |  |
| <b>108.</b> | Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than   | <b>Number of Directors</b>   |



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|             | fifteen directors after passing a special resolution  |  |
| <b>109.</b> | A Director of the Company shall not be bound to hold any Qualification Shares in the Company.   | <b>Qualification shares.</b>                       |
| <b>110.</b> | <p>Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p> | <b>Nominee Directors.</b>                          |
| <b>111.</b> | The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.   | <b>Appointment of alternate Director.</b>          |
| <b>112.</b> | Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.  | <b>Additional Director</b>                         |
| <b>113.</b> | Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.  | <b>Directors power to fill casual vacancies.</b>   |
| <b>114.</b> | Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.   | <b>Sitting Fees.</b>                               |
| <b>115.</b> | The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than   | <b>Travelling expenses Incurred by Director on</b> |



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|             | his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.  | <b>Company's business.</b>   |
|             | <b>PROCEEDING OF THE BOARD OF DIRECTORS</b>   |  |
| <b>116.</b> | (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.<br><br>(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.  | <b>Meetings of Directors.</b>  |
| <b>117.</b> | The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting.<br><br>Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.   | <b>Chairperson</b>   |
| <b>118.</b> | Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.  | <b>Questions at Board meeting how decided.</b>                               |
| <b>119.</b> | 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.  | <b>Continuing directors may act notwithstanding any vacancy in the Board</b> |
| <b>120.</b> | Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. | <b>Directors may appoint committee.</b>                                      |
| <b>121.</b> | The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.   | <b>Committee Meeting show to be governed.</b>                                |
| <b>122.</b> | A committee may elect a Chairperson of its meetings.<br><br>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.  | <b>Chairperson of Committee Meetings</b>                                     |
| <b>123.</b> | A committee may meet and adjourn as it thinks fit.  | <b>Meetings of the Committee</b>   |



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|      | 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.   |   |
| 124. | Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. | <b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b> |
|      | <b>RETIREMENT AND ROTATION OF DIRECTORS</b>  |   |
| 125. | Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.  | <b>Power to fill casual vacancy</b>   |
|      | <b>POWERS OF THE BOARD</b>   |   |
| 126. | The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.  | <b>Powers of the Board</b>  |





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| 7. | Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say  | <b>Certain powers of the Board</b>           |
|    | (1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.  | <b>To acquire any property , rights etc.</b> |
|    | (2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.   | <b>To take on Lease.</b>                     |
|    | (3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.                     | <b>To erect &amp; construct.</b>             |
|    | (4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged. | <b>To pay for property.</b>                  |
|    | (5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.  | <b>To insure properties of the Company.</b>  |
|    | (6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.   | <b>To open Bank accounts.</b>                |



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|             | (7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.   | <b>To secure contracts by way of mortgage.</b>       |
|             | (8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.   | <b>To accept surrender of shares.</b>                |
|             | (9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.   | <b>To appoint trustees for the Company.</b>          |
|             | (10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon. | <b>To conduct legal proceedings.</b>                 |
|             | (11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.   | <b>Bankruptcy &amp; Insolvency</b>                   |
| <b>128.</b> | To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.   | <b>To issue receipts &amp; give discharge.</b>       |
| <b>129.</b> | Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.                    | <b>To invest and deal with money of the Company.</b> |
| <b>130.</b> | To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;                                      | <b>To give Security byway of indemnity.</b>          |



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| 131. | To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.  | <b>To determine signing powers.</b>                        |
| 132. | To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.  | <b>Commission or share in profits.</b>                     |
| 133. | To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.   | <b>Bonus etc. to employees.</b>                            |
| 134. | To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper. | <b>Transfer to Reserve Funds.</b>                          |
| 135. | To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, laborers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.  | <b>To appoint and remove officers and other employees.</b> |
| 136. | At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under  | <b>To appoint Attorneys.</b>                               |



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|             | <p>these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.</p> |  |
| <b>137.</b> | <p>Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p>  | <b>To enter into contracts.</b>                        |
| <b>138.</b> | <p>From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.</p>  | <b>To make rules.</b>                                  |
| <b>139.</b> | <p>To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.</p>  | <b>To effect contracts etc.</b>                        |
| <b>140.</b> | <p>To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.</p>  | <b>To apply &amp; obtain concessions licenses etc.</b> |



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|             | <ul style="list-style-type: none"> <li>) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.</li> </ul>   | <b>To pay commissions or interest.</b>                  |
|             | <ul style="list-style-type: none"> <li>) To redeem preference shares.</li> </ul>  | <b>To redeem preference shares.</b>                     |
|             | <ul style="list-style-type: none"> <li>) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.</li> </ul>  | <b>To assist charitable or benevolent institutions.</b> |
|             | <ul style="list-style-type: none"> <li>) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.</li> <li>) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.</li> </ul>   |   |
| <b>141.</b> | <ul style="list-style-type: none"> <li>) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</li> </ul>   |   |
| <b>142.</b> | <p>(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <ul style="list-style-type: none"> <li>) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</li> <li>) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</li> <li>) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</li> <li>) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or</li> </ul> |   |



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|             | <p>immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <ul style="list-style-type: none"> <li>) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</li> <li>) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</li> <li>) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</li> </ul>  |   |
|             | <b>MANAGING AND WHOLE-TIME DIRECTORS</b>  |   |
| <b>143.</b> | <p>Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>  | <b>Powers to appoint Managing/Whole Time Directors.</b>               |
| <b>144.</b> | <p>The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.</p>   | <b>Remuneration of Managing or Whole Time Director.</b>               |
| <b>145.</b> | <p>Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers</p> | <b>Powers and duties of Managing Director or Whole-Time Director.</b> |



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|             | <p>referred to in these Articles.</p> <p>The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>                                     |  |
|             | <b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b>   |  |
| <b>146.</b> | <p>Subject to the provisions of the Act,—</p> <p>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;</p> <p>A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>A provision of the Act or these regulations requiring or authorizing 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.</p> | <b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b> |
|             | <b>THE SEAL</b>   |  |
| <b>147.</b> | <p>The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>   | <b>The seal, its custody and use.</b>  |
| <b>148.</b> | <p>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 authorized 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.</p>   | <b>Deeds how executed.</b>   |
|             | <b>Dividend and Reserves</b>  |  |
| <b>149.</b> | <p>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</p>   | <b>Division of profits.</b>  |



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|             | <p>amounts of the shares.</p> <p>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.</p> <p>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.</p>  |   |
| <b>150.</b> | <p>The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.</p>   | <b>The company in General Meeting may declare Dividends.</b>  |
| <b>151.</b> | <p>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, thinks fit.</p> <p>The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p> | <b>Transfer to reserves</b>   |
| <b>152.</b> | <p>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.</p>  | <b>Interim Dividend.</b><br>-   |
| <b>153.</b> | <p>The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.</p>  | <b>Debts may be deducted.</b>   |
| <b>154.</b> | <p>No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.</p>  | <b>Capital paid up in advance not to earn dividend.</b>   |
| <b>155.</b> | <p>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 dividends as from a particular date such share shall rank for dividend accordingly.</p>  | <b>Dividends in proportion to amount paid-up.</b>   |
| <b>156.</b> | <p>The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.</p>   | <b>Retention of dividends until completion of transfer under Articles.</b>  |
| <b>157.</b> | <p>No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.</p>  | <b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b> |





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| <b>158.</b> | A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.  | <b>Effect of transfer of shares.</b> |
| <b>159.</b> | Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.   | <b>Dividend to joint holders.</b>    |
| <b>160.</b> | 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.<br><br>Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.  | <b>Dividends how remitted.</b>       |
| <b>161.</b> | 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.  | <b>Notice of dividend.</b>           |
| <b>162.</b> | No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.  | <b>No interest on Dividends.</b>     |
|             | <b>CAPITALIZATION</b>   |                                      |
| <b>163.</b> | The Company in General Meeting may, upon the recommendation of the Board, resolve:<br><br>that it is desirable to capitalize 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<br><br>that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.<br><br>The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:<br><br>paying up any amounts for the time being unpaid on any shares held by such members respectively;<br><br>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; or<br><br>partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).<br><br>A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.<br><br>The Board shall give effect to the resolution passed by the Company in pursuance of this regulation. | <b>Capitalization.</b>               |



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| <p><b>164.</b></p> | <p>Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>generally to do all acts and things required to give effect thereto.</p> <p>The Board shall have full power -</p> <p>to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>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 capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>Any agreement made under such authority shall be effective and binding on all such members.</p> <p>That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p> | <p><b>Fractional Certificates.</b></p>                         |
| <p><b>165.</b></p> | <p>The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>  | <p><b>Inspection of Minutes Books of General Meetings.</b></p> |
| <p><b>166.</b></p> | <p>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.</p> <p>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.</p>   | <p><b>Inspection of Accounts</b></p>                           |
|                    | <p><b>FOREIGN REGISTER</b></p>  |  |
| <p><b>167.</b></p> | <p>The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.</p>   | <p><b>Foreign Register.</b></p>                                |



| <b>DOCUMENTS AND SERVICE OF NOTICES</b> |   |  |
|---|---|--|
| <b>168.</b>                             | Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.   | <b>Signing of documents &amp; notices to be served or given.</b> |
| <b>169.</b>                             | Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.   | <b>Authentication of documents and proceedings.</b>              |
| <b>WINDING UP</b>                       |   |  |
| <b>170.</b>                             | <p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(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.</p> <p>(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.</p> <p>(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.</p>  |  |
| <b>INDEMNITY</b>                        |   |  |
| <b>171.</b>                             | Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court. | <b>Directors' and others right to indemnity.</b>                 |
| <b>172.</b>                             | Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the  | <b>Not responsible for acts of others</b>                        |



|             |  |  |
|-------------|--|--|
|             | moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.  |  |
|             | <b>SECRECY</b>   |  |
| <b>173.</b> | Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained. | <b>Secrecy</b>                             |
|             | No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.   | <b>Access to property information etc.</b> |



## SECTION XI OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus, will be delivered to the ROC for registration/submission of the Red Herring Prospectus /Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 308, Creative Industrial Estate, Sundar Nagar Lane No. 2, Kalina, Santacruz (East), Mumbai- 400098, Maharashtra, India from date of filing the Prospectus with ROC on all Working Days until the Bid/Issue Closing Date. Copies of below Material Contracts and Documents are also available on the website of the company on [www.konstelec.com](http://www.konstelec.com).

#### A. MATERIAL CONTRACTS

1. Issue Agreement dated September 18, 2023 and Supplemental Issue Agreement dated January 19, 2024 executed between our Company and Book Running Lead Manager to the Issue.
2. Registrar and Transfer Agent Agreement dated September 18, 2023 executed between our Company and the Registrar to the Issue.
3. Market Making Agreement dated January 09, 2024, executed between our Company, Book Running Lead Manager and Market Maker to the Issue.
4. Banker to the Issue Agreement dated January 10, 2024, executed between our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
5. Underwriting Agreement dated January 09, 2024, executed between our Company, Book Running Lead Manager, and Underwriter.
6. Syndicate Agreement dated January 09, 2024 executed between our Company, Book Running Lead Manager and Syndicate Member
7. Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated July 10, 2023.
8. Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated June 30, 2023.
9. Service Agreement with Chairman cum Managing Director and Whole Time Directors dated June 30, 2023 for their terms of appointment.

#### B. MATERIAL DOCUMENTS

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Board Resolution dated August 25, 2023 and Special Resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the EoGM by the shareholders of our Company held on September 18, 2023.
3. Statement of Tax Benefits dated September 29, 2023 issued by our Statutory Auditors M/s. Shah P M And Associates, Chartered Accountants, Mumbai.
4. Copy of Restated Consolidated Financial Statement – Examined by M/s. Shaparia Mehta & Associates LLP, Chartered Accountants, Mumbai for the period ended September 30, 2023 and year ended March 31, 2023, 2022, 2021, dated January 08, 2024 included in the Prospectus.
5. Copy of Consolidated Audited Financial Statement for the period ended September 30, 2023 and year ended on March 31, 2023, 2022 and 2021.
6. Certificate from M/s. Shah P M And Associates, Chartered Accountants Mumbai dated January 12, 2024 regarding the source and deployment of funds towards the objects of the Issue.
7. Certificate from M/s. Shaparia Mehta & Associates LLP Chartered Accountants dated January 10, 2024 regarding the Key Performance indicators of the Company as disclosed in chapter Basis for Issue Price.
8. Search Report issued by K. C. SUTHAR & CO., Company Secretary dated September 30, 2023.
9. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, BRLM to the Issue, Registrar to the Issue, Banker to the Issue, Market Maker and Underwriter to the Issue to act in their respective capacities.



10. Due Diligence Certificate on Prospectus from Book Running Lead Manager dated January 24, 2024 addressing NSE & SEBI.
11. Copy of In-principle approval letter dated December 19, 2023 from the NSE.

Any of the contracts or documents mentioned in the 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, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

### SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

| Name and Designation  | Signature |
|---|-----------|
| Biharilal Ravilal Shah<br>Chairman cum Managing Director<br>DIN: 00337318 | Sd/-      |

**Date:** January 24, 2024

**Place:** Mumbai



### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                                  | <b>Signature</b> |
|--|------------------|
| Amish Biharilal Shah<br>Whole Time Director<br>DIN: 01415766 | Sd/              |

Date: January 24, 2024

Place: Mumbai





### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                                | <b>Signature</b> |
|--|------------------|
| Jigar Dhiresh Shah<br>Whole Time Director<br>DIN: 10082070 | Sd/              |

Date: January 24, 2024

Place: Mumbai



### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                                  | <b>Signature</b> |
|--|------------------|
| Manisha Abhay Lalan<br>Independent Director<br>DIN: 10259129 | Sd/              |

Date: January 24, 2024

Place: Mumbai



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

| Name and Designation  | Signature |
|---|-----------|
| Amita Sachin Karia<br>Independent Director<br>DIN: 07068393 | Sd/       |

Date: January 24, 2024

Place: Mumbai



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

| Name and Designation  | Signature |
|---|-----------|
| Ranjan Brij Mohan Mathur<br>Independent Director<br>DIN: 02842552 | Sd/       |

Date: January 24, 2024

Place: Mumbai



### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

#### **SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY:**

| <b>Name and Designation</b>                              | <b>Signature</b> |
|--|------------------|
| Shatabdi Salve<br>Company Secretary & Compliance Officer | Sd/              |

Date: January 24, 2024

Place: Mumbai



### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

#### **SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:**

| <b>Name and Designation</b>             | <b>Signature</b> |
|---|------------------|
| Molly Antony<br>Chief Financial Officer | Sd/              |

Date: January 24, 2024  
Place: Mumbai